The global financial crisis has led to budget reductions at the large research libraries maintained by the U.S. universities. This report provides a selective overview of the impact of the crisis on research library collections, including examples of immediate term responses as well as several major trends that have intensified in the current economic context.

Keywords: United States; research libraries; collection development; scholarly communication; financial crisis

1 Introduction

The global financial crisis has forced significant changes on colleges and universities in the United States and the libraries that serve them. Academic programs have been threatened, downsized, or cut outright; jobs have been lost and retiring staff not replaced. Library collections, under pressure for many years by inflation in academic publishing, have been eroded by budget reductions. What follows is a broad overview of the situation faced over approximately the past 12 months by the libraries of the major research universities in the United States, focusing in particular on library collections and the provision of content. The report focuses on the largest of the 125 member institutions of the Association of Research Libraries (ARL), and draws in part on reports presented by members of the Chief Collection Development Officers (CCDO) at Large Research Libraries Interest Group, which is made up of the 40 top-ranked libraries listed in the ARL annual statistical report. Many of these are the large state universities, e.g., the University of Wisconsin, Ohio State University, the University of California (Berkeley, Los Angeles), but several private research universities are also represented in the CCDO group, such as the University of Chicago, Stanford University, and the large “Ivy League” institutions: Harvard, Yale, Cornell, etc.

These libraries and their collections have much in common, but even among these libraries of comparable sizes and missions, the relative heterogeneity of the U.S. higher education system means that funds come from different state and private sources and are handled differently at different institutions. Consequently, the impact of the financial crisis has been somewhat different at each of these peer libraries. Some states were hit harder by the financial crisis than others and library budgets at the various public universities reflect this disparity. Both public and private university libraries rely in part on endowment funds to build their collections. These are funds that are privately donated to the institution and invested; the interest on the investment supports various academic endeavors, including library collections. The size of endowments and the degree to which library collections depend on these funds varies dramatically among institutions. Ironically, library budgets at the best-endowed universities have taken some of the hardest hits as investments have fallen in value. Harvard College Library at Harvard University, which holds the largest endowment among U.S. universities, has sustained dramatic budget reductions over the past two years, while New York University, a private institution with a relatively small endowment, reports new increases in the library acquisitions budget of 7% per year in 2009 and 2010. At some universities, the library budget is closely tied to student fees and tuition. For instance, the


libraries at Texas A&M University, a public institution, have been protected by the fact that most of their support comes from student fees rather than state funds\(^4\).

Many U.S. research libraries have followed their parent universities in offering their staff incentives for early retirement as major part of the response to the financial crisis, and in many cases the vacated positions have not been filled. This means that services have been reduced or that remaining library staff have had to add new duties to their existing workloads. Libraries have sought ways to increase efficiency of their operations, to “do more with less”, but changes have necessarily been sudden and have not left time for extensive strategic decision-making about library priorities. Thus, the full impact of budget cuts on library operations and workflows may not be known until organizations have adjusted and regrouped.

Most U.S. academic research library systems operate multiple unit libraries with collections and services focused on particular academic fields. On many campuses, the budget crisis has led to closures and consolidations of unit libraries. Units serving fields in which much of the current literature is published in electronic form have been most vulnerable to closure. The University of Iowa Libraries closed branch libraries for Psychology, Geosciences, Physics, and Mathematics in late 2009 and 2010, integrating their collections into other libraries at the University. At Cornell University, the Physical Sciences Library, one of 20 unit libraries, closed at the end of 2009, and Cornell’s Engineering Library will close in 2011. The collections are being dispersed to other Cornell unit libraries and the online presence of these collections, as well as the outreach activities of the library’s subject experts in these fields, are being enhanced.

Collections in the large research libraries have been affected to varying degrees, and in some cases severely, by the budget crisis. In “normal times”, research libraries expect their parent universities to deliver increases to the library materials budget (i.e., the funds that support the acquisition of materials for the collection), to keep pace with inflation in subscription and publishing costs. Even a “flat” budget (i.e., no increase and no reduction) means decreased buying power for the library, since it does not account for publishers’ price increases. As the crisis hit over the past two fiscal years, university and library administrations at some institutions have exempted the library materials budget from cuts, taking reductions instead from the library’s operating budget; at other institutions, collections were reduced along with other library services. The University of Iowa Libraries, for example, sheltered the acquisitions budget for the 2009-10 academic year and, in fact, increased it by 5 %, absorbing cuts in the library’s personnel and operating budgets. Similarly, Duke University Libraries reported no reduction to the materials budget for 2009-10 and a 5.5 % increase for 2010-11. The operating budget for the University of Illinois at Urbana-Champaign Libraries was cut by 6.5 % in 2010-11, but the materials budget was exempted. On the other hand, the University of Wisconsin-Madison reported a 2.5 % cut to the library materials budget for the 2009-10 academic year and the University of Virginia Library saw a 6 % reduction in funds allocated from the state and an 11 % decrease in endowment funds. Materials funds at University of Chicago Library were reduced in 2009-10 and held at the reduced level in 2010-11.\(^5\)

My own institution is an unusual hybrid: Cornell University is comprised of nine privately-endowed colleges and four colleges supported by New York State (the College of Agriculture and Life Sciences, the College of Human Ecology, the School of Industrial and Labor Relations, and the College of Veterinary Medicine). A single administration oversees Cornell’s library system, but the unit libraries within it are also affiliated with the respective colleges and funding for library collections is divided between New York State and private sources. At Cornell, the materials budget was reduced for the first time ever in the 2009-10 academic year. Library endowment payouts were cut 15 % and the University-allocated funds were reduced by 5.3 % for the endowed colleges. This amounted to an overall 7.1 % cut to the materials budget for the private side of the library. The State side of the library experienced somewhat deeper reductions\(^6\). For the current 2010-11 academic year, the library’s overall budget allocation was further reduced by 4.1 % for the endowed colleges, but this cut was not taken from the collections budget. The payout on the endowments that support the collections was reduced by 13.7 %, however, which amounted to a 2.6 % overall cut to library acquisitions at Cornell this year.

Research libraries have responded to two years of materials budget malaise in familiar ways: by dropping subscriptions and buying fewer books and other materials. Some libraries have received one-time discretionary funds from their university administrations – sometimes at the insistence of members of the faculty – to cover the year’s losses. But these are tactical, rather than strategic responses. Long-term solutions to the problems facing academic library collections are embedded in discussion and debate around the future of the university, continuing volatility in information technologies, and major shifts in scholarly communications. To a large extent, the economic situation has reinforced and accelerated trends that were already in progress. Universities and their libraries have taken to heart the maxim attributed to Rahm Emanuel, President Obama’s former White House chief of staff, that one must “never let a serious crisis go to waste”. I identify several such trends below, illustrated with examples from current developments in library collections and content provision.

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\(^{4}\) Research Libraries Interest Group. This and the reports of other member libraries are to be posted at <http://connect.ala.org>.

\(^{5}\) All figures in the preceding paragraph are taken from the unpublished CCDO reports of the respective institutions from January and June 2010.

2 Streamlining and Specialization

If the ideal of the traditional university is to represent the totality of academic knowledge in its departments and programs, this ideal image has been challenged in much recent discussion among university administrators and in public forums. Under discussion is the elevation of particular, already prominent programs at individual universities and the deemphasis or elimination of others, reducing "redundancy" among institutions. The idea was given a stark and high-profile formulation in a wide-ranging 2009 opinion piece in the New York Times, entitled “End the University as We Know It”, by Mark Taylor, a professor of religion at Columbia University. “All institutions do not need to do all things”, Taylor writes, “let one college have a strong department in French, for example, and the other a strong department in German.”

At Cornell, like at most U.S. academic libraries, we allocate funds from the materials budget by academic subject; the funds are managed by specialists in those fields, who select materials for the library collection. As we were faced with budget reductions over the past two fiscal years, we reduced the budgets for the individual subject areas more or less evenly. But the University’s strategic planning process, in response to the financial crisis, is still underway, and streamlining and specialization in academic programs is part of the discussion. If strategic planning results in the deemphasis of some academic programs and significant growth for others, library support would follow these priorities. Similar processes are ongoing at most other research institutions.

3 Collaborative Approaches to Library Collection Building

For at least the past 25 years, there has been much discussion in U.S research libraries of coordinating collection development activities among different institutions, of building a distributed, multi-library “national collection”. Despite good intentions, successes in this regard have been few and mostly small-scale and short-lived. Competition among U.S. universities has been a major factor in discouraging coordination. There is reason to believe, however, that the current budget pressures have cleared the obstacles to large-scale collaboration for some institutions. The title of a session at the 2010 American Library Association (ALA) Annual Meeting indicates the change in mood: “Cooperative Collection Development: We Really Mean It This Time.”

In October 2009, the libraries at Columbia University in New York City and Cornell University, 350 kilometers away in Ithaca, New York, announced the formation of a “deep and lasting” partnership intended to achieve the “permanent selective integration” of the two library systems. The partnership, which is still in the planning stages, will include partial integration of technical services functions (acquisitions, cataloging, electronic resource management), collaboration on technology infrastructure and digital preservation, and coordination in some areas of collection development. The planning phase is supported by a grant from The Andrew W. Mellon Foundation. Columbia and Cornell have recently concluded a resource-sharing agreement to support Slavic and East European collection development at both universities. One librarian now has responsibility for building collections in that broad field for both universities; duplication of new materials between the institutions will be limited, allowing significantly broader cumulative coverage, and materials will be liberally shared. In a similar vein, the University of California, Berkeley (which is part of California’s excellent public university system) is exploring shared collection development with the private Stanford University.

Major, multi-institutional initiatives are also underway to investigate the potential of shared print collections housed in common repositories and the prospect of strategically eliminating duplicate print materials between libraries. In 2009 and 2010, the Mellon Foundation funded a feasibility study involving New York University (NYU) Library, the ReCAP repository (the shared remote storage facility for print library materials from Columbia University, Princeton University, and the New York Public Library), the digital repository HathiTrust, and OCLC. The “cloud library” study examined whether delivery of materials stored in ReCAP, together with online access to books scanned in large-scale digitization initiatives, could effectively replace overlapping holdings at the NYU Library. The study found that these sources alone would not meet the needs of NYU faculty and students. Instead, the study recommended a nation-wide coordination of major print repository collections, coupled with a large-scale digital repository managed by the HathiTrust and overseen by multiple research libraries. Such an approach, the cloud library study found, could allow libraries to strategically withdraw duplicate print book from their local collections.

In the western United States, a consortium of research libraries is working to establish a distributed print repository

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7 Taylor, Mark C.: End the University as We Know It. Opinion. New York Times (26 April 2009).
11 From UC Berkeley’s June 2010 unpublished CCDO report.
at the regional level. The organizers of the Western Regional Storage Trust (WEST) initiative emphasize that the “collaborative regional approach to managing print archives is envisioned within the context of other national or network-level efforts”. A nine-month planning phase, likewise supported Mellon Foundation, was completed in June 2010

4 E-books and Patron-driven Acquisitions

Libraries have been purchasing electronic books in some quantity for several years and there has been much discussion about the future impact of e-books on library collections. The past year or two, however, have seen significant increases in the quantity of e-book content available for purchase and what seem to be the beginnings of a qualitative shift in the role of e-books in library collections. Several of the 2010 reports of the CCDO group cited major new arrangements for the acquisition of electronic book content. Multiple CCDO libraries reported establishing new licenses with Ebrary and other e-book vendors. The Arizona State University Libraries announced a new, centralized book approval plan for the four campuses they serve that privileges e-books over print. While most research libraries are delivering e-book content via web browsers, the libraries at Duke University and North Carolina State University are experimenting with lending Kindle e-book readers to patrons.

Closely related to the issue of e-books in library collections is the growing trend toward “patron-driven” book acquisition. There are multiple variants of patron-driven plans, but typically, records for e-book titles are loaded in a library’s catalog before the titles are purchased; only when a library patron accesses the e-book does the library buy the content and “acquire” the e-book. Such arrangements between libraries and e-book vendors have existed for several years, but the plans have recently become significantly more widespread and more sophisticated. In 2009, an exchange on the Liblicense listserv between the head of collections at North Carolina State University and a consultant for the Liblicense listserv between the head of collections at the University of Texas launched further debate about the suitability of patron-driven plans for building research collections. The University of Texas relies on patron-driven, rather than traditional, “speculative” acquisition, for a considerable percentage of new book purchases: “Buying books on spec in the traditional manner is simply too risky a behavior for our library to unthinkingly continue doing in this type of economy.”

5 Assessment and Accountability

Academic libraries have felt an increasing need over the past decade to quantify and demonstrate their worth, which can no longer be regarded as self-evident, to university administrations. The current economic climate has only intensified this trend. A special issue of Research Library Issues, a publication of the Association of College and Research Libraries (ACRL), was devoted to assessing “Value in Libraries” in 2010. Multiple libraries in the CCDO group reported undertaking comprehensive, usage-based evaluations of their collections in 2010.

6 Scholarly Communications – A Focus on Sustainability

Over the past decade, research libraries have taken the lead in developing and supporting alternative channels of scholarly communication, focusing on open access to scholarship. Many of these initiatives were begun with foundation funding and the question of long-term maintenance was all-too-frequently postponed. The current economic context has reinforced the need for scholarly communications alternatives, and also forced a sober look at the sustainability of these services over time. Below are a few major developments from the 2009-10 academic year:

Five U.S. institutions (Cornell University, Dartmouth College, Harvard University, Massachusetts Institute of Technology, and the University of California, Berkeley) established a Compact for Open-Access Publishing Equity (COPE), committing each institution to “underwriting reasonable publication charges for articles written by its faculty and published in fee-based open-access journals and for which other institutions would not be expected to provide funds”. Six additional institutions have since signed on.


16 Dillon, Dennis: Re: Usage-based pricing (was ebooks in libraries a thorny problem). 15 Apr 2010. Post on liblicense18@lists.yale.edu. Archived at <http://www.library.yale.edu/~license/ListArchives/1004/msg00051.html>. See also a Special Issue on Patron-Driven Acquisitions: Current Successes and Future Directions. Collection Management 35.3/4 (2010).


18 See for example Cornell’s “Report of the Collection Development Executive Committee Task Force on Print Collection Usage.”
The large-scale, open access pre-print server, arXiv.org, which serves the domains of physics, mathematics, computer science, quantitative biology, and statistics, has been hosted by Cornell University Library since 2001. The arXiv, which has an annual budget of $400,000, has always been free for readers and submitters, but in 2010, the Library established a collaborative business model that seeks voluntary annual contributions from institutions world-wide that are the heaviest users of the service. More than twenty-five institutions have committed their support to date19.

The U.S. university press system, an essential, university-operated publishing channel for scholarship in the humanities and social sciences, has been under increasing budgetary pressure for many years. The current financial crisis has further eroded the position of the university presses, even resulting in the closure of some smaller presses in 2009 and 201020. At the University of Michigan, the university press came under control of the university library in 2009, a move intended to alleviate some of the market pressures on the press and to accelerate its move toward electronic publishing21. In December 2009, an Associate University Librarian for Publishing was hired to lead all publishing operations, including both the University of Michigan Press and the library’s institutional repository22.

The multi-campus University of California (UC) system has long been a leader in innovative approaches to library content provision and the dissemination of scholarship. California has been one of the states hit hardest by the economic crisis, however, and the UC system has taken major blows. In September 2009, Dan Greenstein, vice provost for academic planning and programs at the University of California and former director of the California Digital Library, addressed the future of academic libraries at a meeting on Sustainable Scholarship, held at Baruch College in New York and sponsored by the Ithaka organization23. The meeting took place at a low point in the current economic crisis and Greenstein’s talk was expressly situated in that context. Greenstein predicted a future of smaller libraries and increased outsourcing of traditional library services, but he also forecast an expansion of new information services where libraries could stake a claim. Greenstein sees potential for library innovation around “research data services”, “strategic communication” services, media services tailored to the needs of local faculty, and “‘alternative’ publishing services” that are developing locally, on a micro-scale, out of academic departments or connected with the work of individual scholars. The library can move into this space, Greenstein emphasized, or it can hesitate and cede the ground to other players.

The global financial crisis revealed that many lingering, traditional assumptions about the functions and purposes of research libraries are coming to a close. There are reports that the country and its universities are beginning to emerge from the crisis. If that is the case, it is now time to face the questions raised over the past several months and to think strategically about how research libraries might best serve the needs of scholarship and teaching in the present and future.
