

<https://gowers.wordpress.com/2016/11/29/time-for-elsexit/>

Timothy Gowers' blog, 29th November 2016

Time for Elsexit?

This post is principally addressed to academics in the UK, though some of it may apply to people in other countries too. The current deal that the universities have with Elsevier expires at the end of this year, and a new one has been negotiated between Elsevier and Jisc Collections, the body tasked with representing the UK universities. If you want, you can read [a thoroughly misleading statement about it](#) on Elsevier's website. On Jisc's website is [a brief news item](#) with a link to further details that tells you almost nothing and then contains a further link entitled "Read the full description here", which appears to be broken. On the page with that link can be found the statement

The ScienceDirect agreement provides access to around 1,850 full text scientific, technical and medical (STM) journals – managed by renowned editors, written by respected authors and read by researchers from around the globe – all available in one place: ScienceDirect. Elsevier's full text collection covers titles from the core scientific literature including high impact factor titles such as The Lancet, Cell and Tetrahedron.

Unless things have changed, this too is highly misleading, since up to now most Cell Press titles have *not* been part of the Big Deal but instead are part of a separate package. This point is worth stressing, since failure to appreciate it may cause some people to overestimate how much they rely on the Big Deal — in Cambridge at least, the Cell Press journals account for a significant percentage of our total downloads. (To be more precise, the top ten Elsevier journals accessed by Cambridge are, in order, Cell, Neuron, Current Biology, Molecular Cell, The Lancet, Developmental Cell, NeuroImage, Cell Stem Cell, Journal of Molecular Biology, and Earth and Planetary Science Letters. Of those, Cell, Neuron, Current Biology, Molecular Cell, Developmental Cell and Cell Stem Cell are Cell Press journals, and they account for over 10% of all our access to Elsevier journals.)

Jisc has also put up a Q&A, which can be found [here](#).

Roughly how much do universities currently pay for access to ScienceDirect?

Just to remind you, here is what a number of universities were paying annually for their Elsevier subscriptions during the current deal. To be precise, these are the figures for 2014, obtained using FOI requests: they are likely to be a little higher for 2016.

University	Cost	Enrolment	Academic Staff
Birmingham	£764,553	31,070	2355 + 440
Bristol	£808,840	19,220	2090 + 525

Cambridge	£1,161,571	19,945	4205 + 710
Cardiff	£720,533	30,000	2130 + 825
*Durham	£461,020	16,570	1250 + 305
**Edinburgh	£845,000	31,323	2945 + 540
*Exeter	£234,126	18,720	1270 + 290
Glasgow	£686,104	26,395	2000 + 650
Imperial College London	£1,340,213	16,000	3295 + 535
King's College London	£655,054	26,460	2920 + 1190
Leeds	£847,429	32,510	2470 + 655
Liverpool	£659,796	21,875	1835 + 530
§London School of Economics	£146,117	9,805	755 + 825
Manchester	£1,257,407	40,860	3810 + 745
Newcastle	£974,930	21,055	2010 + 495
Nottingham	£903,076	35,630	2805 + 585
Oxford	£990,775	25,595	5190 + 775
* ***Queen Mary U of London	£454,422	14,860	1495 + 565
Queen's U Belfast	£584,020	22,990	1375 + 170
Sheffield	£562,277	25,965	2300 + 460
Southampton	£766,616	24,135	2065 + 655
University College London	£1,381,380	25,525	4315 + 1185
Warwick	£631,851	27,440	1535 + 305
*York	£400,445	17,405	1205 + 285

*Joined the Russell Group two years ago.

**Information obtained by Sean Williams.

***Information obtained by Edward Hughes.

§LSE subscribes to a package of subject collections rather than to the full Freedom Collection.

These are figures for Russell Group universities: the total amount spent annually by all UK universities for access to ScienceDirect is around £40 million.

An important additional factor is that since the last deal was struck with Elsevier, we have had [the Finch Report](#), which has led to a policy of requiring publications in the UK to be open access. The big publishers (who lobbied hard when the report was being written) have responded by turning many of their journals into “hybrid” journals, that is, subscription journals where for an additional fee, usually in the region of £2000, you can pay to make your article freely readable to everybody. This has added significantly to the total bill. Cambridge, for example, has paid over £750,000 this year in article processing charges, from a grant provided for the purpose.

How were the negotiations conducted?

Jisc started preparing for these negotiations at least two years ago, for example going on fact-finding missions round the world to see what had happened in other countries. The

negotiations began in earnest in 2016, and Jisc started out with some core aims, some of which they described as red lines and some as important aims. (I know this from a briefing meeting I attended in Cambridge — I think that similar meetings took place at other universities.) Some of these were as follows.

1. No real-terms price increases.
2. An offsetting agreement for article processing charges.
3. No confidentiality clauses.
4. A move away from basing price on “historic spend”.
5. A three-year deal rather than a five-year deal.

Let me say a little about each of these.

No real-terms price increases

This seemed extraordinarily unambitious as a starting point for negotiations. The whole point of universities asking an organization like Jisc to negotiate on our behalf was supposed to be that they would be able to negotiate hard and that the threat of not coming to an agreement would be one that Elsevier would have to be genuinely worried about. Journal prices have gone up far more than inflation for decades, while the costs of dissemination have (or at the very least should have) gone down substantially. In addition, there are a number of subjects, mathematics and high-energy physics being two notable examples, where it is now common practice to claim priority for a result by posting a preprint, and in those subjects it is less and less common for people to look at the journal versions of articles because repositories such as arXiv are much more convenient, and the value that the publishers claim they add to articles is small to nonexistent. So Jisc should have been pressing for a substantial cut in prices: maintenance of the status quo is not appropriate when technology and reading habits are changing so rapidly.

Offsetting for APCs

An offsetting agreement means a deal where if somebody pays an article processing charge in order to make an article open access in an Elsevier journal, then that charge is subtracted from the Big Deal payment. There are arguments for and against this idea. The main argument for it is that it is a way of avoiding double dipping: the phenomenon where Elsevier effectively gets paid twice for the same article, since it rakes in the article processing charges but does not reduce the subscription cost of the Big Deal.

In its defence, Elsevier makes the following two points. First, it has [an explicit policy against double dipping](#). In answer to the obvious accusation that they are receiving a lot of APCs and we are seeing no corresponding drop in Big Deal prices, they point out that the total volume of articles they publish is going up. This highlights a huge problem with Big Deals: if universities could say that they did not want the extra content then it might be OK, but as it is, all Elsevier has to do to adhere to its policy is find enough worthless journals that nobody reads to equal the volume of articles for which APCs are paid.

But there is a second argument that carries more weight. It is that if one country has an offsetting agreement, then all other countries benefit (at least in theory) from lower subscription prices, so in total Elsevier has lost out. Or to put it another way, with an offsetting agreement, it basically becomes free for people in that country to publish an open access article with Elsevier, so they are effectively giving away that content.

Against this are two arguments: that if somebody has to lose out, why should it not be Elsevier, and that in any case it would be entirely consistent with a no-double-dipping policy for Elsevier not to reduce its Big Deal subscriptions for the other countries. In the longer term, if lots of countries had offsetting agreements, this might cease to be sustainable, since nobody would need subscriptions any more, but since most countries are not following the UK's lead in pursuing open access with article processing charges, this is unlikely to happen any time soon.

Personally, I am not in favour of an offsetting agreement if it works on a per-article basis, since that may lead to pressure from universities for their academics to publish with Elsevier rather than with publishers that do not have offsetting agreements: that is, it gives an artificial advantage to Elsevier journals. What I would like to see is a big drop in the subscription price to allow for the fact that we are now paying a lot of APC money to Elsevier. That way, if other journals are better, they will get used, and there will be some semblance of a market.

No confidentiality clauses

It goes without saying that confidentiality clauses are one of the most obnoxious features of Elsevier contracts. And now that FOI requests have been successful in obtaining information about what universities pay for their subscriptions, they also seem rather pointless. In any case, Jisc was strongly against them, as they certainly should have been.

Another remark is that if contracts are kept confidential, there is no way of assessing whether Elsevier is double dipping.

Historic spend

When we moved from looking at print copies of journals to looking at articles online, it suddenly ceased to be obvious on what basis we should be charged. Elsevier came up with the idea of not changing anything, so even if in practice with a big deal we get access to all the journals, nominally a university subscribes to a "Core Collection", which is based on what it used to have print subscriptions to (they are allowed to change what is in the Core Collection, but they cannot reduce its size), and then the rest goes under the Orwellian name of the Freedom Collection.

This system is manifestly unfair: for example, Cambridge, with its numerous college libraries, used to subscribe to several copies of certain journals and is now penalized for this. It also means that if a university starts to need journals less, there is no way for this to be reflected in the price it pays.

Jisc recognised the problem, and came up with a rather mealy-mouthed formula about "moving away from historic spend". Not abolishing the system and replacing it by a fairer one (which is hard to do as there will be losers as well as winners), but "moving away" from it in ways that they did not specify when we asked about it at the briefing meeting.

A three-year deal

At some point I was told (indirectly by Cambridge's then head librarian) that the idea was to go for a three-year deal, so that we would not be locked in for too long. This I was very pleased to hear, as a lot can change in three years.

And what was the result?

For reasons I've given in the previous section, even if Jisc had succeeded in its aims, I would have been disappointed by the deal. But as it was, something very strange happened. We had been told of considerable ill feeling, including cancelled meetings because the deals that Elsevier was offering were so insultingly bad, and then suddenly in late September we learned that a deal had been reached. And then when the deal was announced it was all smiles and talk of "landmark deals" and "value for money".

So how did Jisc do, by their own criteria? Well, it is conceivable that they will end up achieving their first aim of not having any real-terms price increases: this will depend on whether Brexit causes enough inflation to cancel out such money-terms price increases as there may or may not be — I leave it to you to guess which. (In the interests of balance, I should also point out that the substantial drop in the pound means that what Elsevier receives has, in their terms, gone down. That said, currency fluctuations are a fact of life and over the last few years they have benefited a lot from a weak euro.)

Jisc said that an offsetting agreement was not just an aspiration but a red line — a requirement of any deal they would be prepared to strike. However, there is no offsetting agreement.

Jisc also said that they would insist on transparency, but when Elsevier insisted on confidentiality clauses, they meekly accepted this. (Their reasoning: Elsevier was not prepared to reach a deal without these clauses. But why didn't an argument of exactly the same type apply to Jisc in the other direction?) It is for that reason that I have been a bit vague about prices above.

As far as historic spend is concerned, I see on the Jisc statement the following words: "The agreement includes the ability for the consortium to migrate from historical print spend and reallocate costs should we so wish." I have no information about whether any "migration" has started, but my guess would be that it hasn't, since if there were to be moves in that direction, then there would surely need to be difficult negotiations between the universities about how to divide up the total bill, and there has been no sign of any such negotiations taking place.

Finally, the deal is for five years and not for three years.

So Jisc has not won any clear victories and has had several clear defeats. Now if you were in that position more than three months before the end of the existing deal, what would you do? Perhaps you would follow the course suggested by a Jisc representative at one of the briefing meetings, who said the following.

We know from analysis of the experiences of other consortia that Elsevier really do want to reach an agreement this year. They really hate to go over into the next year ...

A number of colleagues from other consortia have said they wished they had held on longer ...

If we can hold firm even briefly into 2017 that should have quite a profound impact on what we can achieve in these negotiations.

Of course, all that is just common sense. But this sensible negotiating strategy was

mysteriously abandoned, on the grounds that it had become clear that the deal on offer was the best that Jisc was going to get. Again there is a curious lack of symmetry here: why didn't Jisc make it clear that a better deal (for Jisc) was the best that Elsevier was going to get? At the very least, why didn't Jisc at least try to extract further concessions from Elsevier by letting the negotiations continue until much closer to the expiry of the current deal?

Jisc defended itself by saying that their job was simply to obtain the best deal they could to put before the universities, but no university was obliged to sign up to the deal. This is not a wholly satisfactory response, since (i) the whole point of using Jisc rather than negotiating individually was to exploit the extra bargaining power that should come from acting in concert and (ii) Elsevier have made it clear that they will not offer a better deal to any institution that opts out of the Jisc-negotiated one. (This is one of many parallels with Brexit — in this case with the fact that the EU cannot be seen to be giving the UK a better deal than it had in the EU.)

A particularly irritating aspect of the situation was that I and some others had organized for an open letter to be sent to Jisc from many academics, urging them to bargain hard. We asked Jisc whether this would be helpful and they requested that we should delay sending it until after a particular meeting with Elsevier had taken place. And then the premature deal took us by surprise and the letter never got sent.

What is happening now?

Several universities have already accepted the deal, and the mood amongst heads of department in Cambridge appears to be that although it is not a good deal we do not have a realistic alternative to accepting it. This may be correct, but we appear to be rushing into a decision (in Cambridge it is due to be taken in a few days' time). We are talking about a lot of money: would it not be sensible to delay signing a contract until there has been a proper assessment of the consequences of rejecting a deal?

For Cambridge, I personally would be in favour of cancelling the Big Deal and subscribing individually to a selection of the most important journals, even if this ended up costing more than what we pay at the moment. The reason is that we would have taken back control (those parallels again). At the moment the market is completely dysfunctional, since the price we pay bears virtually no relationship to demand. But if departments were given budgets and told they could choose whether to spend them on journal subscriptions or to use the money for other purposes, then they would be able to do a proper cost-benefit analysis and act on it. Then as more and more papers became freely available online, costs would start to go down. And if other universities did the same (as some notable universities such as Harvard already have), then Elsevier might start having to lower the list prices of their journals.

If the deal is accepted, it should not be the end of the story. A large part of the reason that Elsevier and the other large publishers walk all over Jisc in these negotiations is that we lack a credible Plan B. (For mathematics there is one — just cancel the deal and read papers on the arXiv, as we do already — but many other subjects have not reached this stage.) We need to think about this, so that in future negotiations any threat to cancel the deal is itself credible. We also need to think about whether Jisc is the right body to be negotiating on our behalf, given what has happened this time. What I am hearing from many people, even those who think we should accept the deal, is full agreement that it is a bad one. Even if we accept it, the very least we can do is make clear that we are not happy with what we are accepting. It may not be very polite to those at Jisc who worked hard on our behalf, but we have paid a heavy

price for politeness.

If Elsevier will not give us a proper market, we can at least create mini-markets ourselves within universities: why not charge more from faculties that rely on ScienceDirect more heavily? Such is the culture of secrecy that I am not even allowed to tell you how the cost is shared out in Cambridge, but it does not appear to be based on need.

I am often asked why I focus on Elsevier, but the truth is that I no longer do: Springer, Wiley, and Taylor and Francis are in many ways just as bad, and in some respects are even worse. (For example, while Elsevier now makes mathematics papers over four years old freely available, Springer has consistently refused to make any such move.) I am very reluctant to submit papers to any of these publishers — for example, now that [the London Mathematical Society has switched from OUP to Wiley](#) I will not be sending papers to their journals. It will be depressing if we have to wait another five years to improve the situation with Elsevier, but in the meantime there are smaller, but still pretty big, Big Deals coming up with the other members of the big four. Because they are smaller, perhaps we are less reliant on their journals, and perhaps that would allow us to drive harder bargains.

In any case, if you are unhappy with the way things are, please make your feelings known. Part of the problem is that the people who negotiate on our behalf are, quite reasonably, afraid of the reaction they would get if we lost access to important journals. It's just a pity that they are not also afraid of the reaction if the deal they strike is significantly more expensive than it need have been. (We are in a classic game-theoretic situation where there is a wide range of prices at which it is worth it for Elsevier to provide the deal and not worth it for a university to cancel it, and Elsevier is very good at pushing the price to the top of this range.) Pressure should also be put on librarians to get organized with a proper Plan B so that we can survive for a reasonable length of time without Big Deal subscriptions. Just as with nuclear weapons, it is not necessary for such a Plan B ever to be put to use, but it needs to exist and be credible so that any threat to walk away from negotiations will be taken seriously.