Providence College

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Rising Textbook Costs: Meeting the Challenge

Hailie D. Posey, Providence College
James Campbell, Providence College
Andria Tieman, Providence College

Available at: https://works.bepress.com/hailie_posey/9/
Rising Textbook Costs: Meeting the Challenge

James Campbell, Assistant Professor of Economics
Andria Tieman, Commons Librarian for Digital Research & Education
Hailie Posey, Commons Librarian and Coordinator of Digital Publishing Services

Providence College Center for Teaching Excellence, 1 November 2016
<table>
<thead>
<tr>
<th>Direct Charges</th>
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<th>Undergraduate Commuter</th>
<th>School of Continuing Education</th>
<th>Graduate Studies</th>
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<td>900</td>
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<td>Living Expenses</td>
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<td>10,500</td>
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“Estimating your costs” from Providence College Financial Aid
The textbook market is one-sided and broken:

1. In a normal market, suppliers compete with one another to sell the most goods.

2. Consumers choose what they want to buy from a selection based on price and quality.

Normal Market vs Textbook Market

1. In the textbook market, publishers can charge whatever they want.

2. Professors choose the textbooks for a course.

3. Students have no power of choice.

“The College Textbook Shakedown” by Online Education is licensed under CC BY NC ND
Student behaviors around textbooks

- 2014 study by U.S. PIRG found that 65% of students surveyed have **skipped buying** one or more required textbooks due to cost.
- 78% of those who didn’t buy the book believed it could harm their grade.
- Florida students survey: 35% reported taking fewer courses and 14% said they had dropped a course due to the cost of textbooks.
- 2015 study by U.S. PIRG found that replacing an expensive textbook with an open textbook saves students $128 per course.
Open Educational Resources

Open educational resources, or OERs, are teaching, learning, and research resources released under an open license that permits their free use and repurposing by others.

OERs can be textbooks, full courses, lesson plans, videos, tests, software, or any other tool, material, or technique that supports access to knowledge.
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Image by Cable Green, Director of Open Education at Creative Commons, licensed under CC BY
RI Open Textbook Initiative

On September 27th 2016, Governor Gina Raimondo announced a statewide Open Textbook Initiative during a press conference at Rhode Island College (RIC).

The initiative challenged Rhode Island’s higher education institutions to reduce college costs by saving students $5 million over five years using open licensed textbooks. Seven higher education institutions have pledged to support the Governor’s challenge by working with faculty to identify open licensed textbooks that would fit their classes.

“My job as Governor is creating opportunity in our state, and that means ensuring Rhode Islanders can compete for high-paying jobs, said Raimondo. “Roughly 70% of the jobs we’ll create in years to come will require some college education, but less than 45% of Rhode Islanders have any type of college degree. The Rhode Island Open Textbook Initiative is an important step towards making college more accessible and affordable, and I challenge all of our higher education institutions to join our partners in this work.”

The Rhode Island Office of Innovation will coordinate the Open Textbook Initiative in partnership with RIC’s Adams Library. The following commitments were announced today:
Locating Open Textbooks
http://providence.libguides.com/OER
On The Line

How Schooling, Housing, and Civil Rights Shaped Hartford and its Suburbs

Jack Dougherty and contributors

Making visible the hidden boundaries that divide the Hartford region, and the civil rights struggles to cross over, redraw, or erase these lines.

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Open Educational Resources

Material types include:
- Open courses
- Syllabi
- Units of study
- Assessments
- Video lectures
- Images and illustrations
- Primary sources
- And more

![Image of OER Commons logo]

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**Open courses**

**Syllabi**

**Units of study**

**Assessments**

**Video lectures**

**Images and illustrations**

**Primary sources**

**And more**

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**African-American Literature**

**Tags (6)**
- African American
- American Literature
- General Education
- Harlem Renaissance
- MCO Arts and Humanities
- Storytelling

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**ENGL 411: African-American Literature**

**Course Syllabus for ENGL 411: African-American Literature**

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**Rating:**

![Rating icons: 5 stars](image)

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**Abstract:**

This course considers the impact of storytelling and spirituals on the literary production of African American authors from the Colonial period to the current day, examining the cultural, historical, and political contexts of the literature, as well as how the issues of gender, race, and class affect the production and meaning of these works. Upon successful completion of this course, the student will be able to: identify the cultural influences and the development of African American literature; analyze the evolution of African American literature from an oral to a literary tradition; define the functions of African American literature from its inception in the period of slavery to the contemporary period; identify the major authors and/or literary works in the various literary periods and movements (Reconstruction to the New Negro Renaissance Movement; Harlem Renaissance; Realism, Naturalism, and modernism; Black Arts; and the Contemporary Period). This free course may be completed online at any time. (English Literature 411)
Challenges

“Hourglass” image courtesy of Flickr user Chris Zúñiga licensed under CC BY NC
Opportunities

“Blossom”
image via Flickr user Gillie Roads
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The Library can help!
Library supports for OER integration

- Syllabus analysis for OER opportunities
- Locating relevant open textbooks or OER
- Better integration of library materials (reference, journals, streaming media, primary sources)
- Locating open web materials
- Digital literacy (training for you, or for students)
- Publication infrastructure in place for distribution of OER
- Help connect you with other OER users in your discipline (Twitter, SPARC OER listserv, etc.)
Open Educational Resources

The worldwide OER movement is rooted in the human right to access high-quality education. The Open Education Movement is not just about cost savings and easy access to openly licensed content; it's about participation and co-creation.

What are Open Educational Resources (OER)?

OERs are educational materials that are specifically designed by their creators to be openly available, and are often licensed to be re-used, re-mixed, and re-distributed. Open is not just about low cost (though that is an important benefit of using OER) but about the ability to take what others have created, customize it for your specific educational needs, and then share your creation with others.

OERs can come in a variety of forms:

- Primary sources - Images, video, and sound recordings. Some sources are in the public domain, while others have been licensed as open by their creators. In addition, many texts that are in the public domain are available online/electronically.
- Learning content - created content that ranges from individual lectures, animations, and assessments to complete courses and textbooks.

Why OERs?

The open resource movement has been around for a while, starting with static learning objects (about 2000), and transitioning to OERs that allowed for revision and reuse. It is the ever increasing cost of textbooks and materials for students that is now pushing the OER movement forward. Textbooks and learning materials cost students approximately $1,100 per year. According to the Chronicle of Higher Education, 7 in 10 students didn't purchase a textbook because it was too expensive. Through OERs the cost of student materials can be drastically reduced. OERs also give instructors the ability to customize the materials, creating the "perfect" textbook instead of being bound to traditional print resources.
The economics of the cost of information

- In 2014 Elsevier’s research publishing division earned a profit margin of 37% on revenues of $3 billion
- For-profit publishers price based on **demand**
- So we do not see the benefits of falling **costs**
- And beneficial **externalities** in the value of information are not accounted for
- The gap between for-profit and not-for-profit journal prices has gotten **bigger** since the spread of internet technology
- The profits are earned on the back of
  - 1. The “labor of love”: **unpaid professional labor** by academics
  - 2. **Smothering social spillovers** in the pursuit of knowledge
  - 3. **Injustice** and unequal access to information
The economist who’s made bank from a single book: Harvard University Economist Gregory Mankiw was raked over the coals by The Oregonian last year for the high cost of his tome Principles of Economics, an introductory book that sells on Amazon for $333.35 and can be rented on Chegg for $49.99. The absurdity of Mankiw’s book, which exemplifies many of the economic disparities covered in the book, was further highlighted by writer Richard Read’s story. When asked if he’d ever write an open-source textbook, Mankiw had this to say: “Let me fix that for you: Would you keep doing your job if you stopped being paid? Why or why not?”

A fair point—until you realize that Mankiw has, by some estimates, made $42 million in royalties from this book alone.

Quote from Ernie Smith at Atlas Obscura, 8/29/16

"I don't care who writes a nation's laws, or crafts its treaties, if I can write its economics textbooks."
Paul Samuelson

Cost of Mankiw text for my three sections of ECN101: **almost $30,000**

Of my 81 students:

- 30 bought the hard copy of the OpenStax book for **$33.50**
- 51 paid **$0** for the PDF
FIGURE 5
Profit as the Area between Price and Average Total Cost

The area of the shaded box between price and average total cost represents the firm’s profit. The height of this box is price minus average total cost ($P - ATC$), and the width of the box is the quantity of output ($Q$). In panel (a), price is above average total cost, so the firm has positive profit. In panel (b), price is less than average total cost, so the firm incurs a loss.

Panel (c) illustrates the concept of breakeven analysis. The breakeven point is where the total revenue equals the total cost, and the profit is zero.

Figure 8.5 Price and Average Cost at the Raspberry Farm

In (a), price intersects marginal cost above the average cost curve. Since price is greater than average cost, the firm is making a profit. In (b), price intersects marginal cost at the minimum point of the average cost curve. Since price is equal to average cost, the firm is breaking even. In (c), price intersects marginal cost below the average cost curve. Since price is less than average cost, the firm is making a loss.

First consider a situation where the price is equal to $5 for a pack of frozen raspberries. The rule for a profit-maximizing perfectly competitive firm is to produce the level of output where Price = MR = MC, so the raspberry farmer will produce a quantity of 90, which is labeled as $Q_1$ in Figure 8.5 (a). Remember that the area of a rectangle is equal to its base multiplied by its height. The farm’s total revenue at this price will be shown by the large shaded rectangle from the origin over to a quantity of 90 packs (the base) up to point $E'$ (the height), over to the price of $5,$ and back to the origin. The average cost of producing 90 packs is shown by point C or about $3.50. Total costs will be the quantity of 90 times the average cost of $3.50, which is shown by the area of the rectangle from the origin to a quantity of 90, up to point $C$, over to the vertical axis and down to the origin. It should be clear from examining the two rectangles that total revenue is greater than total cost. Thus, profits will be the blue shaded rectangle on top.
The current OpenStax lineup
## Community Resources

Find community-submitted resources for your Principles of Microeconomics book, or share your own.

## OpenStax Instructor Resources

Access these free resources with your verified instructor account.

<table>
<thead>
<tr>
<th>Resource Name</th>
<th>Status</th>
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<tr>
<td>Instructor Getting Started Guide</td>
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<td>Test Bank</td>
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<td>Instructor Answer and Solution Guide</td>
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The aerSelect platform allows faculty to create custom low-cost print and digital versions of an OpenStax textbook and offer it through their campus bookstore. Please allow time to register for a verified faculty account on the aerSelect website before creating your custom book.
My half-semester takeaways from OER

- Students (unsurprisingly) **unanimously approve** the OER approach
- I trust that **every student** has the textbook
- PDF format makes it **easy to incorporate** parts of the text into class notes
- The book is **less bloated** than a 7th edition of the industry standard
- The team-written content is more **ideologically balanced** than I’m used to
- Resources are **just a normal website** instead of behind proprietary tech
“Affordable” doesn’t have to mean “free”
Thank you!

Hailie Posey, Digital Publishing Services
hposey@providence.edu
@hailieposey

Andria Tieman, Research & Education
atieman@providence.edu

James Campbell, Assistant Professor of Economics
jcambb10@providence.edu
@jamesdcamp