

## **MULTILINGUALISM - ECONOMIC GROWTH ELEMENT AND SOCIAL COHESION IN THE EU**

**Mihaela Funaru, Assoc. Prof., PhD, "Dimitrie Cantemir" Christian University of Braşov**

*Abstract: In order to succeed in creating growth and jobs, technical progress is central and lifelong learning is necessary. Europe's inherent multilingualism is more essential than ever before, as industrial economy is gradually being transformed into a knowledge economy.*

*Several research studies show that a variety of languages are required on international markets, along with the cultural competence that is usually acquired with the command of linguistic skills. Companies find it increasingly difficult to recruit qualified staff with language skills beyond basic English.*

*Thousands of European companies lose business as a result of their lack of language skills and intercultural competence. The challenge for internationally firms is to integrate different organizational cultures and communicate efficiently in order to maximize performance.*

*Keywords: European culture, cultural values, marketing environment, multilingualism, linguistic skills*

### **1. European Cultural Environment**

Culture is one of the elements of the external marketing environment of a company that it must take into account, especially when operating in a foreign market.

The components of culture create cultural values specific to each culture underpinning decisions standardization or local adaptation of the marketing mix. The cultural environment also contributes to expression of a particular market requirement, conditioning the kind of products, the distribution and the content and form of market communication of enterprise, messages transmitted to that market.

Culture is seen as the human aspect of development.

The perception of the cultural characteristics of a country, which wants to promote a business, helps international marketing specialist to communicate directly with his interlocutors and understand how they think and act, what are the main psychological barriers that must be overcome or avoid, how to make a better use of the potential of negotiating and therefore to capitalize their offer at superior level.

Knowing the language of a people facilitates understanding of the culture of a society. It is not only a sum of knowledge and linguistic expressions, but express the basic thinking, as the essence of that culture.

Education influences the cultural environment particularly, and the level and structure of the training process practiced in a country depends on value judgments and attitudes towards current market demand. The labour market is interested in selecting representatives of the best education systems.

European marketing must adapt methods and practices to the cultural environment in which they apply. Currently, the European area is characterized by great cultural diversity resulting from the system of values, attitudes, and language diversity, ways of consumption.

"Culture has an intrinsic value for all European citizens, is an essential element of European integration and contributes to the enhancement and sustainability of the European

model of society and influence public opinion on the international stage" (European Parliament, 2000).

European Union's motto, "United in diversity" is considering, among other elements, and multilingualism, a prominent feature of the EU. The European Union has always considered that multilingualism is an advantage and not a burden. While it is committed to political and economic integration of the Member States, the EU actively promotes the freedom of its citizens to speak and write in their own language.

Multilingualism is an essential element through which citizens and businesses can benefit fully from the opportunities it offers. Knowledge of languages has become a key factor in finding a job and for citizens' mobility, becoming an important element to ensure success in business.

A workforce equipped with language and intercultural skills oriented to a practical use helps to establish a competitive environment more effectively on the global market for European businesses.

Multilingualism is also of particular importance in promoting cultural diversity and intercultural dialogue within Europe and other regions. Multilingualism is promoted in order to strengthen social cohesion, intercultural dialogue and European construction.

## **2. Multilingualism - The Essential Element of Competitiveness of European Economies**

A very important element that defines culture is language. The foundations of democracy in the EU is compliance with national languages, as a mean of communication and as an element of culture.

Currently, the 28 EU member states 23 official languages are spoken.

Entrepreneurs must use specific language of each country of community consumer.

The language is particularly important in promotion and communications, to understand those messages, because they do not lose their essential meaning.

Languages are an essential means to enable citizens to fully exercise their rights and participate in a democratic European society.

Knowing more languages is absolutely necessary for Europeans to be able to work together. Languages are the essence of unity in diversity, the fundamental principle of the EU. EU has the obligation to protect and promote the linguistic heritage of all Member States, but at the same time, language is a way of understanding between us, to understand our neighbours, our partners in the EU. Due to knowing several foreign languages, enterprises become more competitive, and citizens may have greater mobility.

Multilingualism is actually contributing to the competitiveness of the European economy to achieve the objectives set in the Lisbon strategy. A study on the effects on the European economy of shortages of foreign language skills in enterprises suggests that the lack of language skills leads to loss of concrete business opportunities, especially for small and medium enterprises.

The European Commission must offer results for citizens and, therefore, must communicate with them in a language they understand. Promoting multilingualism is an excellent way of approaching EU citizens to ensure their access to information and to enable them to express their opinions.

Learning other foreign languages contributes to a better understanding. Interpretation and translation can help citizens to participate in EU and read the publications of the Union.

Promoting multilingualism in the different EU policies, such as culture, education, communication or social policy is one of the key objectives.

Language skills are essential for growth and employment. Every year, thousands of European companies lose business and contracts as a result of lack of language skills and cultural ones. For companies operating on an international scale, the challenge is to integrate different business cultures and communicate effectively to maximize performance.

How can businesses gain a more strategic vision of multilingual communication? National education and training systems are capable of providing dynamic businesses a sufficient number of persons possessing the right skills? Is European workforce flexible enough to allow investment in new markets?

To find answers to these questions, in December 2005, General Directorate on Education and Culture of the European Commission has commissioned the National Centre for Languages in the United Kingdom carried out in collaboration with an international team of researchers of a study on "The effects of foreign Language skills shortages in enterprises on the European economy ". The objective was to provide the Commission and the Member States makers with practical information and analysis on the use of language skills in small and medium enterprises (SMEs) and their performance impact.

Following this study, the main findings were formulated and they will be presented below.

European companies lose business to a large extent due to the lack of language skills. Based on the sample, representing companies from 29 European countries, it is estimated that 11% of exporting European SMEs (945,000 companies) would be losing business because of communication barriers.

The survey identified a direct link between languages and successful exporters. They identified four elements of language management which may be associated with successful export performance: a strategic approach to multilingual communication, appointing native speakers, recruiting staff with language skills and using translators and interpreters. The entire EU economy could have significant gains if all exporting SMEs employed one or more of these techniques.

English is the key to gain access to export markets. However, the survey results suggest that the situation is more complex than the much-quoted view that English is the world language. Russian language is used in a wide area in Eastern Europe (along with German and Polish). French is used in the trade of the African and Spanish is used in Latin America. Business partnerships in the longer term depend on the foundation and management of relationship. For this purpose, knowledge of the culture and language of the target country are essential.

Research indicates that exporting SMEs are more productive than those that do not export. Also exporting companies often benefit from a hidden growth through access to advanced technical knowledge, market intelligence and cost savings or efficiency.

SMEs account for more than 50% of employment in the European Union. Thus, if a larger number of SMEs become successful exporters and exporters expand their market, there would be a significant impact on the European economy. In addition, could benefit from

greater innovation and market knowledge, which in turn could impact on productivity within national economies.

The survey of SMEs revealed that it is losing business to a large extent, due to the lack of language skills.

The value of lost contracts, representing an average per firm over a period of three years, is 325,000 Euros. SMEs face intercultural and language barriers when operating across borders. In all countries, except in eight of them, over 10% of respondents were aware of having encountered intercultural difficulties.

These companies manage linguistic activities such as approaches: employing native speakers with language skills (technique often used by 22% of firms); adapting the website in languages other than the national language (often used in 50% of companies from 22 countries); using the services of translators and interpreters in 4% - 84% of businesses in the country; call local agents in 20% - 40% of smaller firms.

Businesses prefer to hire staff with language skills than to invest in its formation. It is estimated that in the future increase the need for staff with language skills, following the intentions of enterprises to enter foreign markets in the next years.

They expressed their views on the need for work experience in other countries, so employees to improve not only linguistic skills but also awareness of different business cultures.

As regards the large companies, the survey results have confirmed those obtained from the analysis of SMEs, 73% of large companies already having an employment scheme staff with language skills well established. English speakers are required; however, demand for skills in other languages was higher.

The results of the survey demonstrate the real possibility of measuring the impact of language skills on economic performance.

They have identified four elements of language management which can be combined in different ways to be associated with successful export performance: a strategic approach to multilingual communication, appointing native speakers, recruiting staff with language skills and using service of translators and interpreters.

It has been calculated that an SME investing in one or more of these four elements achieved export sales in proportion 44.5% higher than one without these investments.

It was also found that the total productivity of factors of production for exporters may be 3.7% higher than the industrial average. It follows importance of these investments in language skills.

The recommendations made following the study on the impact of language on growth and development of the European economy refers to the consolidation of language learning in education and training at all levels, encouraging students to participate in mobility programs in another European country, encouraging businesses to support education and training programs, establishing links with schools, colleges, universities, business involvement in international exchanges and others.

### 3. Conclusions

Currently, the main priorities of the European Union are to become the most competitive and dynamic economy based on knowledge and able to promote sustainable

economic development by creating more jobs and ensuring greater social cohesion (European Council Lisbon, March 2000).

European governments have realized that modernization of education and training offered are essential. In 2002 EU set the goal that by 2010 Europe to be recognized internationally as a leader in education and academic training offered.

To achieve the objectives, education ministers agreed on thirteen objectives covering different levels and types of education and training (formal and informal) aimed at realizing a lifelong learning. Existing education systems must be improved at all levels: teacher training; basics; integration of information and communication technologies; efficient investments; teaching and learning foreign languages; continuous support; systems flexibility to allow access to education; mobility and citizen education, etc.

In this context, culture is a major determinant in the cooperation and economic development of the European single market.

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