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The Most Important Language in International Business is That of Your Customer Or Is It?

Toivo S. Aijo

This study explores whether knowledge of foreign languages is important for successful exporting and international business by U.S. companies, and whether the need for foreign language skills is presently being adequately met by educational institutions. For this purpose, past research and the results of an empirical survey are reviewed and analyzed.

Recently, *Newsweek* magazine ran an article titled, "English, English Everywhere." Arguing for the universal importance of English, the authors claim that "nearly everyone in Denmark speaks English" and that "English is the tongue that Japanese businessmen use to negotiate a deal with the Kuwaitis." In brief, the conclusion of the article is: "In almost every country it is a key to getting ahead, and it's the closest thing to a global lingua franca" (Treen 1982).

This view seems to be shared by many U.S. business communities and business schools. But is it a serious miscalculation that is hampering the U.S. exports and international business? In order to answer this question, we need to look into the foreign language skills supplied by the U.S. educational system, determine the present and future demands for such personnel and finally somehow arrive at a fair assessment of whether the demand can be adequately met.

Because of the partly contradictory findings and clearly conflicting opinions, a new empirical survey was conducted on the demand for personnel with foreign language skills by the U.S. exporters and international business. This was compared with information from West Germany and France in order to gain international perspective and a point of comparison.

Finally, recent U.S. export statistics as well as international language distribution data were analyzed for the purpose of comparing the economic importance of different languages for U.S. international business purposes.

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FOREIGN LANGUAGES IN AMERICAN SCHOOLS

Most available data seem to support the conclusion that in the U.S., the study of foreign languages has been declining until recently. The downhill slide began in the mid-1960s after a strong surge in interest caused by the Russian success with Sputniks in 1957. As far as American high schools are concerned, the most recent information gives us the following picture (President's Commission on Foreign Languages and International Studies 1979, Simon 1980). In 1976, only 17.9 percent of students in public secondary schools studied a foreign language (down from 24.8 percent in 1970). The Presidential Commission estimated in 1979 that fewer than 25 percent of *all* American high school students learned a foreign language. Twenty percent of U.S. high schools teach no foreign languages at all.

The foreign languages fare even worse at colleges and universities. In 1981, only 18 percent of the nation's colleges had a foreign language requirement for admission, down from 34 percent in 1966 (Tsongas 1981). Even such prestigious schools as Stanford and Yale have dropped their foreign language requirements. This contrasts sharply with the rest of the world, where practically all countries require at least one foreign language for university-level studies.

The total enrollment in foreign languages as a percentage of all students in college declined to 8.9 percent in 1977 from 17 percent in 1960. According to a National Education Association

estimate, less than 20 percent of all college students *ever* receive any foreign language instruction (President's Commission on Foreign Language and International Studies 1979, Modern Language Association of America 1980).

The results of a 1980 survey on the number of students studying foreign languages give a fairly good indication of the comparative importance of different languages. Spanish, French and German are, predictably, the dominant languages. Such important languages as Italian, Russian, Japanese and Chinese fall surprisingly far behind, not to mention other, rarer languages. However, in the last few years the trend seems to have turned. More than 70 colleges and universities have reinstated language requirements. Some business schools have started innovative new programs combining language studies with international trade and business.

TWO CONFLICTING VIEWS OF THE NEED FOR FOREIGN LANGUAGE KNOWLEDGE IN BUSINESS

There are two diametrically opposed views on the need for foreign languages in international business curriculum. One view holds that as English is the dominant business language of the world, American businessmen do not need to waste their time trying to learn other languages. In those rare cases that English is not sufficient, translators and foreign nationals are always available. Coupled with this is the opinion that usually Americans have a hard time learning foreign languages and business students preparing for international careers would be better off studying other subjects during the time saved from studying foreign languages. (Actually very few studies support this viewpoint. The most prominent example is the Rand Corporation Study reviewed below.)

The other view holds that as competition increases in the world markets, knowledge of foreign languages, together with understanding foreign cultures, becomes more essential for successful business. Some even claim that lack of such knowledge and understanding is the major reason behind recent troubles in the U.S. foreign trade (for one example see the Olympus Research Corporation Study cited later in this article). Most proponents of this view also hold that business schools fail to deliver the type of

graduates needed. Some of these critics concede, however, that when high school graduates have no language background, it is very difficult to try to remedy the situation in the university.

Some advocates of foreign language studies believe that U.S. international firms clearly do need persons fluent in foreign languages, but are not yet fully aware of this need and therefore do not demand or appreciate personnel with such language abilities. Consequently, it is the business schools which should take the responsibility for providing the U.S. international firms with the kinds of graduates they truly need.

The Rand Corporation Study

This qualitative study is based on a purposive sample of large U.S. multinational businesses. In the business sector, interviews were conducted at 45 large American and five foreign multinational businesses. The authors begin by describing the different pressures to include foreign language and international studies in graduate curriculum and note that these efforts are encountering difficulties. The representatives of the departments of economics and business have resisted the idea because their graduates are easily placed without this addition.

The authors then review past studies, most of which have come up with the same negative view: foreign language skills are not important and, therefore, training is also neglected. However, the Rand authors state that "despite these findings, many businessmen argue that these skills are important to successful business operations abroad" (Berryman 1979, p. 136).

The authors cannot believe that U.S. international business would fail to take advantage of American human resources and thereby lose sales and income in international business. In their opinion, the basic problems in the U.S. international economic position are structural: low productivity, high domestic inflation and the fact that foreign competitors have caught up with American technology.

The Rand Corporation study proceeds then to elaborate its own findings which can be summed up as follows:

- When firms do employ U.S. nationals overseas, the most important criteria are professional, technical and managerial skills, personal adaptability, previous overseas experience, and a

right outlook for the organization. Language skills are far behind in importance. (However, the report notes there are some who strongly disagree with this viewpoint.)

- The major exceptions to these findings were offered by firms with frequent direct contacts with overseas partners and customers: management consulting, banking, journalism and law.

- Both banks and business firms agreed, however, that in Latin America knowledge of Spanish and Portuguese is important, and that there is a growing need for skills in languages (notably Chinese, Arabic and Russian) in the areas where new markets are presently being opened up.

The Rand Corporation report opens itself to criticism on several accounts. It is, as even the authors themselves concede, an informal and qualitative study, based on a small purposive sample of widely varied firms and organizations. And yet the authors draw rather strong, presumably reliable and authoritative conclusions based on this data. It could be argued, with an equally valid basis, that the authors only restated the issue without either proving it or disproving the opposite point of view. We can also clearly detect a strong preconceived notion of the authors which may account for their negative opinions.

Other Recent Studies

One of the earlier attempts to get a comprehensive picture of the foreign language needs of U.S. international firms is the 1974-75 survey by Earnest J. Wilkins and M. Rex Arnett for Olympus Research Corporation. The 1266 firms studied reported that they had 60,678 positions in which foreign language competence is either necessary or desirable. The respondents in the Olympus study were also asked to rank the foreign languages according to present and future needs. The order of importance was Spanish, French, German, Chinese, Japanese, and Arabic. The authors of the Olympus Research Corporation study argue that the present problems in the U.S. international trade position are partly due to the lack of foreign language and cultural knowledge (Wilkins and Arnett 1976).

In 1977, the Task Force on Business and International Education (Nehrt 1977) reported

to the American Council on Education that large international firms considered knowledge of a foreign language to be one of the most important capabilities for an overseas assignment. They also reported that a survey had found that 14 percent of the surveyed businesses had business dealings with foreign customers who do not speak English and another 15 percent expected to have such dealings in five years. The same study had also noted a growing trend of small and medium-size firms to expand overseas, but that 46 percent of them had no employees with foreign language skills.

As a conclusion, it is fair to say that even if the evidence is still somewhat inconclusive, a sizeable proportion—perhaps even the majority of U.S. companies involved in international business—consider foreign languages either necessary or clearly helpful. Contrary to the Rand Corporation study claims, it is in no way a case of futility for U.S. business schools to actively start upgrading the international business curriculum, perhaps even by adding a foreign language minor to it, in order to help U.S. business.

A SURVEY OF THE PERSONNEL NEEDS IN U.S. EXPORT AND INTERNATIONAL BUSINESS

In order to gain additional, recent and direct information, an empirical survey was conducted. The best way to assess directly the need for personnel in international business in general, and the foreign language needs in particular, is to study the actual recruitment. For this purpose, all the advertisements for positions in international business appearing in *The Wall Street Journal* (western edition) and the Sunday edition of the *Los Angeles Times* (business section) were studied for a 12-month period ending in February 1983.

Although the sample has some regional bias, the industries represented should not be exceptional with respect to their overall personnel and foreign language needs. In the final analysis, as will be seen later, this bias is not very pronounced. The positions included either U.S.-based international trade positions or several types of positions involving overseas travel or permanent relocation. Purely academic positions were excluded. The remaining cases included some governmental agencies and nonprofit organizations.

Table 1 presents the distribution of the advertisements by type and level. Of the 161 different positions advertised, international sales-related positions comprised the single largest category (27.3 percent of all positions). All international sales and business positions combined amounted to 70 positions (43.5 percent of all positions). All of the three traditional business fields seem to be fairly equally represented with marketing positions slightly more numerous.

TABLE 1
DISTRIBUTION OF THE INTERNATIONAL POSITIONS ADVERTISED, BY LEVEL AND TYPE OF POSITION

Positions	No.	Percent
All international sales and business positions	70	43.5%
International sales representatives	11	
International sales directors and managers, export/import managers	34	
International CEOs (VP, president, general manager, etc.)	11	
Business development managers and international management consultants	6	
Promotion and product development managers	5	
Marketing research and planning analyst positions	3	
All other international positions	91	56.5
Accounting and finance positions (cash and tax managers, auditors, controllers, etc.)	29	
Banking (bank officers, bankers, foreign exchange specialists)	14	
Operations managers	13	
Computer personnel (program analyst, programmers, etc.)	10	
Personnel and payroll managers and specialists	7	
Engineers and technical personnel	5	
Law (attorneys, contract managers, merger specialists, etc.)	4	
CEOs, directors, VPs	4	
Economists	3	
Other (translators, librarians)	2	
All international positions advertised (grand total)	161	100.0%

As Table 2 shows, the fields and industries represented by the advertisers varied widely. The single largest group was computer companies (27), followed by consulting and management

service firms (24), banking (18), communications and electronics firms (11), and retail and trading firms (10). In total, the various technological and high technology fields seem to dominate, which is understandable given the composition of U.S. foreign trade and international business.

TABLE 2
DISTRIBUTION OF THE FIELDS AND INDUSTRIES OF ADVERTISERS

Advertising Fields	All Advertised Positions	International Sales & Bus. Positions	Other International Positions
Computers	27	13	14
Consulting, management services	24	1	23
Banking	18	1	17
Communications, electronics	11	7	4
Retailing, trading	10	9	1
Other technology, "high tech," energy	9	7	2
Aircraft, automobile, military vehicles	8	6	2
Consumer goods	7	2	5
Medical, instruments	7	7	-
Government, non-profit organizations	5	4	4
Construction, engineering	4	1	3
Airline carriers	3	2	1
Food	3	3	-
Agribusiness, fertilizers	3	2	1
Forest products	2	2	-
Entertainment	2	1	1
Office furniture	1	1	-
Not given	17	4	13
Total	161	70	91

If we look separately at the distribution of the fields and industries among advertisers for international sales and business positions and the rest, some interesting differences emerge. Practically all retailing and trading firms advertised for international sales and business positions. In all, the advertisers for "other" positions were concentrated in consulting, banking and computer fields.

Foreign Language Requirement

Knowledge of a foreign language was required for 61 positions (37.9 percent of all). In 15 advertisements, the requirement was general; i.e., the language was not specified.

In 46 advertisements the foreign language was specified. Of the 61 cases where a foreign language requirement was mentioned, 47 required only one foreign language, and 14 required more than one. It is quite surprising that French and Arabic were mentioned as often as Spanish. The different languages mentioned are listed in Table 3.

TABLE 3
DISTRIBUTION OF THE LANGUAGE REQUIREMENTS FOR INTERNATIONAL SALES AND BUSINESS POSITIONS AND ALL OTHER INTERNATIONAL POSITIONS

Language	All International Positions	International Sales & Bus. Positions ^a	All Other International Positions ^b
Spanish	14	9 (25%)	5 (17%)
French	14	9 (25%)	5 (17%)
German	10	6 (10%)	4
Chinese	5	2	3
Japanese	3	2	1
Arabic	13	1	12 (40%)
Dutch	1	1	-
Italian	3	1	2
Portuguese	1	1	-
Scandinavian	1	1	-

^aLanguage requirement was included in 36 (52 percent) advertisements.

^bLanguage requirement was included in 25 (27 percent) advertisements.

However, when we separate international sales and business positions from all other positions, the surprising popularity of Arabic is explained. Arabic-speaking personnel are needed mainly for positions other than sales and business, such as technical specialists, management consultants, etc. For all the trade-related positions, the order of importance for the different languages reflects the U.S. international trade very closely. However, Japanese, Arabic and Chinese, in that order, should probably come closer to Spanish, French and German in importance (see the analysis of the relative economic importance of different foreign languages for U.S. exporters below).

Required Education and Experience

An educational requirement was mentioned in 86 advertisements (53.4 percent), with 60 of them specifying the level and type desired. The rest used such expressions as "related education

. . . college or advanced degree . . . business, technical or law degree . . .," etc. The distribution of educational requirements is presented in Table 4. The MBA degree seems to be the most popular choice, since it was mentioned in more than half (34) of these advertisements. The requirement varies much less for international sales and business-related positions where a BA in business and an MBA were the obvious choices. However, the BS in engineering or some other technical field, combined with an MBA degree, was a surprisingly popular combination.

TABLE 4
DISTRIBUTION OF THE EDUCATIONAL REQUIREMENTS SPECIFIED

	All Positions	Sales and Business Positions	Other International Positions
BA in business	18	4	14
BA in business or MBA preferred	13	3	10
MBA	12	4	8
BS in engineering or in a technical field and MBA	5	5	-
BS in engineering/technical field	4	-	4
Ph.D in economics	3	1	2
MS in computer science or MBA	2	1	2
JD and MBA	2	-	2
MS or Ph.D in engineering	1	-	1
Total	60	18	42

Prior experience was the most common requirement, for it was mentioned in 144 advertisements out of the total of 161. Of those with the requirement, 45 had only a general requirement of "prior experience" or "related experience." The number of years was specified in 99 cases (61.5 percent). A surprisingly large number (35) specified a requirement of fewer than five years, which would often indicate an entry-level position. However, most of these (24) were in the "other international positions" category, and only a few (11) were in the sales and business-related advertisements. A requirement of five to ten years of experience was the most common (46 advertisements), whereas over ten years' experience was required only in 18 cases.

Review of Results from the Survey

There are some natural reservations regarding the representativeness of the sample. First of all, not all positions are advertised, and it may be that positions which are advertised represent an exceptional group. One plausible assumption is that these represent only a minor portion of all available international positions. Furthermore, the positions tended to be concentrated in California and on the West Coast, and may not accurately reflect the rest of the country. This may affect the distribution of industries, positions, languages and markets. Finally, the U.S. economy was suffering from a recession throughout the period covered—a fact that may have reduced the number of positions available.

However, even with the above reservations, the results seem to agree with other available information and with the results of other studies reviewed. With respect to the need for foreign language skills, these results would seem to fall somewhere between the two opposing viewpoints presented above, yet closer to the viewpoint that considers foreign language skills important. Quite definitely, these results could not be interpreted to indicate that the U.S. international firms do not consider these skills important, as the Rand Corporation study would have us believe. Of all advertisements for international positions, almost 40 percent specified a foreign language requirement.

COMPARATIVE PERSONNEL NEEDS IN WEST GERMAN AND FRENCH INTERNATIONAL TRADE AND BUSINESS

In order to gain some comparative insight internationally, short surveys were conducted on the international personnel needs in West Germany and France. Both German and French are important international languages of business. In addition, the French are considered linguistically as ethnocentric as the Americans, whereas the West Germans today are considered culturally and linguistically somewhat more open to the world.

For the purpose of comparison, all advertisements for international trade and business positions were collected during a one-week period at the beginning of March 1983. The newspapers used were *Die Welt* for West Germany and *Le Monde* for France. Both of these are

major national newspapers in their respective countries and should, therefore, represent the national job market fairly accurately. However, the population, the economy and also the press in West Germany are much less centralized than in France, which may explain the difference in the number of advertisements: 24 in *Die Welt* and 54 in *Le Monde*, as opposed to the weekly average of only three in the U.S. Assuming that the week used was fairly typical, the estimate for yearly advertisements would be 1250 for West Germany and 2800 for France. The actual number in the U.S. was 161.

The great difference between the U.S. and the European newspapers is probably explained by the fact that most new job openings in industry and other parts of the economy are routinely advertised in major national newspapers in Europe. This contrasts with the U.S. where direct contact represents perhaps the major method of recruitment. Also, the U.S. economy and press are perhaps even less centralized than in West Germany. However, the circulation area of *The Wall Street Journal* and the *Los Angeles Times* (Sunday edition) combined should roughly equal that of the two foreign newspapers used. Moreover, the volume of exports and international business in the U.S. is also roughly equal to that of West Germany. In 1979, the U.S. exports amounted to \$179 billion as compared to \$172 billion for West Germany. In the same year the United States accounted for 25.5 percent of world foreign direct investments in manufacturing as compared to the West German share of 15.8 percent.

Most of the West German advertisements (17 out of 24) were for positions directly related to international sales or business, while the French advertisements were much more evenly divided between the two types: 22 (40.7 percent) for international sales and business positions, and 32 (59.3 percent) for other overseas positions. The French distribution was practically the same as in the U.S. as we saw earlier (43.5 percent and 56.0 percent respectively). However, the proportion of the pure sales positions within the first group was clearly higher in France (81.1 percent) and West Germany (70.6 percent) than in the U.S. (64.3 percent), where the international business positions therefore represented a larger proportion. Traditionally, U.S. industry has invested heavily overseas, which should at least partly explain this outcome.

The actual job titles used in West Germany were fairly similar to those used in the U.S. However, in France, there was one interesting difference: the job title of "export engineer" was quite commonly used instead of export or international sales representative. Out of 18 pure international sales positions in the French sample, five were for "export engineers." Owing to the relatively small sample sizes and wide variety of fields and industries, it is not possible to analyze this distribution in detail. The overall impression is that it resembles the U.S. distribution of fields and industries closely.

Educational requirements were specified only in one-third of the West German advertisements and an engineering degree was included in all of the advertisements either as the main requirement or in combination with a business degree. In the French advertisements, educational requirements were specified in over half of the advertisements. Again, the overwhelming majority called for an engineering or "technical" degree (17 cases); a business degree was mentioned in only four advertisements. The rest (eight advertisements) simply wanted a higher university degree. Only one-third of the French advertisements mentioned the desired length of experience: half required experience of two to five years, with the other half requiring five to ten years. In the West German advertisements it was more common to specify the minimum or maximum age of the applicant.

The most conclusive evidence was obtained on the language requirement, since it was the single most common requirement in both countries. All advertisements in West Germany included a foreign language requirement. If the advertisements for positions in French-speaking countries are excluded, all but one of the French advertisements included a foreign language requirement.

In both countries, about one-half of the positions required one foreign language, which was usually English in both countries. Often two languages were required and these were usually English and French or English and German. West German advertisements often wanted three or more languages. The actual distribution of different languages required for West Germany was as follows:

English	19	(79.2%)
French	9	(37.5%)

Spanish	4	(16.7%)
Dutch	2	
Italian	1	
Unspecified	2	

The corresponding distribution for France shows a more pronounced preference for English (mentioned in 97.7 percent of the advertisements):

English	44	(95.7%)
German	9	(19.6%)
Spanish	8	(17.4%)
Arabic	3	
Portuguese	3	
Unspecified	6	

We can sum up the differences between the U.S. advertisements and the West German and the French advertisements as follows:

- The U.S. newspapers contained proportionately fewer advertisements than the two European newspapers studied.
- Most West German advertisements were for international sales and business, whereas the majority in the U.S. and France were for "other" international positions.
- Within the "international sales and business" group, however, the portion of pure sales positions was higher in the European advertisements than in the U.S.
- The overwhelming majority of the advertisements in both European newspapers called for an engineering degree, and only a small fraction specified a business degree (60 percent and 16.7 percent respectively for France). The situation was exactly the opposite in the U.S. where 83.3 percent of the advertisements with educational requirements mentioned an engineering or technical degree.
- Practically all of the European advertisements included a foreign language requirement, whereas only 37.9 percent of the U.S. advertisements did so.
- In the United States, 77 percent required one language, and only 23 percent required more than one foreign language. In West Germany and France, half of the advertisements (54.1 percent and 50 percent respectively) required two or more foreign languages.
- The three most important languages were the same for all three countries: Spanish, French and German for the U.S., English,

French and Spanish for West Germany, and English, German and Spanish for France. The main differences in this respect were due to the relative differences in emphasis.

**RELATIVE ECONOMIC IMPORTANCE OF
DIFFERENT LANGUAGES FOR U.S. EXPORTS
AND INTERNATIONAL BUSINESS**

There are different ways of weighing the relative importance of the different languages in the world. One of the most commonly used methods is to simply calculate the number of people speaking each language. However, if we want to analyze the comparative importance of different languages for the U.S. foreign trade, a more direct method is to estimate the amount of U.S. exports by languages of the buying countries. The results of this comparison are presented in Table 5.

Other English-speaking countries represent by far the most important market for U.S. exports; they take almost an equal share of exports as the Spanish and French-speaking markets combined. It is interesting that Japanese and Arabic are quite high on the list with Japanese practically equal to French, and Arabic equal to German in importance. Another interesting characteristic is that such little-studied languages as Dutch and Korean are also among the top ten languages, ahead of Portuguese and Russian in importance. The market share that the U.S. has gained in each market gives the best indication of present shortcomings by language area. Today, the U.S. has an exceptionally low share in Scandinavian and German language markets in Northern Europe and Italian, Turkish and Greek-speaking markets in Southern Europe. In addition, the U.S. share is exceptionally low in Czech/Slovak, Romanian, Polish, Serbo-Croatian, Russian and Farsi (Persian)-speaking markets, possibly for political reasons. These figures already give some indication of where improved knowledge of the language and culture might improve the U.S. performance.

Finally, the total imports by language area would give the best indication of present and/or future total potential. The most noteworthy difference from the order presented in Table 5 is that the German-speaking markets present by far the largest potential, ahead of all other language areas. Also such language areas as French, Japanese, Dutch, and Italian would be ahead of the Spanish-speaking markets.

**TABLE 5
THIRTY MOST IMPORTANT LANGUAGES
FOR U.S. INTERNATIONAL TRADE IN
TERMS OF U.S. EXPORTS TO THE
LANGUAGE AREA**

Language	U.S. Exports in Millions of U.S. (1979)	Share of Total Exports (Percent)	The U.S. Market Share in these Markets (Percent)
1. English ^a	41,969	(23.1%)	20.8%
2. Spanish	25,079	(13.8)	32.4
3. French	18,192	(10.0)	11.3
4. Japanese	17,579	(9.7)	15.9
5. German	11,529	(6.3)	5.3
6. Arabic	11,013	(6.1)	14.7
7. Dutch	9,245	(5.1)	9.4
8. Chinese	8,195	(4.5)	13.3
9. Italian	4,798	(2.6)	5.9
10. Korean	4,191	(2.3)	19.7
11. Portuguese	3,794	(2.1)	13.7
12. Russian	3,607	(2.0)	7.1
13. Bahasi (Indonesia, Malaysia)	1,914		12.5
14. Hebrew	1,857		21.6
15. Tagalog (Philippines)	1,570		23.9
16. Swedish	1,513		5.3
17. Hindi	1,167		13.3
18. Farsi (Iran)	1,019		6.4
19. Thai	916		13.4
20. Greek	812		7.7
21. Polish	793		5.2
22. Serbo-Croatian	757		5.9
23. Danish	732		4.0
24. Norwegian	688		5.0
25. Urdu (Pakistan, India)	529		13.1
26. Romanian	501		4.6
27. Turkish	354		6.1
28. Finnish	334		3.0
29. Czech/Slovak	281		2.3
30. Amharic (Ethiopia)	103		18.7

Sources: U.S. Bureau of Census; *Europe Yearbook*; *Economic Handbook of the World* (1981).

^aEnglish-speaking countries outside the U.S. The exports add up to \$49,061 million if countries such as India, Hong Kong, Kenya, South Africa, Tanzania and Uganda, where English has an official status, are included.

CONCLUSION AND RECOMMENDATIONS

The question of the importance of foreign languages to U.S. exports and international business was analyzed using several different approaches: past research and reports, empirical survey and statistical analysis. The main purpose was to try to estimate how well the present supply of personnel with foreign language abilities satisfies the present and future needs of the U.S. export and international businesses.

In balance, we must conclude that a sizeable part of the U.S. international business considers foreign language abilities important for success and this is already reflected in actual demand for personnel with these skills. This was also evidenced by the empirical survey of the international job market, where 37.9 percent of all advertisements for international positions, and as much as 51.4 percent of the advertisements for specifically international sales and business-related positions, included a foreign language requirement. However, in this respect U.S. business still lags behind other major countries and competitors, where virtually all international personnel are required to master one or more foreign languages. This was also shown in the small samples from West Germany and France.

On the other hand, the U.S. educational system from primary schools to universities shows a definite trend of declining foreign language enrollments and a steadily lower number of schools with foreign language requirements. Moreover, even in the absence of reliable statistics, it is generally assumed that alarmingly few marketing and business students in general, or international marketing and business students in particular, are studying foreign languages. This again contrasts sharply with the rest of the world, where foreign languages are routinely studied in primary schools and high schools and are required from all students wanting to enter a university. Fortunately there are some signs of change: some schools are reinstating language requirements and creating international business programs with language offerings or requirements and there is generally an increased awareness and concern of the issue.

The above-presented trends are opposite to each other; on the one hand there is a growing need for business and technical personnel with foreign language skills and cultural understanding, while on the other hand there is a declining supply of such personnel from the U.S. educational system. The assumed disinterest in these skills by U.S. business has probably been exaggerated (as compared with the high interest reported above). Some businesses may not yet be aware of the importance or may be overly influenced by the assumption that such personnel are not available. Whatever the reason, there can be only one conclusion and recommendation: U.S. universities and especially business

schools should anticipate the growing need by improving the foreign language and cultural skills of their graduates.

It is difficult if not impossible to estimate how much the lack of these skills has contributed to the present difficulties of the U.S. international trade and the decline in the U.S. share of the world exports. Most probably the major contributing factor is the fact that other major industrial countries have caught up with the U.S. technology. This has then been aggravated by other factors such as the decline of U.S. productivity, foreign exchange fluctuations, the energy crisis, etc. However, such a formulation of the question actually misses the whole point: the United States has lost its lead in the world trade and competition is becoming stronger than ever. The U.S. share of world export declined from 18.2 percent in 1960 to about 11 percent in 1979. As U.S. businesses can no longer rely on their technological or managerial superiority, marketing skills become even more crucial. One of the basic marketing tools in international marketing is communication, which in its turn requires cultural understanding. The U.S. business world cannot much longer assume that with the widespread knowledge of English, the seller does not have to understand the buyer and his needs. The major competitors are taking the trouble of learning their customers' language and culture.

What languages are important, then, for future international personnel? Most available empirical data (see Table 5) support the conclusion that presently English, Spanish, French, and German, in that order, are by far the most important languages for U.S. exports. Japanese, Chinese, Arabic, Italian, Portuguese and Dutch come clearly far behind the first group. Spanish is presently well represented in the U.S. schools; all other languages are underrepresented. A look at the future indicates that there is a need to improve the supply of personnel with knowledge in German, Japanese, Dutch, Italian, Arabic, Chinese, Russian and Swedish, in that order.

A practical minimum solution would seem to be reinstating a general requirement of one foreign language in colleges and universities. This is of particular interest to business schools and their international programs, since it is hard to see how they alone could require a foreign language. The student choice would probably concentrate on the traditional top three: Spanish,

French and German. But the universities and their business schools should also encourage the study of less common languages by improving the supply of courses.

The evidence presented here clearly supports the argument that foreign language skills are becoming increasingly important in international trade and business in general and for the U.S. in particular. Already a sizeable portion of U.S. businesses have realized this and search for personnel with language skills. The continued well-being and even perhaps survival of U.S. international trade and international business requires that U.S. universities and schools of business move in to help and provide the needed skills.

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