

REALIZING THE ECONOMIC ADVANTAGES OF A MULTILINGUAL WORKFORCE

Dr. Patrícia Gandára and Sylvia Acevedo*
June 2016

In the 21st century, language will be as important to business as technology was in the last century. For the last twenty years, the growth of “emerging markets”—markets from smaller or less developed non-English speaking countries—has surpassed the size of the United States market. In 1990, emerging markets accounted for less than a third of a much smaller total.¹ According to the International Monetary Fund (IMF), 2013 was the first year in which emerging markets accounted for more than half of the world’s gross domestic product (GDP) on the basis of purchasing power.

This transformation of the global economy has enabled countries and businesses to provide American consumers with products and services in English without leaving their home country, thus bypassing the American workforce. The loss of these jobs to bilingual workers outside of the U.S. has made an impact on many industries—from call centers to accounting services, and even medical radiography. Ironically, as a nation of immigrants, the American workforce should be a source of unparalleled linguistic resources. Unlike the multinational bilingual workers who can compete for jobs in their home country and in the United States, Americans who speak only English are left to compete for mostly local jobs. Consequently, many American workers miss out on global business opportunities because they are competing against an increasingly skilled global workforce that is both multilingual and fluent in English.

Global business leaders understand that to grow their businesses across the world, they must provide sales and services in the native language of their consumers. According to a 2007 study by California State University at Chico, 65 percent of multinational enterprises believe localization is either important or very important for achieving higher company revenues. Developing a workforce that can sell to and service customers in their home country and in the United States has been a proven way to grow a nation’s GDP. The U.S. market—the largest in the world—and its mostly English-only workforce has created opportunities that global businesses and other nations have used to their advantage. Savvy business people across the globe realize that their ability to communicate both in their native language and English is a definite competitive asset. To build on that advantage, developing countries educate their students in English to better leverage business opportunities in the U.S. As Michael Schutzler of Forbes *Insights* wrote in 2011:

¹ “When Giants Slow Down.” *The Economist*. July 27, 2013

“... As English usage proliferates worldwide, it’s becoming less of a differentiator or advantage. In fact, it’s making ‘bilingual’ the new prerequisite. Imagine a world in which everyone speaks English. You just graduated with an accounting degree. Congratulations. Prepare to compete with accounting graduates fluent in at least two languages. Given equal technical qualifications, who do you think will get the job? The same argument holds for a 20-year seasoned business executive. Do you really think your experience is enough? Brazil, Russia, India, China—and a host of European, Latin American, and Asian nations—are producing expert executives with outstanding resumes and multilingual fluency.”

21ST CENTURY GLOBAL ECONOMICS

Though the United States is the largest market in the world, the workforce largely speaks only English. And this is not by accident. U.S. schools have increasingly turned away from educating students in more than one language.² The result is that immigrant languages are lost at a more rapid rate today than in the past.³ Relatively few students in the U.S. have access to bilingual or dual-language programs, despite the ever-growing demand.⁴ Even when schools provide some kind of bilingual program for English learners (students who already have a head start on bilingualism), the majority of schools see the native language only as a bridge to English, not as a subject in its own right. Once students have a command of the English language that is sufficient to survive in an English-only classroom, most programs for English learners “transition” students and the native language fades into the background, possibly lost entirely by subsequent generations. As Secretary of Education John King recently noted:

“We have a growing body of research that makes clear that students who are bilingual have advantages, not only in their literacy development, but in the development of problem-solving skills and other areas of cognition. What we see now is that bilingualism is a gift that we can give to our students and to our communities. And that is a powerful shift in our historical perspective on bilingualism... We know that our competitiveness as a country depends, in part, on advancing

² Zehler, A. Fleishman, H., Hopstock, P., Stephenson, T., Pendzick, M., & Sapru, S. (2003). Descriptive Study of Services to LEP Students and LEP Students with Disabilities. Washington DC: Development Associates. http://www.ncela.us/files/rcd/BE021195/policy_report.pdf

³ Rumbaut, R.G. (2009). A language graveyard? The evolution of language competencies, preferences and use among young adult children of immigrants. In T.G. Wiley, J. Sook Lee, & R. Rumberger (eds). *The Education of Language Minority Immigrants in the United States*. pp. 35-71. Bristol, UK: Multilingual Matters.

⁴ Garcia, A. (2015). What the rising popularity in Dual Language Programs could mean for Dual Language Learners. Retrieved April 13, 2016 from <http://www.edcentral.org/duallanguageexpansion/>.

that goal. A recent survey of California employers showed that a majority of employers, across all sectors, small business, large business, want and prefer bilingual employees. We know that our international competitors often do a significantly better job of preparing bilingual students. And so, we've got work to do as a country to ensure that we embrace bi-literacy and multi-literacy."⁵

While globalization and immigration have brought monumental change to nearly every community in America, this change provides the U.S. with a unique opportunity. In a nation that ranks 12th in the world in percentage of immigrants out of the total population,⁶ there exists a "largely untapped reservoir of linguistic competence in this country, namely heritage language speakers—the millions of indigenous, immigrant, and refugee individuals who are proficient in English and also have skills in other languages that were developed at home, in schools, in their countries of origin, or in language programs provided by their communities in the United States."^{7 8}

THE POTENTIAL SUPPLY SIDE

More than 60 million people in the United States speak a language other than English at home.⁹ One in five students nationwide comes from a home in which another language is spoken.¹⁰ This percentage is expected to grow to 25% in the next few years.¹¹ Yet, even with this linguistic wealth, Americans are famous for their monolingualism. The realization that what should be a great competitive advantage for Americans—a workforce that is multilingual—is turned into a disadvantage because of education policies that ignore or discourage the development of second languages.

⁵ King, J. (2016). "The Importance of Bilingual Education," delivered at the California Association for Bilingual Education Annual Conference, San Francisco, CA. Retrieved from <http://www.ed.gov/news/speeches/importance-bilingual-education>.

⁶ Ozimek, A. (2012). Is the U.S. the most immigrant friendly country in the world? Retrieved April 13, 2016 from <http://www.forbes.com/sites/modeledbehavior/2012/11/18/is-the-u-s-the-most-immigrant-friendly-country-in-the-world/#56b7f44f1bad>.

⁷ Brecht, R.D. and Ingold, C.W. (2002). Tapping a National Resource: Heritage Languages in the United States.

⁸ Peyton, J. K., Ranard, D.A., & McGinnis, S. (Eds). (2001). Heritage languages in America: Preserving a national resource. Washington, DC & McHenry, IL: Center for Applied Linguistics & Delta Systems.

⁹ Ryan, C. (2013). Language use in the United States: American community survey reports (Vol. ACS-22). Washington, DC: U.S. Census Bureau.

¹⁰ Nwosu, C., Batalova, J., & Auclair, G. (2014). Frequently requested statistics on immigrants and immigration in the United States. Washington DC: Migration Policy Institute. <http://www.migrationpolicy.org/article/frequently-requested-statistics-immigrants-and-immigration-united-states-2>

¹¹ National Education Association (NEA) Policy Brief. (2008). English Language Learners Face Unique Challenges. Retrieved from [http://www.nea.org/assets/docs/HE/ELL_Policy_Brief_Fall_08_\(2\).pdf](http://www.nea.org/assets/docs/HE/ELL_Policy_Brief_Fall_08_(2).pdf).

Fortunately, Utah is pioneering a statewide language education policy that should be considered a model for the nation as it sets the goal of providing dual-language education for every student. As Alan Hall of Forbes magazine writes:

“A third of the state’s workforce is bilingual, according to the Economic Development Corporation of Utah. This is largely a result of the state’s large population of LDS, many of whom spend time as missionaries overseas. Utah’s language ability is an attractive benefit for companies in an increasingly global economy, and has helped lure large U.S. companies with international operations such as eBay, Goldman Sachs, Oracle and Procter & Gamble. Goldman Sachs’ Salt Lake City office is its second biggest in the Americas, with more than 1,400 employees. Utah has doubled its international trade over the past five years and this year [2013] it is up nearly 40%.”¹²

Recently published research shows that employers prefer bilingual applicants.¹³ Across all sectors of the economy, businesses overwhelmingly prefer to hire multilingual employees. While not all employers offer additional compensation for these language skills, the sooner a young person enters the labor force, the sooner he or she is accruing experience and seniority and working their way up the pay ladder. Additional research shows that among the millennial generation, multilingual employees are earning more on average. For example, Rubén Rumbaut studied over 6,000 children of immigrants, of varying ethnicities and language backgrounds, from the time they were in high school through their 20’s.¹⁴ All were from the greater Southern California area, arguably the most linguistically diverse area of its size in the country. He compared individuals who had maintained their native language and were what he characterized “balanced bilinguals” (literate in both languages) with those who had lost the native language either partially or fully and were not biliterate. He controlled for socio-economic background, prior schooling, and a variety of factors known to influence schooling outcomes. Rumbaut found that balanced bilinguals were less likely to drop out of high school, more likely to have higher occupational status, and actually earned more in the labor market than those who had lost their home language either partially or fully. This was true across language groups. In fact, he found a linear relationship between the degree of biliteracy (balanced bilingualism) and the amount of money earned, with balanced bilinguals earning most, partial bilinguals less, and non-bilinguals least of

¹² Hall, A. (2013). Forbes Magazine. Why Utah is Forbes best state for business. Retrieved from <http://www.forbes.com/sites/alanhall/2013/01/05/why-utah-is-forbes-best-state-for-business-and-10-tips-to-help-you-gain-these-advantages-too/#4e82069e3786>.

¹³ Porras, D., Ee, J., & Gándara, P. (2014). Surveying the linguistic landscape: Bilingualism and employment opportunities. In R. Callahan & P. Gándara (Eds.), *The bilingual advantage: Language, literacy, and the labor market* (pp. 234–257). Bristol, England: Multilingual Matters.

¹⁴ Rumbaut, R. G. (2014). English plus: Exploring the socioeconomic benefits of bilingualism in Southern California. In R. M. Callahan & P. C. Gándara (Eds.), *The bilingual advantage: Language, literacy, and the labor market* (pp. 182–205). Bristol, England: Multilingual Matters.

all. As an additional benefit, biliteracy lowers high-school dropout rates, with all the attendant benefits to the individual of more schooling.

Lucrecia Santibañez and Estela Zárate used the U.S. Department of Education national data set (Educational Longitudinal Survey, 2002) to track students from 10th grade through high school graduation and the beginning of college or other postsecondary situation.¹⁵ They studied children of immigrants, comparing those exposed to a non-English home language who achieved biliteracy (“high-use bilinguals”) against those with weaker bilingualism/biliteracy, and those who were English only. Their sample looked at Chinese-speaking and Spanish-speaking students, and like Rumbaut, Santibañez and Zárate controlled for variables that contribute to schooling outcomes. They found that all the high-use, or balanced bilinguals (biliterates), went to college at higher rates than those who had weaker bilingual skills or none at all. Moreover, they found that among Spanish speakers, those biliterates were more likely to go to a 4-year college rather than a 2-year college. (Perhaps this finding held only for Spanish speakers because Chinese-American students are much more likely to go to 4-year colleges.) Given that Latino students have the lowest college completion rate of any subgroup—in large part because they overwhelmingly attend 2-year colleges—these findings are of enormous importance. Of course, college graduates earn considerably more than those individuals who only graduate from high school, so their bilingualism contributes indirectly to much higher earnings.¹⁶

Orhan Agirdag looked at the issue from another direction by posing this question: *Is there an earnings penalty to losing one’s primary language?*¹⁷ Using another U.S. Department of Education national dataset (Educational Longitudinal Study, 1988/2000) and the Children of Immigrants Longitudinal Study (CILS 1991/2003), which contained approximately 2,000 students of varying language backgrounds from Miami and Los Angeles, Agirdag asked whether there were differences in earnings between balanced bilinguals and those children of immigrants who had “assimilated” such that they were no longer strong bilinguals or biliterates. Agirdag found that those children of immigrants who had lost their primary language skills suffered an annual earnings penalty of between \$2,000 and \$3,200. Later, Agirdag did the same analysis with newer U.S. Department of Education data, the ELS 2002

¹⁵ Santibañez, L., & Zárate, M. E. (2014). Bilinguals in the U.S. and college enrollment. In R. M. Callahan & P. C. Gándara (Eds.), *The bilingual advantage: Language, literacy, and the labor market* (pp. 211–233). Bristol, England: Multilingual Matters.

¹⁶ Baum, S., Ma, J., & Payea, K. (2013). *Education pays 2013: The benefits of higher education for individuals and society*. New York, NY: The College Board.

¹⁷ Agirdag, O. (2014). The literal cost of language assimilation for the children of immigration: The effects of bilingualism on labor market outcomes. In R. M. Callahan & P. C. Gándara (Eds.), *The bilingual advantage, language, literacy, and the U.S. labor market* (pp.160–181). Bristol, England: Multilingual Matters.

(the same data used by Santibañez and Zárata) and found that the wage penalty was even greater for this newer generation—approximately \$5,000.¹⁸

Whether directly through the human capital represented by additional language skills, or through what Agirdag refers to as “multicultural capital”—the ability to move freely between cultures and languages—the studies cited all found that balanced bilinguals do indeed earn more in the labor market, and conversely, those who lose their primary language earn substantially less. Clearly, the practice of “transitional bilingual education,” the strategy of only using the primary language as a bridge to English and then ignoring that language once a student can survive in an English-only classroom, is not consistent with the expected eventual economic pay off. The biggest return to education is in supporting native language development to the point of developing balanced bilingualism so both the individual and society can reap the benefits. As these strong bilinguals graduate high school and enter college in increasingly higher numbers, they will earn more in their subsequent jobs, in turn reducing dependence on social services and increasing the amount of revenue they contribute to the local tax base.¹⁹

These bilingual workers expand the boundaries of their prospective workplace, from local to global. As markets have transitioned from agricultural to industrial to what is now the information age, there are tremendous opportunities for those who can analyze, collaborate, and communicate with people all over the world while providing services in the local language of the client. These workers can compete for work in their home markets and in markets where their language fluency puts them at an advantage over those with only monolingual skills—like many in the American workforce.

In this information age, language and culture are the new “soft”ware. Adding an additional skillset in response to market conditions is exactly the type of challenge that America has risen to historically. While supporting English fluency is a must for all in America, we currently have educational language policies that by design or default constrict American workers’ global economic opportunities in fields that require biliteracy. Pivoting education to support academic fluency in multiple languages gives American workers new competitive advantages, at home and in global markets.

We can no longer afford to allow our workforce to compete in the global market with a skillset that puts us at a disadvantage. Many Americans recognize the trends that are transforming our communities and are eager to take action. President Obama and China’s President Xi Jinping recently signed the 1 Million Strong

¹⁸ Agirdag, O. (2015) The literal cost of language assimilation Presentation at American Educational Research Association, Chicago, Ill., April 20, 2015.

¹⁹ Baum, S., Ma, J., & Payea, K. (2013). *Education pays 2013: The benefits of higher education for individuals and society*. New York, NY: The College Board.

Initiative, which strives to increase the number of U.S. students studying Mandarin from 200,000 to 1 million by 2020. This initiative aims to grow the next generation of leaders by improving their understanding of China, creating a pipeline of employees who are familiar with Chinese culture in a range of critical industries, and ensuring that U.S. students from all backgrounds have the opportunity to gain skills that are useful in a Chinese market. This initiative provides a model for other language groups as well. But it also begs the question: *Where will the teachers come from to teach these students?* Hopefully, many will come from the thousands of students who currently are earning the Seal of Biliteracy on their high school diplomas. In California alone, more than 85,000 young people have earned the seal since 2012, and 14 additional states and the District of Columbia have also adopted this program.²⁰ Encouraging these young people to teach could be the next step for increasing the multilingual skills of the U.S.

In the United States, we cannot ignore the seismic changes altering our communities. Nor does it make sense to squander the rich linguistic resources that this nation already has. While other nations cultivate the technical and language skills of their workforces to expand on opportunities both in their home markets and here in the U.S., we cannot allow a lack of language proficiency to leave American workers at a competitive disadvantage.

**Dr. Patricia Gándara is research professor of education in UCLA's Graduate School of Education, and co-director of the UCLA Civil Rights Project/Proyecto Derechos Civiles. Sylvia Acevedo is a business consultant with 20 plus years of experience developing and implementing successful strategies for emerging markets in technology and in education. Both Gándara and Acevedo serve on the White House Initiative on Educational Excellence for Hispanics. Acevedo is chair of the Early Childhood Subcommittee of the WHIEEH; Gándara is co-chair (with D. Cardinali) of the K-12 Education Subcommittee.*

²⁰ The Seal of Biliteracy. (2016). Retrieved from <http://sealofbiliteracy.org/>.