Non Profit Suppliers of Higher Education: Corollaries

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The American Association for the Advancement of Science billed Harvard University $26,675 for a one year subscription to its weekly publication Science (Lambert, 2015). For an individual subscriber the cost of the print version is $99 and for the digital version $50. The Harvard bill could pay for 269 print versions to personal subscribers. The incremental cost per issue for the printed version is not much above the mailing cost. For the Internet version the incremental cost is close to zero. This magazine contains brief articles on topics from many sciences. It seems safe to conclude there is hardly a single reader of an issue cover to cover except perhaps as penance or owing to the loss of a wager. It would be difficult if not impossible to find similar discrepancies between price and marginal cost in the commercial economy. Even patrons at a Taylor Swift concert do not pay more relative to the marginal cost of their seat than Harvard does for its subscription to Science.

The AAAS does not incur any of the costs of doing scientific research. Its service to science is publication of some science results that its editors and their advisers deem worthy of publication. The cost of this service, it hardly needs mention, is much lower than the cost of obtaining the results it does publish.

Expenditures on these publications by non profit institutions of higher learning are part of broader outlays on libraries for use primarily by students and faculty. These institutions have other long lived assets complementary to the services of their faculty and administrators. The problem in general is the criteria they use to decide the nature and size of these assets because the profit motive is absent by definition in these non profit institutions. This is not to say that commercial enterprises that seek profit are paragons of efficiency. However, they are subject to pressures from representatives of their owners, the shareholders, and from their competitors. Consequently, flagrant waste
cannot persist although it would not be difficult to give examples of corporations popular with investors that have yet to emerge from decades of red ink.

Wiser heads among the scientists may be relied on to find solutions to these publishing problems that seem to elude administrators of the institutions of higher learning. The problem is to convey reliable scientific results rapidly to the interested parties by means of the Internet. While it is true that publishers of hard copy in the shape of books, journals, newspapers are not flourishing, even those who want hard copy versions of up-to-date science can do so easily and cheaply thanks to the computer, printer, the Internet and E-mail.