

growth of the world's population, arguably the most serious problem with roots in biology. In the event, the finance ministers appear to have heard out the president politely; they even issued a mildly approving statement. But there will be no concerted move in that direction.

Nor can there be. As Tolstoloi might have put it, during economic growth, industrialized economies are much alike, but in recession they go separate ways, looking out for their own interests. On this occasion, for example, both Germany and Japan are more worried by the damage that would be done by inflation than by recession (the growing unemployment in eastern Germany notwithstanding), and are well within their rights to be so. But even if the finance ministers had done what the president had asked, the threat of a further deepening of the recession would not have vanished.

The theory is impeccable: if interest rates fall, people are more likely to borrow money to found new enterprises, so increasing employment and the output of goods and services. That is what happens when things are going well, so that interest rates are valuable economic regulators at times of growth. But when economies are shrinking, people are not tempted to invest in new enterprises by marginal reductions of the real interest rate (nominal interest rate minus the inflation rate), which now vary from 3 to 6 per cent a year in different countries; instead, they are more concerned that an investment that is unwise, perhaps because the market for what it will produce has disappeared, is a recipe for losing everything. The same people are still smarting from the ample illustrations during the recent unwinding of the 1980s boom of how apparently solid assets — investments in commercial banks, for example — can vanish into thin air.

So how, and when, will President Bush's wish be granted? The usual statement — by a return of "confidence" — is tautologous. The real question is that of what conditions must be satisfied before confidence returns. The passage of time, or forgetfulness, will help, but who can wait that long? In contrast with the early 1930s, the US administration has this time set its face against the protection of its domestic market; exporting to marginally more buoyant economies is a useful safety valve, but not a solution of every recessionary economy's problems. President Bush might more usefully have asked at the week-end whether a further deliberate liberalization of world trade would accomplish the trick he hopes for. That, and the encouragement of technical innovation, are the only remedies in sight. □

## Shakespeare's school

There is yet another chance to reform British education, in which Shakespeare is only one component.

PRINCE Charles, the British Queen's heir, who delivered this year's Shakespeare Birthday lecture last week, regrets that the Bank of England has decided that Shakespeare's portrait will not always appear on the face of its £20 banknotes. The regret, no doubt, would have been well received by an audience of shakespeareans, but Prince Charles did not tell it that

Shakespeare is to be replaced by Michael Faraday, another English genius. Would that have made a difference?

Most probably, not. The first part of the prince's address was a splendid evocation of Shakespeare, the second a comment on the state of British public education which has been widely regarded as politically controversial (but which is hardly so). The two themes were linked by the argument that Shakespeare's unique insight into the human condition was, by good fortune, written in English, for which reason English-speaking people and the British in particular have a unique component of their cultural heritage to cherish, to cultivate — and to teach in the schools. There is nothing controversial in that, or in the prince's assertion that culture should be a crucial part of general education. So much must be generally agreed.

What is most wrong with British school education outside Scotland (which has more liberal arrangements) is that it is not general education at all, but for many students an inadequate preparation for a life of specialism. It is commonplace that young people with an interest in science are required to commit themselves for, or perhaps against, when they are younger than sixteen; changing course later is difficult, often impossible. But the system is also hag-ridden by examinations, among which the dominant are the examinations (called A-levels) in which success is required for entry to universities and higher education. Only in the past few years has this system been broadened by the introduction (in this academic year) of less demanding courses that universities and polytechnics will accept. But even now, many students will be encouraged by their schools to stick with the traditional pattern, while the educational system is only now waking up to the need that courses in higher education should last for four years, not three. (The latest voice in support of that was a report from the Advisory Council on Science and Technology published earlier this week.) Can anybody wonder that the recruitment of young people into science and technology remains a British headache?

Both Prince Charles's proper interest and that of science and technology would be met if some British government (why not the present government?) were radically to transform and rationalize the system by requiring that there should be no one-to-one link between schools and higher education. Then schools could provide general educations and examinations that were proofs of competence. Universities and polytechnics might have to devise other ways of fitting would-be students to the courses they offer, or switch to open access as others do. But there are two obstacles. One is the peculiarly British conceit that it is feasible to measure attainment so accurately that a young person's educational destiny can be accurately foretold (which rather defeats the objectives of education).

The other, clear from Prince Charles's speech last week, is the contrast between culture and other kinds of intellectual work, in which the former is preferred. Although the Bank of England's decision to replace Shakespeare by Faraday has been compelled the need to redesign all banknotes to be the same size, the switch may help dispel the entrenched conceit. □