

Textbook Tempest: Students and Professors Decry Price Surges

Allyn Jackson

The past couple of years have seen enormous controversy over rising prices for college textbooks. In 2005 the state Public Interest Research Groups (PIRGs) issued an updated version of their scathing 2004 report *Ripoff 101*, which accused textbook publishers of gouging students with high prices and of trying to undercut the used-textbook market. Later in 2005 the Government Accountability Office (GAO) issued a report, prepared at the request of Congress, on why college textbook prices had risen so much. Though far more sober in tone than the PIRG document, the GAO report did not calm the waters, and a plethora of articles and opinion pieces continued to appear in the media. Mathematics faculty have entered this fray with a petition, signed by 550 mathematics professors, calling on the publisher of a best-selling calculus textbook to change its pricing and revision policies. Just how this turmoil will shake out is not yet clear, but some mathematics departments are taking matters into their own hands and negotiating reduced prices for the textbooks they assign.

The Bottom Line: Have Prices Increased?

Have college textbook prices increased? In 2004 Congress asked the GAO to investigate this question and in case prices were found to have increased, to analyze the reasons. In response, the GAO issued in late July 2005 the report *College Textbooks: Enhanced Offerings Appear to Drive Recent Price Increases*. The GAO obtained data from the Bureau of Labor Statistics (BLS) and the Department

of Education and also conducted interviews with a large number of individuals knowledgeable about textbook publishing and sales, including publishing executives, textbook wholesalers, and representatives of companies operating college textbook stores. The GAO report provides an overview of the college textbook publishing industry and analyzes the factors that influence textbook pricing. The GAO circulated a draft of the report to various groups and included in the final version responses from the National Association of College Stores and from the Association of American Publishers (AAP).

The main finding of the GAO report is that, yes, textbook prices have gone up—a lot. Between 1986 and 2004 college textbook prices rose 186%; by contrast, the Consumer Price Index (CPI), a general measure of inflation calculated by the BLS, rose about 72% in that period. This finding is based on a special data series, prepared by the BLS, on historic prices of college textbooks. In its response to the draft report, the AAP objected to some of the BLS methodology used to produce the data and contended that the BLS had greatly exaggerated the price increases. The GAO responded that while the BLS data has some limitations—and these are clearly spelled out in the report—it remains the most reliable and complete source of statistics available on college textbook prices.

Another way of looking at the question of textbook cost is to ask, How much do students typically pay per year for textbooks? The state PIRGs examined this question in their 2004 report, *Ripoff 101: How the Current Practices of the Textbook*

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Industry Drive Up the Cost of College Textbooks (an updated version of the report was issued in February 2005). The report contains results of a survey, conducted in the fall of 2003 by the California PIRG, of 521 University of California students. This survey found that students on UC campuses would spend an average of US\$900 per year on textbooks for the 2003–2004 academic year. To provide historical perspective, the report cites a UC Office of the President study estimating that, in the 1996–1997 academic year, UC students spent an average of US\$642 on textbooks. These two figures imply that the amount UC students spent on textbooks rose about 40% from 1996 to 2003. By contrast, the CPI rose about 17% in that period.

At least four other groups have tried to estimate what students typically pay per year for textbooks, and most have come up with approximately the same figure as that reported by PIRG. First, using Department of Education data, the GAO estimated that a first-time, full-time student at a four-year public institution paid an average of US\$898 for “books and supplies” during the 2003–2004 academic year. Second, the College Board put this figure at US\$894 for the 2005–2006 academic year. Third, a report prepared in 2003 by the staff of Senator Charles Schumer (D-NY) found that freshman and sophomore college students in New York State spent an average of US\$922 on textbooks. By contrast, a fourth estimate, by the AAP, puts the figure much lower. In its letter in response to the GAO report, the AAP performed its own calculation, based on overall college textbook sales and the number of college students nationwide, to conclude that students spend an average of US\$576 per year on textbooks. The AAP’s letter also attacked the GAO’s estimates based on the Department of Education data, noting that the data lumps together “books and supplies” with no clear definition of what constitutes “supplies”.

How hard do textbook costs hit students? For those who pay US\$30,000 a year in tuition, a US\$150 textbook is not likely to register on the radar screen of college costs. But for many other students, especially those at two-year colleges, textbooks constitute a large proportion of college expenses. The GAO report estimates that the cost of books and supplies for students at private four-year colleges is just 8% of the cost of tuition and fees, while at two-year colleges—where the concentration of low-income students is higher—the analogous figure is 72%.

And what about *mathematics* textbooks? Judging by commentaries in news articles and on the Internet, many mathematics faculty have the impression that the textbooks they assign, particularly in lower-level courses, have risen substantially in price in recent years. However, confirming this

impression with data is difficult. The GAO report does not break down the textbook price data according to subject, so it is impossible to tell whether prices of mathematics textbooks have followed the trend for textbooks overall. In response to an inquiry about whether the BLS could produce data specific to college mathematics textbooks, Mike Reese, a BLS commodities specialist for textbooks, said that BLS data cannot be used to estimate textbook price changes in a specific academic subject.

Data on prices of mathematics textbooks does exist, but behind considerable cost barriers, as the data is typically in the hands of marketing research firms, such as Monument Information Resource (MIR). Based in Princeton, New Jersey, MIR collects information about textbooks used in over 1,800 courses in fifty disciplines and is the college textbook industry’s main source for marketing data. In response to a request from this reporter for historical data on the prices of calculus textbooks, MIR offered just three years of data at a cost of US\$3,500. In fact, it would be possible through a meticulous search of booksellers’ and publishers’ websites to gather three years of price data for free on the Internet. However, three years is too short a time frame to provide perspective on price changes.

Reasons for the Increases

Why have college textbook prices gone up so much? The main reason seems to be that textbooks today are far more elaborate than in the past and often come with extensive ancillary materials. According to the GAO report, publishers say that they have made substantial investments to develop CD-ROMs, software, and websites to support faculty instruction and improve student learning. It has become a common practice to “bundle” additional items—CD-ROMs, Web passwords, workbooks—together with textbooks. The PIRG report derides these additional items as “bells and whistles” that provide little value to professors and students. PIRG surveyed 156 college and university professors in California and Oregon, and 65% of them said they use these additional materials rarely or never. On the other hand, publishing representatives told the GAO that they develop these supplementary materials in response to demand from faculty. One reason given for the demand is that college and university faculty increasingly rely on part-time or adjunct instructors who need more support materials to carry out their teaching than do regular faculty. Publishers also told the GAO that they develop student supplements to aid the many students who now arrive at college with inadequate backgrounds.

Opinions about the usefulness of the textbook supplements are likely to vary greatly and to depend

on students' preferences, instructors' teaching styles, the needs of the discipline, the type of institution, and a host of other factors that are difficult to quantify. According to the GAO report, publishers have gotten the message that not all the supplements they produce are wanted or needed, and they have become more flexible in their offerings of bundled materials.

One point of contention much emphasized in the PIRG report is the publishers' practice of charging much lower prices for textbooks sold overseas. As an example, the PIRG report noted that *Calculus: Early Transcendentals*, written by James Stewart and published by Thomson Learning, cost about US\$132 in 2003, while in Britain the cost was less than half that amount: £33, the equivalent of about US\$62. Students have found that since textbook prices are often significantly lower overseas, it makes sense to purchase the books from foreign online bookstores and have them reimported to the United States. Publishers have defended this differential pricing by noting that they must set prices that are appropriate for the markets in which the books will be sold. Unlike in the U.S., in many countries college textbooks are not required, so students might decide not to buy the books at all if the prices are too high.

But more than bundling and differential pricing, what seems to irk students and professors is the short revision cycle for textbooks. Many believe that publishers speed up the revision cycle in order to undercut the used-textbook market. As the GAO report notes, "New textbook sales are highest in the first year an edition is available, with sales declining as the supply of used books becomes greater." Professors usually must assign the newest edition of a textbook, since assigning an out-of-print edition can make it difficult for all students to obtain copies. The GAO report says that ten years ago college textbooks were typically revised every four to five years, compared to every three to four years today.

It is certainly not uncommon for lower-level mathematics textbooks to be revised often. For example, John Wiley publishes a popular calculus textbook by Howard Anton et al. The book first came out in 1980; it was revised regularly every three or four years, with the eighth edition appearing in 2005 (list price US\$151). *Calculus with Analytic Geometry* by Ron Larson et al., published by Houghton-Mifflin, first came out in 1979 and appeared in its eighth edition in 2006 (list price US\$156). The top-selling college calculus textbook is most likely Stewart's *Calculus: Early Transcendentals*. This book had its first edition in 1987 and has been revised on a regular four-year schedule since then (list price US\$157 for the fifth edition, published in 2003). (The information on editions is from the Library of Congress online

catalog; the prices are from the publishers' websites.)

The frequency of textbook revisions have exasperated many. Newspapers delighted in carrying the following quotation of Representative David Wu (D-OR), one of the members of Congress requesting the GAO report: "Calculus hasn't changed much since Isaac Newton. Do we really need a new edition every few years?" The September 2005 issue of the *Notices* carried a letter to the editor from Thomas M. Liggett, undergraduate vice chair in the mathematics department at the University of California, Los Angeles. This letter objected to the appearance of the seventh edition of a textbook that the department had used for years. "We have no problem with books that go into second or third editions because of the desire to correct errors, improve presentation, or change topics covered, based on the experience of users of the original version," Liggett wrote. "But if the author can't get it right by the third edition, he/she should give up. The decision to publish a new edition should be based on pedagogy, not money." The department passed a resolution that, if a textbook it was using went into an edition beyond the third with no significant pedagogical improvement, the department would immediately begin to look for a replacement.

Publishers told the GAO that the revision cycle of textbooks is driven by professors' demand for the most up-to-date material and for new technology applications. The GAO report mentions a survey of over one thousand college professors that was commissioned by the AAP and carried out by Zogby International [6]. Eighty percent of the faculty polled for this survey said it is important that the content of the textbooks they assign be as current as possible. (It should be noted that, judging by a table listing the twenty-eight academic departments of the 1,000 survey respondents, one infers that no mathematics professors were included in the survey.) As a specific example of the kind of development that necessitates textbook revision, one publisher cited to the GAO "a teaching approach from the 1980s that has regained popularity in calculus." Indeed, the past twenty years have seen extensive discussions within the mathematical community about how best to teach calculus, and these discussions have led to a plethora of textbooks reflecting new teaching methodologies.

Going to the Grassroots

In early 2004 Bernard Russo, chair of the mathematics department at the University of California, Irvine, led a petition drive seeking changes from the publisher Thomson Learning in its pricing and revision policies for Stewart's *Calculus: Early Transcendentals*. In particular, the petition called on Thomson not to revise the current edition, which is the fifth edition, "until there has been significantly

new content in the field of calculus, applications of calculus, and/or the teaching of calculus that would justify an update." It also called for sales materials and sales representatives to disclose the full prices of textbooks and supplementary materials and the amount of time the current editions will be on the market. Within weeks, around 550 mathematics faculty across the nation had signed the petition, which was sent in a letter dated April 6, 2004, to the chief executive officer of Thomson Learning.

Around this time, the UCLA mathematics department negotiated an agreement with Thomson Learning to charge UCLA students US\$20 less for three of Stewart's calculus textbooks that are published by Thomson. Not long thereafter, mathematics departments at several other universities followed suit and were able to negotiate similar price reductions. In a January 2005 email message to the petition signatories, Russo reported that the UC Irvine mathematics department negotiated price reductions for delivery of the Stewart calculus textbook in various formats, including on a CD-ROM and as a loose-leaf textbook. "Several faculty involved in these different negotiations have related that those developments would not have been possible without the efforts of students and faculty last year to bring attention to this problem and therefore create a more favorable negotiating environment," he wrote.

Integral to these efforts has been the extensive work done by students through the state PIRGs, which held press conferences, arranged meetings with publishing representatives, and created a website (<http://www.maketextbooksaffordable.com>). In 2005 a group of physics faculty launched their own petition, which addressed a widely used physics textbook also published by Thomson Learning. Eventually the mathematicians and physicists banded together to produce a joint call to action addressing both the mathematics and physics textbooks published by Thomson. This joint petition was signed by over 700 faculty at 150 institutions around the nation.

The fever pitch of media attention that followed the appearance of the PIRG and GAO reports moderated a bit in 2006, but the issue of college textbook prices was still very much on the front burner for many students and faculty. David Rosenfeld, program director for the student PIRGs, said he knows of several institutions where departments in various academic subjects have negotiated their own price deals with textbook publishers. He noted that the spread of this practice seems to provide evidence that textbook prices are "grossly inflated". As he put it, "Sales reps seem perfectly empowered to make deep price cuts in their books from just a few squeaky wheels." Legislation aimed at easing the burden of high college textbook prices is pending

in at least five states, he noted, and several major universities have launched task forces to study ways to lower textbook costs. The appearance of "low-frills" publishers and free online textbooks have also added to the pressures on traditional textbook publishers to lower their prices. Rosenfeld predicted that the combination of these factors means the situation "has the potential to create a tipping point in the market."

With its 2004 report, PIRG set in motion a campaign to lower textbook prices that has gained national momentum and is clearly having an effect. Some of the campaign's rhetoric became extreme, portraying publishers as evil entities intent on squeezing as many dollars as possible out of struggling students. But the campaign highlighted legitimate concerns of students and faculty and forced publishers to recognize that they had a serious problem with their consumer base for college textbooks. Change is surely on its way. As retired publishing executive Edwin Beschler put it in a 1999 letter to the editor of the *Notices*, "If the educational establishment wishes to change the rules of the game, it will follow as the night the day that publishers will adapt."

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