# Accounting, finance and the bundling of education

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I was curious to know what had been written about the concept of "bundling" in higher education. ChatGPT enthusiastically offered up some excellent-sounding sources before sheepishly confessing to having hallucinated them. In consolation, it did send me down a path that had me reading several excellent articles by Ryan Craig.

In "What Seafood Towers Tell Us About College Majors", Craig suggests that "durable skills is the first tier in the major tower. The second tier is job readiness: preparing students for work post-college."

Craig then categorizes majors: True towers are "majors like computer science, engineering, pharmacy, and nursing deliver both durable skills and job readiness."

Tier 1 Only majors comprise "liberal arts, humanities, and many social sciences." I would quibble here. Just because philosophy offers incredible thinking skills does not mean that a philosophy graduate emerges with such skills.

For Tier 2 Only, "accounting and finance are the best examples." I think this is unfair to both majors, but in different directions. I've never worked in professional accounting, but I was in finance for about ten years. Finance encompasses ideas that have merited Nobel Prizes (or at least Nobel-ish prizes) and that relate to diversification, risk, and market efficiency. These are durable ideas, for sure. Understanding these will stand the test of time.

What about accounting? While in principle, there are deep ideas about the measurement of value and attribution of costs that could be learnt and have enduring value, accounting education has largely devolved to rote learning of accounting standards applied to generic business situations. Students will learn about a current standard without a sense of its history, its rationale, or its problems. (See my observations on accounting education.)

So not Tier 1, then?

Well, not Tier 2 either. There are many employers competing for supposedly too-small classes of accounting graduates. Yet starting salaries remain rather abysmal, suggesting that students aren't getting those "job readiness" Tier 2 skills either. (Here I am applying the durable idea that competitive markets should drive wages close to marginal productivity.)

Craig does offer the category of "Bottom Feeder" ("majors that don't provide either tier"). Snippets from this section of his article seem to resonate: "is anyone really passionate about these majors at the age of 18?"; "unmotivated students somehow landing in these"; "selective colleges tend not to offer them"; and "colleges offering them really don't know what the jobs entail" (ouch).