

Medalla, Erlinda M.; Lazaro, Dorothea C.

**Working Paper**

## English as the Language of Trade, Finance and Technology in APEC: An East Asia Perspective

PIDS Discussion Paper Series, No. 2004-36

**Provided in Cooperation with:**

Philippine Institute for Development Studies (PIDS), Philippines

*Suggested Citation:* Medalla, Erlinda M.; Lazaro, Dorothea C. (2004) : English as the Language of Trade, Finance and Technology in APEC: An East Asia Perspective, PIDS Discussion Paper Series, No. 2004-36, Philippine Institute for Development Studies (PIDS), Makati City

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Philippine Institute for Development Studies  
*Surian sa mga Pag-aaral Pangkaunlaran ng Pilipinas*

## English as the Language of Trade, Finance and Technology in APEC: An East Asia Perspective

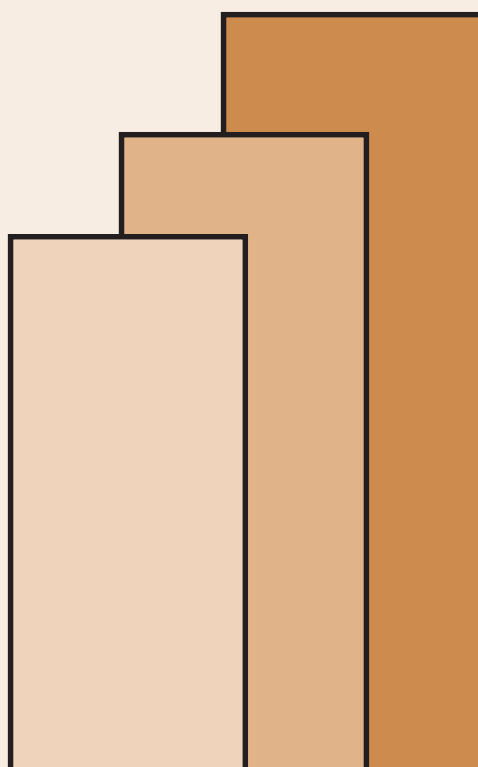
*Dorothea C. Lazaro and Erlinda M. Medalla*

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September 2004

For comments, suggestions or further inquiries please contact:

The Research Information Staff, Philippine Institute for Development Studies  
3rd Floor, NEDA sa Makati Building, 106 Amorsolo Street, Legaspi Village, Makati City, Philippines  
Tel Nos: 8924059 and 8935705; Fax No: 8939589; E-mail: [publications@pidsnet.pids.gov.ph](mailto:publications@pidsnet.pids.gov.ph)  
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### *Abstract*

The use of English language for cross-border communications is important in many areas of trade ranging from tourism to the trade in financial services. This is in order to build a stronger regional economy through freely and openly communicating with one another.

However, the increasing involvement in trade, tourism and international relations among APEC Member countries where English is not spoken as the first language poses some problems and barriers in achieving aspired regional cooperation.

Efforts have been made by the government to encourage the internalization of the English as a second language. This has become a trend in many developing countries specifically in the East Asia and notably in South East Asian. This paper provides a survey of these efforts made. The different models used may be used or bench marked by others but more importantly cooperation in exchanges of ideas, information and resources would greatly benefit this objective.

**Keywords:** English language, capacity-building, business language, working language, language barrier, language skill, language education, English economy, public education, trade language

## English as the Language of Trade, Finance and Technology in APEC:

*An East Asia Perspective\**

*Dorothea C. Lazaro and Erlinda M. Medalla\*\**

*“There has been a lot of bad news in the world economy lately. Supposed economic superpowers like Germany and Japan have fallen on hard times; Asian tigers that thought the future belonged to them suddenly find that it belongs instead to the Westerners with ready cash; Latin Americans who thought they had put their past behind them are watching with horror as financial crisis strikes once again. And yet there are also some surprisingly happy economic stories out there. What do they have in common?*

*... the common denominator of the countries that have done best in this age of dashed expectations is that they are the countries where English is spoken.”*

*- Paul Krugman<sup>1</sup>*

### I. Introduction

The role of English as the language of trade, finance and technology has grown into a development strategy in the 21<sup>st</sup> century, with the increasing recognition of its importance starting in the early 1990s. The intense globalization and human migration taking place within the Asia-Pacific Region has highlighted not only an appreciation of the multiple languages and cultures<sup>2</sup> but also the significance of the ability to communicate effectively with people across language barriers. English in this era of globalization will increase the capacity of people to communicate and exchange ideas and goods across borders.<sup>3</sup> The English language skill has become a necessity for establishing linkages with the rest of the world in international trade, economic development and even in the use of new technology.

### *APEC Agenda*

The APEC Ministerial Meeting (AMM) last year issued a Joint Statement echoing the leader's commitment on the development of a “Five-Year Strategic Plan for E-Learning” in the region. Along with the recommendations to improve access to internet infrastructure for teachers and students, the AMM also encouraged member economies to undertake measures to provide adequate knowledge and practical use of English as a working language within the APEC region. This has been the groundwork for one of the sub-themes of the 3<sup>rd</sup> APEC Education Ministerial Meeting, to wit:

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\* Paper presented at the “The Challenges of APEC: Trade, Security and Capacity Building” Forum, APEC Study Centers Consortium Annual Meeting (Chile 2004).

\*\* The authors are Research Analyst II and Senior Research Fellow, PIDS, respectively. Dr. Medalla is also the Project Director of Philippine APEC Study Center Network (PASCN). Research assistance of Mr. Mike Diza is gratefully acknowledged.

<sup>1</sup> From the essay, *That Certain Je Ne Sais Quoi of Les Anglophones* adopted in Arnold King, *The Language Barrier*.

<sup>2</sup> Patricia Duff, *Foreign Language Policies, Research, and Educational Possibilities: A Western Perspective*. Presented at the APEC Educational Summit, Beijing January 12-14, 2004.

<sup>3</sup> Statement by Ambassador Choi Seok Young 3<sup>rd</sup> APEC Education Ministerial Meeting Santiago, Chile 29 April 2004.

### Sub-theme 1 - Teaching English and other Foreign Languages

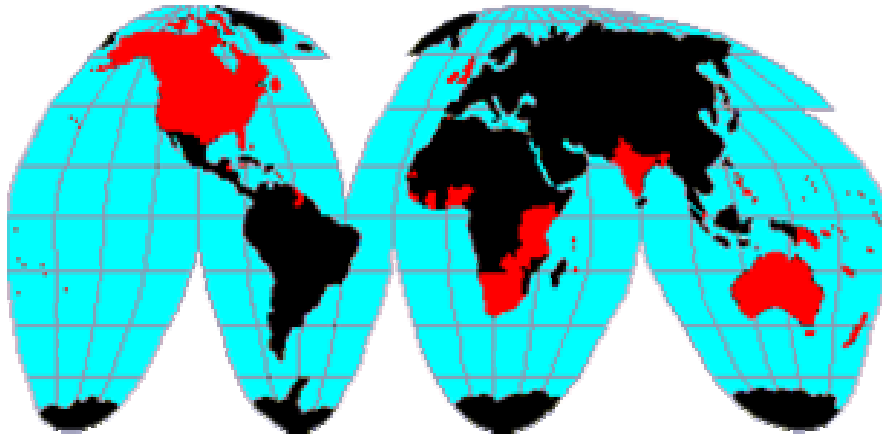
The ability to communicate across language barriers is essential to international trade and to building mutual understanding among interconnected global economies. Due to the primacy of English in diplomacy and trade, APEC members from Eastern economies have further stressed English language education.

It is well understood however that the promotion of English as a working language in the APEC Region does not imply a need for a replacement of the great diversity of local languages in Member economies.

#### *The English Choice*

Undeniably, English has played a central role as the common international language in linking people who have different mother tongues. Although it ranks second only in terms of number of speakers, English is far more worldwide in its distribution than all other spoken languages. It is an official language in 52 countries as well as many small colonies and territories. In addition, 1/4 to 1/3 of the people in the world understands and speaks English to some degree. It has become the most useful language to learn for international travel and is now the *de facto lingua franca* of diplomacy.<sup>4</sup>

**Figure 1. Countries in Which English Is an Official Language (red/light shaded areas)<sup>5</sup>**



In APEC Member economies, majority uses the English language either as an official language or a working/business language. (Table 1)

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<sup>4</sup> In 2001, the 189 member countries in the United Nations were asked what language they wish to use for communication with embassies from other countries. More than 120 chose English, 40 selected French, and 20 wanted to use Spanish. See Language and Culture: An introduction to Human Communication.

[http://anthro.palomar.edu/language/language\\_1.htm](http://anthro.palomar.edu/language/language_1.htm)

<sup>5</sup> *Id.*

**Table 1. Languages in APEC Member Countries**

Australia	<b>English</b>
Brunei Darussalam	Malay (official), Chinese, <b>English</b>
Canada	<b>English</b> , French (both official)
Chile	Spanish
China	Chinese, Mandarin, also local dialects
Indonesia	Bahasa Indonesia (official), Dutch, <b>English</b> , and more than 583 languages and dialects
Japan	Japanese
Korea, Republic	Korean
Malaysia	Malay (official), Chinese, Tamil, <b>English</b>
Mexico	Spanish, Indian languages
New Zealand	<b>English</b> (official), Maori
Papua New Guinea	<b>English</b> , Tok Pisin (a Melanesian Creole English), Hiri Motu, and 717 distinct native languages
Peru	Spanish and Quéchua (both official), Aymara, and other native languages
The Philippines	Filipino (based on Tagalog) and <b>English</b> (both official); regional languages: Tagalog, Ilocano, Cebuano, others
Russia	Russian, others
Singapore	Malay, Chinese (Mandarin), Tamil, <b>English</b> (all official)
Taiwan	Chinese (Mandarin)
Thailand	Thai (Siamese), Chinese, <b>English</b>
United States	<b>English</b> , sizable Spanish-speaking minority
Vietnam	Vietnamese (official), French, <b>English</b> , Khmer, Chinese

Source: compilation from the internet.

For children living in the globalized age, it is essential for them to acquire communication abilities in English as a common international language. About 75% of the world's mail, telexes, and cables are in English. Approximately 60% of the world's radio programs are in English. About 90% of all Internet traffic is as well.<sup>6</sup> Even host computers are English dominated.

Experts have provided various reasons for the global spread of English. Some claim that the language is popular because of its inherent structural openness; still more researchers attribute the phenomenon to the economic and cultural dominance of the English-speaking countries. Watson<sup>7</sup> provides five reasons for English as a global international language:

- (a) flexibility of the English language itself, which has been prepared to absorb words from many different languages;

<sup>6</sup> However, the percentage of Internet users who are not native English speakers is increasing rapidly, especially in Asia. *id.*

<sup>7</sup> Watson, K. "Language, Power, Development and Geological Changes: Conflicting Pressures Facing Plurilingual Societies." *Compare*. 29.1 (1999) 9-13. cited in Lanlin Zhang, Globalization and the Teaching of English in China. Hwa Kang Journal of TEFL May 2003.

- (b) the process of economic globalization, part of which is the process of control of aspects of the global economy and hence an external penetration of internal economies by transnational corporations, the media and international organizations;
- (c) the economic dominance of the United States and the influence of US culture spread around the world;
- (d) the growth of mass tourism and advertising has advanced the spread of English; and
- (e) migration to Canada and the United States has created a segment of the world population whose aim is to learn English for survival purposes.

## II. The Language of Trade, Finance and Technology

The use of English and other foreign languages for cross-border communications is important in many areas of trade ranging from tourism to the trade in financial services. Free and open communication across borders is important in building a stronger regional economy.<sup>8</sup> The increasing involvement in trade, tourism and international relations among APEC Member countries where English is not spoken as the first language poses some problems and barriers in achieving aspired regional cooperation. For instance, the understanding of local laws and regulations which would be in a language other than English might result not only in confusion nor misunderstanding but even misinformation among businessmen and traders due to lack of readily available translation. The simplest forms of international transactions must have English translations if only to achieve increased global transparency.

### *Trade and Finance*

Most governments have long acknowledged that knowledge of the languages of the countries with whom they trade provide advantages (Table 2). In this regard, learning languages is in itself a growth industry in the world. In the last four decades, researches have attempted to carry out economic analyses of language learning and use.<sup>9</sup> The potential importance of language as a contributor to trade linkages has several foundations. Worth mentioning is the functionalist approach proposed by J. Carr which stated that “money and language share similar characteristics... just as money allows society to move beyond barter, a common language also facilitates transaction and lowers cost. Another is by Albert Breton<sup>10</sup> and P. Mieszkowski who applied the neo- classical international trade model and interpreted the use of one common language as resource-saving technical progress. To wit:

“The benefits resulting from knowledge of a second language are spread over time. Learning a second language therefore is an investment or the acquisition of an asset... It is a form of human capital, capable, like all capital, of being increased or depreciating—although, unlike material goods, it does not deteriorate with use—or even of becoming outdated.”<sup>11</sup>

<sup>8</sup> International Seminar on Education Reform in the APEC Region in Beijing, China.

<sup>9</sup> For more detailed discussion, see Francois Grin “The Economic Approach to Minority Languages. “Journal of Multilingual and Multicultural Development, 11, 1&2 (1990): 153-173.

<sup>10</sup> Albert Breton (ed). Exploring the Economics of Language. New Canadian Perspectives. <http://www.pch.gc.ca/progs/lo-ol/perspectives/english/explorer/>

<sup>11</sup> Karim H. Karim, Language and the Economy: Canada in an International Perspective. New Canadian Perspectives. <http://www.pch.gc.ca/progs/lo-ol/perspectives/english/econo/part2a.htm>

These economic theories have been confirmed by several gravity model studies showing language variable/ trade determinant with a positive relation with trade.<sup>12</sup>

Although it may not necessarily conclusively prove the correlation of language and trade, the international trade data indicates that majority of exports and imports for both intra-APEC as well as APEC Member Economies' trade to the World comes from English speaking countries. (Table 2, see Table 1 for classification).

**Table 2.**

**Total Intra-APEC Trade, English and Non-English Speaking APEC Economies, 1997 and 2001 in '000 US\$.**

Country Group	Exports 1997		Imports 1997	
	Intra-APEC	APEC to World	Intra-APEC	APEC fr World
English Speaking % share	933,628,379 61.16	1,303,223,276 57.56	1,262,611,775 73.72	1,740,396,571 67.65
Non-English Speaking % share	592,911,496 38.84	960,848,146 42.44	449,997,552 26.28	832,098,373 32.35
Total	1,526,539,875	2,264,071,422	1,712,609,327	2,572,494,944
Country Group	Exports 2001		Imports 2001	
	Intra-APEC	APEC to World	Intra-APEC	APEC fr World
English Speaking % share	1,004,536,463 59.25	1,388,235,056 55.72	1,410,399,732 71.31	1,994,558,688 66.85
Non-English Speaking % share	690,757,975 40.75	1,103,349,499 44.28	567,552,496 28.69	989,295,310 33.15
Total	1,695,294,438	2,491,584,555	1,977,952,228	2,983,853,998

source: PC-TAS

### *Skills Development*

There are two potential benefits of a working knowledge of English. First, English proficiency is needed to upgrade workers' skills or to enable them to participate in workplace flexibility and multi-skill initiatives. Second, the knowledge and proficiency in English of its local workforce is undeniably a competitive advantage a country may have. A classic example is the outsourcing by many developed countries which have benefited not only ICT-skilled but English speaking labor suppliers like India and the Philippines.<sup>13</sup>

In the A.T. Kearney's 2004 Offshore Location Attractiveness Index, Asian countries like India (ranked 1), China (2), Malaysia (3) and Philippines (6) (also the developed Singapore (5)) dominated the top 10 most attractive offshore destinations. The strength of India was the two (2) million graduates of proficient English speakers with strong technical and quantitative skills. While in China, English language proficiency is a skill gap receiving

<sup>12</sup> Boisso and Ferrantino (1997); Frankel (1997); Fink and Primo Braga (1999); Kruger (1999); Clark and Tavares (2000) and Soloaga and Winters (2001).

<sup>13</sup> In the Philippines, the government regularly touts it as a software development location by citing a New York based META group report ranking Filipino ICT workers high in global comparison. See Pinoy internet: Philippines Case Study. ITU. March 2002.



attention especially in the primary schools. The ranking of the Philippines in the index was due not only to its favorable cost structure but most importantly, its promising human resource capabilities where much of its population can speak American English which has helped it gain leadership in the call center industry. The report also indicated that Thailand and Vietnam's success will depend on how well they upgrade their workforce skills.<sup>14</sup>

Aside from local employment, access to English language training has been useful for the successful participation of non- English speaking jobseekers abroad. A classic example is that due to the country's English proficiency, Filipino workers share a large percentage in international migration.<sup>15</sup> Some governments are now providing for English language training programs for potential overseas workers and immigrants.

### *Technology*

Language is also an important vehicle to promote development and IT transfer improvement. With English being the primary language of research and development and science and technology, having English language skill is of critical importance in terms of acquiring and deepening IT knowledge.

From the economics point of view, language is an essential input to the output of the activity called communication. An extension of this hypothesis due to Marschak (1965) is that only those languages that are the most efficient will be used. It has been argued for example that this is why English is displacing Chinese script language for written communications - it is simply less efficient to write in one language relative to the other.<sup>16</sup>

A good number of literature suggests a strong link between globalization and ICT technology. ICT is regarded as one of the principal drivers of the process of globalization. ICT however may lead to a form of virtual economic integration based on non-spatial complementarities, as the communication barriers to exchange are reduced. One obvious complementarity is a common language. Promotion of localization may occur because of the virtual economic integration of language groups separated across space that ICT makes possible.<sup>17</sup>

### *Language on the Internet*

The internet is widely regarded as a tool for strengthening trade and investment. To boost economic competitiveness, e-learning, which indicates a country's ability to produce, use and expand internet-based learning- both formal and informal, fits this role. In an Economist Intelligence Unit White Paper<sup>18</sup>, countries where English is widely spoken are at an advantage, given the predominance of English-language content on the internet. In the Asia-Pacific region, South Korea is the only top-ranked country where English is not commonly spoken in business settings.

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<sup>14</sup> A.T. Kearney's 2004 Offshore Location Attractiveness Index [www.atkearney.com](http://www.atkearney.com)

<sup>15</sup> The Philippines is the second largest labor exporter in 2003, next only to Mexico.

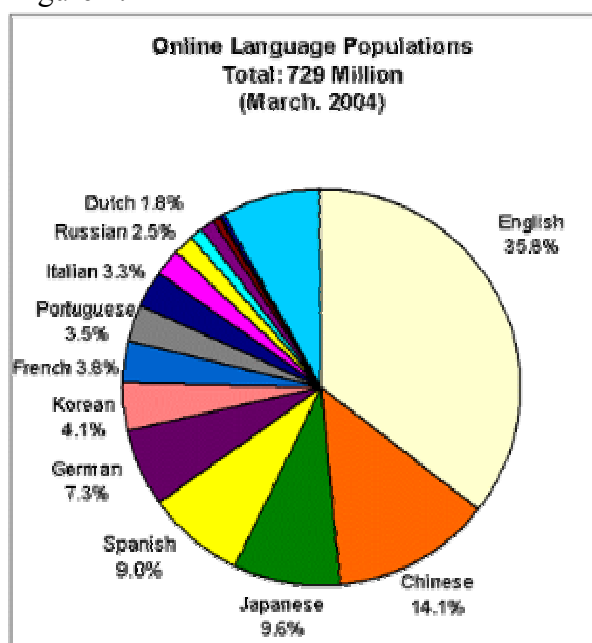
<sup>16</sup> Richard G. Harris, Economic Approaches to Language and Bilingualism New Canadian Perspectives [http://www.pch.gc.ca/progs/lo-ol/perspectives/english/economic/ch2\\_02.html](http://www.pch.gc.ca/progs/lo-ol/perspectives/english/economic/ch2_02.html)

<sup>17</sup> *Id.*

<sup>18</sup> The 2003 e-learning readiness rankings. The Economist and IBM.

In a series of survey conducted by International Telecommunications Union (ITU), language continues to play an important role in Internet usage. Countries where English is widely spoken such as Singapore, Malaysia, and the Philippines, have a strategic advantage vis-à-vis their neighbors. The Indochina countries, Thailand, Laos and especially Cambodia on the other hand face extra barriers because their alphabets are Sanskrit based making them difficult to adapt to computers.<sup>19</sup> Global internet statistics show that English shares around 36% of the total online language. (Figure 2)

Figure 2.



source: Global reach. Global Internet statistics.<sup>20</sup>

In Singapore, widespread use of English in the educational, health, government and corporate business sector has contributed to its high internet access since most Internet content is in English. Almost half of Singaporean adults that are literate in English are on-line compared to around one third of those that do not. (Figure 3) Those who do not speak English well have a much lower level of usage.<sup>21</sup>

In the case of Thailand, one barrier to increased internet penetration is the language. The vast majority of Thai internet users had some English proficiency whereas one fifth cited language as a problem with the internet. With English spoken by only an estimated five per cent of Thais, language barriers severely restrict the potential internet market.<sup>22</sup> (Figure 4)

<sup>19</sup> <http://www.itu.int/asean2001/conclusions/>

<sup>20</sup> <http://global-reach.biz/globstats/index.php3>

<sup>21</sup> The E-City: Singapore Internet Case Study. ITU. April 2001.

<sup>22</sup> Bits and Bahts: Thailand Internet Case Study. International Telecommunications Union (ITU) March 2002.

Figure 3.

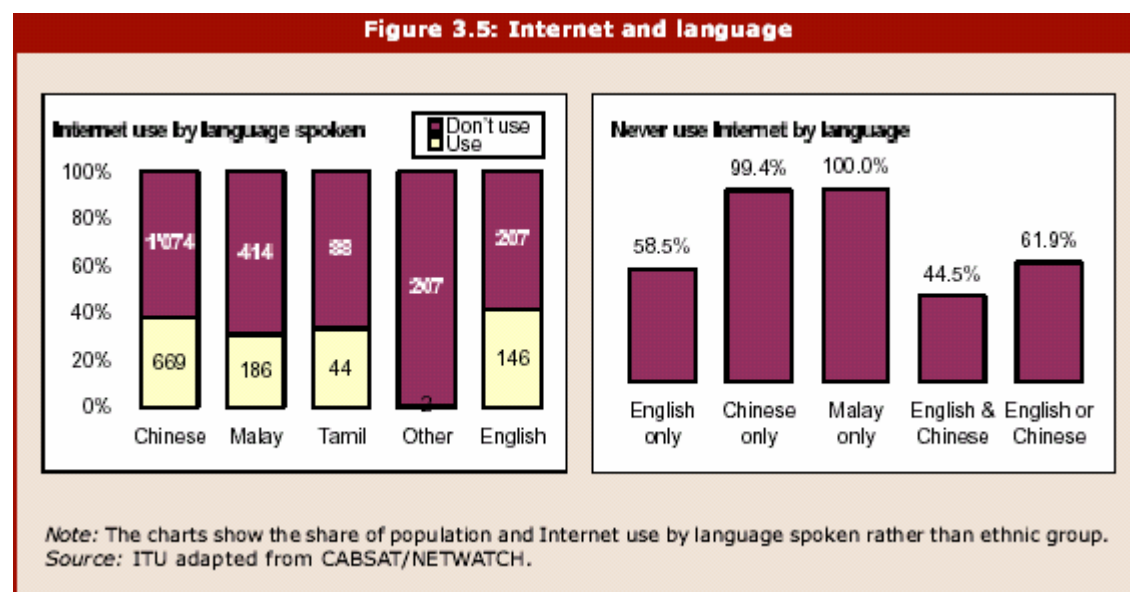
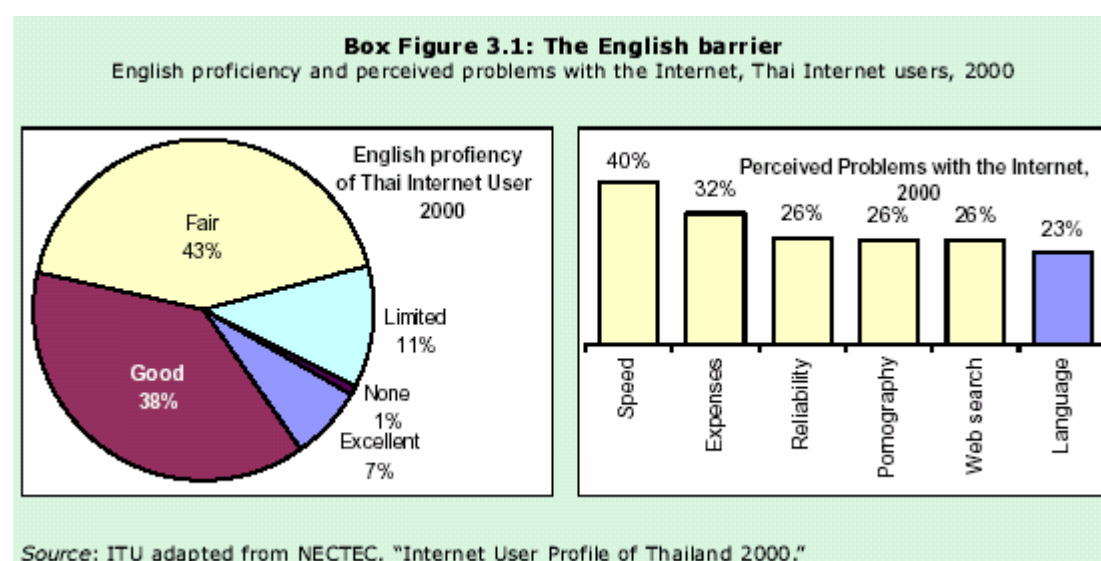


Figure 4.



### III. The Important Role of Education: Trends in East Asia

The importance of competitiveness in the context of globalization has brought to the forefront again the significance of the role of education. The reason is that, while the East and Southeast Asian economies did very well in providing basic education for their populations, they have already made or are now in transition from labor-intensive to technology-intensive manufacturing. Those that have not will require new foreign direct investment inflows and the development of domestic R&D for which an educated workforce is required. In this sense, the role of education policies plays a major role in enhancing the productivity of labor.

In practical terms, this means that they need not only increase the volume of education, but also, and more importantly, raise the quality of the education.<sup>23</sup>

The changing demands within the workforce challenge the usefulness of traditional schooling and university education in many developing Asian countries. Individuals need to be sure that skills learned at school will be useful in the workplace. For example, computer and ICT skills need to be taught as well as English as a foreign language.<sup>24</sup> There is also a sense of urgency around the introduction of technology and the requirements of training and retraining teachers in the effective use of ICTs owing to the fact that English is not the first language of teachers in a majority of APEC economies.

The teaching of English has steadily increased in APEC economies. In several non-English speaking economies, the teaching of English as a Foreign Language has become a priority for educational reforms and development strategies. Japan, Hong Kong and Korea launched major initiatives to increase the use of English, bringing foreigners to teach English or to assist local English teachers. In addition, the purpose of teaching English has changed from being an academic tool, with emphasis on grammar and translation to a working and business language with an emphasis on communication.<sup>25</sup>

The next section will discuss the profiles of selected East Asian countries tackling the policies of the government on English as a foreign/second language as well as the measures to incorporate English in the curriculum, the developments of language teaching profession and use of English as a training component in existing industries.

### *Selected Country Profiles*

#### *East Asia*

##### **(1) Japan**

According to a NHK report in 2000, Japan has the largest commercial English language education market in the world, valued at \$20 billion. Globalization pressures and recent restructuring at companies has resulted in greatly increased importance put on daily use of English within many companies.<sup>26</sup>

One promising trend is growing recognition in Japan of the value of English for Specific Purposes (ESP) training. The basic premise of ESP is that English language students will be maximally motivated to succeed by improving communication skills that are necessary for success in narrowly targeted professional specialties of their choice. For example English for Medical Professionals, English for Legal Professionals, English for Certified Public Accountants (CPAs), or English for Academic Preparation. Good ESP training recognizes the critical importance of oral communication skills, and uses situations,

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<sup>23</sup> ADB Outlook 2003.

<sup>24</sup> *Id.*

<sup>25</sup> Results of Policy Survey on the Teaching of English and other languages. EDNET, January 2004. [hereinafter EDNET].

<sup>26</sup> Daniel P. Dolan. "Re-Thinking English Language Education for Professionals in Japan," April 23, 2001. <http://ifrm.glocom.ac.jp/gii/dan20010423en.html>

vocabulary and communication rules specific to particular professions to accomplish clearly identified learning objectives.<sup>27</sup>

The government of Japan recognized that due to the lack of sufficient ability, many Japanese are restricted in their exchanges with foreigners and their ideas or opinions are not evaluated appropriately. In response to this situation, the Ministry of Education, Culture, Sports, Science and Technology (MEXT) has formulated various measures such as the revision of the Ministry's Courses of Study with a further focus on cultivating students' basic and practical communication abilities. A Strategic Plan to Cultivate "Japanese with English Abilities" was formulated in July of 2002, as a comprehensive and concrete plan for the purpose of drastically reforming English education in the country.<sup>28</sup>

The Goals to Cultivate "Japanese with English Abilities" are as follows:

- *English language abilities* required for all Japanese people
- *English language skills* required for specialized fields or for those active in international society

Building on the strategic plan, this Action Plan establishes a system for cultivating "Japanese with English abilities" in 5 years, based on measures included in the strategic plan and measures included in the budget for 2003. The formulation of this concrete action plan clarifies the goals and directions for the improvement of English education to be achieved by 2008 and the measures that should be taken by the government to realize these goals.<sup>29</sup>

## (2) China

Although as early as around 1840, English schools were already established by foreign missionaries in China and that American system of education was adopted in 1922, English education showed a pattern of discontinuity from the time the People's Republic of China was founded. It was only after Deng Xiaoping assumed power in the late 1970s that China shifted back to track and English was once again considered an important tool in the modernization of the country. Several backlashes followed, such as the so-called anti-spiritual-pollution movement, the anti-liberalization movement and the anti-peaceful-evolution movement, but the spread of English nevertheless grew steadily. The 1990s witnessed an "English boom" in China, from elementary school up to colleges and universities.<sup>30</sup>

Several key events in the beginning of the modern millennium have brought new incentives for the learning of English in China. These include the successful bid to host the 2008 Summer Olympic Games, the accession to the World Trade Organization, the APEC meeting in Shanghai, and the increasing number of young people going overseas to study or remake their lives as immigrants.

Efforts are now being made to reform the language teaching methodology in China and option to start learning at early primary school level has been introduced in 2001. For some time, the lack of access to "authentic" English resources greatly hindered the progress

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<sup>27</sup> *Id.*

<sup>28</sup> Toyama Atsuko, Regarding the Establishment of an Action Plan to Cultivate "Japanese with English Abilities" 2003/03/31

<sup>29</sup> *id.*

<sup>30</sup> Lanlin Zhang, Globalization and the Teaching of English in China. Hwa Kang Journal of TEFL May 2003.

of Chinese learners. Also, the lack of exposure to native speakers either directly or electronically among Chinese students who mainly relied in textbooks makes their aural and oral skills weak. Some are learning English via popular English Language television programs.<sup>31</sup>

Until very recently, the textbooks used in Chinese classrooms have been practically the same throughout the country, with the exceptions of only a limited number of laboratory schools. There are 350,000 junior middle schools (aged 12-15) in China, and over 80 percent of them at one stage used the same textbook, *Junior English for China*, developed by the People's Education Press in collaboration with Longman. English teachers are exclusively university or college graduates with majors in English and two to four years' formal training in English. Only four-year graduates are eligible to teach senior middle school students (aged 16-19), while two-year graduates can only teach junior middle school and below, and perhaps some rural senior middle schools when qualified teachers are not available.<sup>32</sup> The Ministry of Education requires Chinese Universities under its direct administration to use English textbooks in teaching English language, information technology, biology, finance and law.

However, the Ministry of Education (MOE) attempts to separate English language teaching from culture education which is becoming detrimental to the goal of English education. The stringent requirement to abide by the rules and regulations has led to (at least partly) the failure on the part of the learners of English to conduct successful communication with foreigners, and that is where misunderstandings arise. The failure of English education in China, especially the lack of sufficient culture education, has also partly contributed to the phenomenon of "dumb English." This refers to students pursuing their degrees or immigrating or working in English-speaking countries who had scored high in tests like TOEFL or GRE, GMAT, yet can barely express themselves in understandable English in daily communications with native English interlocutors.<sup>33</sup>

A US project named "Standard Oral Business English Training" in Beijing was launched in a bid to solve the problem of "dumb English" among the business people. The recent events in China gave rise to an "English Economy", bringing many foreign institutions to vie for a market share of English training in Beijing. An expert estimation shows that Beijing has as many as over one thousand languages training centers competing for holding various language training courses. In 2001, there are more than 3,000 foreign languages training institutions in China with annual turnover exceeding 10 billion yuan (about 1.2 billion U.S. dollars).<sup>34</sup>

China is also aggressively implementing an English proficiency training program to boost its call center industry and to strongly compete against major players, India and Philippines. Foreign teachers are usually employed in tertiary level education dealing with teacher training, or on English for Specific Purposes (ESP) courses to Chinese technicians who are working on joint ventures with foreigners. Filipinos are in fact already in China teaching basic English.<sup>35</sup>

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<sup>31</sup> More information available at the China Education and Research Network.

<sup>32</sup> Lanlin Zhang, *supra* note at 30.

<sup>33</sup> *Id.*

<sup>34</sup> Yang Ruoqian Olympic Bid, WTO Entry, APEC Boost Beijing "English Economy". China Education and Research Network.

<sup>35</sup> Arturo Sioson, The Contact Center Industry: Racing for Supremacy and Survival. Institute for Labor Studies. April 0 June 2003.

In Taiwan the educational system, which is largely modeled after the American system, focuses on imparting knowledge. English is a compulsory subject at junior and senior high schools. Chinese Taipei launched “Nine-year Integrated Curriculum Plan” in 2001, making significant changes in education objectives and redefining the starting age for English as a foreign language.<sup>36</sup>

In Hong Kong, native-speaking English teachers play a significant role in enhancing English language proficiency among the students. Since 1987, the Hong Kong government has encouraged secondary schools to employ native speakers as English teachers. In the 1998/99 school year an enhanced native-speaking English teacher scheme was introduced to provide all public sector secondary schools with native-English speaking teachers. In August 2000, an English development project was launched.<sup>37</sup>

### *South East Asia*

#### **(1) Singapore**

In 1965, when Singapore separated from Malaysia after a brief union of only two years, she was faced with a seemingly insurmountable task on how to survive. The Singapore government then made a conscious decision to adopt English as the country's primary language as a means of communication between the races and to ensure the country's survival in an English-dominated world economy. English has become the language of instruction for all subjects, and thus considered a first language.<sup>38</sup> This has enabled Singapore to prosper and become one of the Asian Tigers. English is now so well integrated into Singapore's society that they have developed their own local form of English.<sup>39</sup>

There is also a Skills Development Fund which has actively encouraged employers to enroll their employees in non-formal, recognized basic education programs that are administered by the Institute of Technical Education. These include the Basic Education for Skills Training (BEST) Programme, which provides basic literacy and numeracy training, and the Worker Improvement through Secondary Education (WISE) program for adults to improve their competency in English and math.<sup>40</sup>

Evidence is mounting that suggests that Singapore's neighbors in South East Asia are likely to follow in her footsteps in the adoption of English as the language of business and a key language of instruction in schools. Facing some of the same obstacles and challenges as those met by Singapore in the late 1960s, these countries may profit from the Singapore model. Malaysia, Indonesia and Thailand are the most likely to fall in line, and as their populations total nearly 300 million people, this development may have profound implications for the profession of English teaching in this part of the world, not the least of

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<sup>36</sup> EDNET, *supra* note at 23.

<sup>37</sup> Lanlin Zhang, *supra*.

<sup>38</sup> EDNET, *supra*.

<sup>39</sup> Paul Clancy et al, Globalization and English as a global language: Singapore perspective.

<http://www.ifte.net/2003/program/abstracts/egl/EGL7-P-CLA-et al.htm>

<sup>40</sup> Learning and Training for Work in the Knowledge Society. ILO 2003.

<http://www.ilo.org/public/english/employment/skills/download/report4.pdf>

which is the need for more and better-quality institutions for the training of English teachers.<sup>41</sup>

## (2) Thailand

The language problem is one of the major concerns in developing countries, especially in Thailand where only a small percentage of population can read and write English.<sup>42</sup> Prior to 1998, six or seven out of ten Thai workers would say that they took special English classes at a language school. They realize that such gives them better career opportunities than the rest who did not take such classes. Since English is not adequately taught during those many years at schools and universities, there was a mushrooming of private international schools in Thailand. The Ministry of Education has stepped in to fill this vacuum, by starting off with a pilot project of a special English program at the 67-year-old Yothin Burana School, which is under the Ministry of Education's General Education Department's "bi-ed" program. This follows the curriculum regulated by the Curriculum and Instruction Development Department, except that the English Program Section is implemented in English. The advantage of following a Thai curriculum in the English language is that, after the students graduate, they can choose to enter a Thai language university or an international university in Thailand or abroad.<sup>43</sup>

The demand for English language training in Thailand exceeds the supply of language schools and institutions available. Many business-minded individuals are cashing in on the demand for English by opening schools and charging high tuition fees for classes. Classes are offered for everything from examination preparation to business English and writing skills. The prices also vary and some courses, such as the TOEFL preparation course, can end up costing more than 30,000 baht.<sup>44</sup>

The problem is that the vast majority of these establishments operate without employing fully qualified instructors. Some teachers, in fact, are high school dropouts. As is the case in many other countries, there is no control of foreign language teachers in Thailand, so basically anyone can claim to be an 'English teacher'. Asian-Americans, Filipinos and other non-white teachers will have an extremely hard time finding employment in most schools, even if they speak perfect English and have all the required degrees or certificates and teaching experience.<sup>45</sup>

The Royal Thai Government enacted an Education Reform Act and in order to equip the students for the new economy, a new curriculum was enforced in 2002. English was chosen as one of the core subjects from primary level. At the secondary level, mathematics, sciences, computers, and language skills have been given particular attention. Nevertheless, Thailand is facing the dilemma of whether to increase Thai content or expand English language learning among its citizens.

In the educational reforms currently being undertaken, the use of technology is featured prominently. Among the programs are the Thai TESOL Conference providing

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<sup>41</sup> Paul Clancy et al *supra* note at 39.

<sup>42</sup> Thaweesak Koanantakool. "Personal Reflections". 30 January 2001. [www.dse.de/ef/digital/koanan-e.htm](http://www.dse.de/ef/digital/koanan-e.htm).

<sup>43</sup> Promporn Pramualratana. One Curriculum Two Streams. Learning Post, The Bangkok Post August 20, 2002.

<sup>44</sup> Bruce Avasadanond. The Dark Side of English Language education in Thailand. Bangkok Post Learning Post. October 8, 2002. <http://www.bangkokpost.net>

<sup>45</sup> Koanantakool, *supra* note at 42.



professional development for all levels of ELT practitioners, which include distance learning through internet and satellite broadcasting technology; web-based and computer adaptive testing; and even a videoconference with American academic a full-scale teacher training program linking a foreign site directly with Thai schools utilizing the Thai Ministry of Education's Distance Learning Foundation satellite broadcast system, which has been used to deliver student classroom instruction.

### **(3) Malaysia**

The movement from an economy based on primary commodities and manufacturing towards a one based on high technology input has increased the demand for proficiency in English. This is seen in Malaysia's own silicon valley, the Multi-Media Super Corridor (MSC) where English proficiency is increasingly required.<sup>46</sup>

Since the 1970s the language of teaching has generally been Malay (Bahasa Malaysia) due to the National Language Act of 1967 giving the legal basis for Malay to become the sole official language of the country. Despite this the Malaysian National Policy have nevertheless allows the use of English as an important second language. Malaysia's various ethnic communities may operate schools offering teaching in their own languages (Mandarin or Tamil) as well as English. Schools for foreigners are likewise allowed.

English is a compulsory subject and is taught as a second language in all schools. It is the language of instruction in Science and Math in secondary schools.<sup>47</sup> English is also tested in public examinations as well as an important component in programs offered in all tertiary level institutions. Many university courses are taught in English.

The use of application software and courseware in which selected educational software are used in the teaching and learning e.g. computer-aided design (CAD) and Auto-CAD, is increasing. There is also a system called Self Access Learning (SAL) whereby the students are given opportunities to learn on their own based on their ability, using SAL materials. The teaching of English has already been using this method to improve the standard of the language among students.

### **(4) Indonesia**

Although English may be widely spoken and understood specifically in Jakarta by most business people, the national language of Bahasa Indonesia remains as the primary language spoken all over Indonesia, in addition to local dialects/languages. The present government policy is towards the preservation of the vernacular languages as part of national identity as well as the development of the use of English as an international language to support the role of Indonesia worldwide.

The new national curriculum for English education incorporating American curriculum models took several years to realize. English is already the only compulsory foreign language. However, until now teaching English in primary schools is still a topic of debate among Indonesian educational experts regardless of its introduction since the 1994

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<sup>46</sup> Speech by Minister Yang Berhormat Datuk Seri Syed Hamid Albar, "English Language Teaching in Malaysia: Learning from Lessons from the Past, Forging Tracks for the Future" in The Malaysian International Conference on English Language Teaching 15 May 2000. Melaka.

<sup>47</sup> EDNET, *supra*.

curriculum where English has been included as an optional subject to be taught from year four.<sup>48</sup>

## **(5) Philippines**

The American occupation was responsible for teaching the English Language in the Philippine soil. English is the most widely spoken second language. All business, governmental and legal transactions are conducted in English.

Unfortunately however, the advantage of being an English speaking country is being jeopardized by widespread erosion in the Filipino's ability to speak, read and write in English. The country's advantage is now being threatened by the vigilance in English education of China where labor cost is even cheaper.

Needless to say, the decline in English proficiency among Filipinos is not merely a language but an education problem. This can be attributed to insufficient investment and poor management of the education system.<sup>49</sup> Public education in the Philippines suffers from chronic shortages like classrooms, textbooks, not least of which are computers and internet access.<sup>50</sup>

The educational system also faces debates over the language policy. There are conflicts as to whether education should be in English or local languages. The 1987 Constitution<sup>51</sup> of the Republic of the Philippines provides for the legal basis for the various language policies that are being implemented in the country. Consistent with this constitutional mandate and a declared policy of the National Board of Education on bilingualism in the schools, the Department of Education, Culture and Sports promulgated the Bilingual Education Policy with Filipino language to be used as medium of instruction in social studies/ social sciences, music, arts, physical education, home economics, practical arts and character education. English on the other hand is allocated to science, mathematics and technology subjects.<sup>52</sup>

With respect to the English only policy, one drawback is that there are not enough qualified teachers. The government recognized this problem and to address this, it launched a five-phased program under its National English Proficiency scheme. The programs include: (1) Self-Assessment Test administered to high school teachers of English, Science and Math; (2) Mentor Training Program teaching teachers to become trainers themselves; (3) National Trainers Training Program to send outstanding teachers in England to teach; (4) Orientation of School Heads – by those who took the Mentors Training Program for support and carrying out of what they learned in their schools; (5) Monitoring and Evaluation.<sup>53</sup>

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<sup>48</sup> Nihta Liando, Implementation of language policy on teaching English as a foreign language in Indonesian primary school. <http://www.ifte.net/2003/program/abstracts/egl/EGL19-P-LIA.htm>

<sup>49</sup> Press statement of Education Secretary Edilberto de Jesus. October 23, 2003 (hereinafter de Jesus)

<sup>50</sup> Pinoy internet: Philippines Case Study. ITU. March 2002.

<sup>51</sup> Article XIV Section 6. (1) The National language of the Philippines is Filipino. As it evolves, it shall be further developed and enriched on the basis of existing Philippine and other languages.

(2) For purposes of communication and instruction, the official languages of the Philippines are Filipino, and until otherwise provided by law, English.

<sup>52</sup> Clemencia Espiritu, Language Policies in the Philippines.

<sup>53</sup> De Jesus, *supra* note at 49.

### III. English Language Facilitation

With the irrefutable importance of a common language as manifested in the trends in the adoption of a foreign language policy in East Asian countries, the internationalization of use of English would most likely proceed automatically. Currently, the use of English is gaining popularity not only in the government and education but more importantly in the field of information dissemination. (Table 3)

Table 3. Use of English in selected APEC economies

SELECTED APEC MEMBER ECONOMIES	english translations					education profile							information dissemination			
	website	customs form	bank forms (Bill of lading etc)	product labelling laws	tourism programs	primary	secondary	technical/vocational	computer school	tertiary	advance schools	entry of foreign english	research outputs	locally published english books	major newspaper	available cable TVs
<b>ASEAN 5</b>																
Indonesia	x				x		x			x	x	x	x	x	x	x
Malaysia	x				x	x	x			x	x	x	x	x	x	x
Philippines	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Singapore	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Thailand	x				x	x	x			x	x	x	x	x	x	x
<b>East Asia</b>																
Japan	*						x			x	x		x			
People's Republic of China	*					x	x			x	x		*			
Republic of Korea	*					x	x			x	x		*			
Chinese Taipei	*					x	x			x	x		*			
Hongkong	x	x	x		x	x	x		x	x	x		x	x	x	x
<b>Latin American</b>																
Chile	*					x							*			
Mexico	*						x			x	x		*			
Peru	*					x				x	x		*			

\* - there is an English translation/ counterpart

The more relevant issue now is the pace of transition especially in those countries which cannot afford the full cost of language education. To facilitate this, efforts are being done by the APEC Human Resources Development Working Group. The Capacity Building Working Group has also identified three priority areas aimed at addressing regional capacity building needs at the institutional, organizational and human level within the APEC region. One of these areas is the human capacity building in the development of an APEC Business School Network which will contribute to promoting English as a working language for business in the APEC region.

#### *Ecotech programs*

The four APEC Economic and Technical Cooperation (ECOTECH) priorities include the promotion of the development of knowledge-based economies. Specifically, the goal of the third priority is more pronounced in the Bangkok Declaration on Partnership for the Future (2003), which states:

“To create the conditions that allow peoples and societies to make the most of their potential and prepare for the challenges of the future -

**Step up efforts to build knowledge-based economies.** We instructed Ministers to accelerate progress towards the Brunei Goals on expanding

Internet access, improvement of intellectual property rights facilitation, protection and enforcement, and implementation of the e-APEC Strategy, in partnership with relevant stakeholders. We voiced support for science and technology innovation, the *upgrading of English Language* and computer skills among the workforce for effective use of the Internet, advancing cyber-education and ICT capacity building, including for small and micro- enterprises.”

An example of existing Eco-tech program is the Integration of Information and Communication Technologies (ICTs) Through Teacher Professional Development. In 1999, this was participated by Australia, Brunei Darussalam, Canada Chile, Hong Kong China, Republic of Korea, Singapore, Chinese Taipei, Thailand, and the United States of America. It aims primarily to establish an APEC “Friendship Net” to build on and disseminate information on ICTs and teacher professional development. This site would be open to a broad audience and could invite such elements as a listserv, on-line electronic forums, an electronic newsletter and a bank of tools and materials, all designed to encourage sharing ideas and experiences among APEC economies. Second, it aims to develop a charter that would recognize the need to respect the right of teachers and learners to use ICTs to support a learning culture, and the responsibility of economies to support and facilitate activities.

There are also recognized efforts by the Regional English Language Office of United States. This initiated workshops on web-based resources for English language teachers and learners as well as International Education and Resource Network (IERN) interactive projects conducted in English linking students with counterparts in the US and over 80 other countries.

#### *Training and Cooperation*

In the Labour and Social Protection Network (LSPN), a general consensus emerges on the need to concentrate on workforce retraining in all APEC economies. To strengthen workforce retraining, the LSPN discussed the proposal to develop and disseminate digital English instruction media which would enable workforces to access and benefit more fully from the internet and English-language printed materials. By addressing the scarcity of English-language printed materials, APEC could begin to narrow the difference between basic education and workforce retraining to enable overall upgrading of skills.

#### **IV. Conclusion and Recommendations**

Several recommendations have been made in various studies to facilitate the promotion of English in the education sector. This includes the development of curriculum and learning materials, professional development programs for teachers, funding for schools, and integration of ICTs access to language learning through satellite, computer, video/television and distance technologies.

With the foregoing, it is vital that each government is able to identify the adjustment issues in its respective states. For instance, there are needs to address socio-cultural issues of keeping a sense of nationality along the process. Foreign language education should not be undertaken at the expense of students’ indigenous/ home languages and their prior literacy

development, that is it should be an additive as opposed to subtractive learning experience for them.<sup>54</sup>

So also although each country would have their own approach to developing the English language proficiency suitable to its level and nature of development, a comparative study of the strategies used by each country would be useful. At the very least benchmarking of standards may be resorted to in East Asian countries. Harmonization in testing of proficiency and setting the criteria for proficiency is necessary in this regard. Linkages and partnership with international organizations or states would prove to be useful in this regard.

As of the time-being there are no available information on English proficiency or even adult English literacy. To assess the extent of internalization of the English language, it would be useful if English proficiency questionnaires could be included in the educational censuses and surveys.

Finally, English instruction should not be the sole responsibility of the education sector. Government efforts should also include harmonizing the English language programs and giving tools like translations, software etc. not only for the local constituents but also to prospective foreign traders, tourists and teachers in order to facilitate trade and flow of information through technology. The movement of natural persons especially English teachers is also another potential industry in itself and must be supported so as to promote not only trade but exchanges of culture and learning experiences.

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<sup>54</sup> Duff, *id.*