

THE IMPORTANCE OF THE CHINESE LANGUAGE IN TODAY'S INTERNATIONAL BUSINESS

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Abstract

With the continuous expansion of globalization in the 21st century, economic and trade exchanges among countries have also shown an upward trend. In the meanwhile, China has been constantly enhancing comprehensive national strength, so the economic value of the Chinese language has been widely recognized in international business and trades. Besides, international promotion for the Chinese language has also increased in line with the demands all over the world. Based on this circumstance, to analyze the current state of the literature in a coherent picture calling attention from future studies, this study mainly reviews Chinese publications on the Chinese language in international business. Results from this study found most scholars have recognized the economic value of the Chinese language for China and other countries. Moreover, the Chinese language has become valuable as a useful language tool in international business communication activities nowadays. Besides, the Chinese language can promote the progress of international economic and trade exchanges under the globalization context.

Keywords: Chinese language, International business, Business communication

Introduction

Language is the core of international activities. Today's international business scholars consider language as a tool to determine organizational communication, compose the foundation of knowledge creation, construct the organizational realities, and assist international business communication and international negotiation (Piekkari et al., 2005; Piekkari & Tietze, 2011; Hurn, 2007). Language has been highlighted both the theoretical and

practical relevance in international business. Therefore, an increasing number of studies have concerned the relations between language and international business, such as language diversity influences, multifaceted role of language, corporate language, etc. (Tenzer et al., 2017; Brannen, 2004; Hurmerinta et al., 2015). A report by Ma (2004) mentioned that French and English are the main business language in Western Europe according to a survey by the largest recruitment consulting firm; also, it is important to note that the chances of using Chinese are increasing. However, a majority of scholars and practitioners still concern about the English language, since English is also regarded as the language of global business and widespread use in most international organizations (Tenzer et al., 2017; Bannen et al., 2017). Even for Chinese scholars, the studies are focused on the English language, for instance, needs analysis of English in China.

With the continuous development of economic globalization in the 21st century, various economic trades between countries have also increased. Under this global circumstance, economists realized that one of barrier to bilateral trade is differences of language (Tenzer et al., 2017); on the contrary, the trade flows are increased by 44% by utilizing a common language (Egger & Lassman, 2015). Currently, English is the prime international language used in negotiating across cultures (Hurn, 2007). Besides English, Chinese language has become the other main international language in the international business context since China has been the largest contributor to global economic growth since 2006 (Xu, 2019). China plays an important role in the world and international business, thereupon the role of Chinese language. However, in the past five years, many Chinese scholars have studies the international communication of Chinese. These studies conclude techniques to spread the Chinese language such as promoting tourism (Wang, 2016), releasing news or information in Chinese through the internet (Ji, 2019; Bian, 2019). Some scholars have inspected the relations between Chinese language and the economic value (Ji, 2019; Zhang et al., 2018), and the effects of Chinese language on international economic cooperation (Bian, 2019). There is only a small number of studies investigate the Chinese language in international business. Currently, to the best knowledge of the author, there was only one study concerned on Chinese language in international business which was conducted by Zhang (2012). In this study, a survey in 26 countries studied on the use of the Chinese language in international business. As an attempt to call more attention to Chinese language in international business, the objective of this study is to investigate the importance of the Chinese language in today's

international business. Results from this study will provide an extra contribution to the existing literature as well as let more people realize the significance of the Chinese language.

The Status of Chinese language

Today, the official language is English in international business, but not everyone speaks English, or, to be more precise, scholar found that not everyone wants to speak English, although English has become the world's first language after Chinese Mandarin (Hurn, 2007). By 2019, the world's total population is approximately 7.53 billion, and the total population is around 1.43 billion in China (Worldometers, 2019). China has approximate a fifth of the world's population, so there is largest number of people regard the Chinese language as their mother tongue. Chinese culture is board and profound, so is the Chinese language. A study on analyzing Chinese economic value in the context of globalization by Ji (2019) has concluded several characteristics of the Chinese language. One of them is the complexity of the Chinese. There are many polysemic and polyphonic Chinese characters, which causes the difficult to listen, speak, read and write in Chinese. The other one is that the Chinese language is bidirectional. Chinese transmitters and receivers should have enough communication and understanding to reach a consensus on language comprehension, so to overcome the differences in cultural background and language context.

At present, there is an increasing number of people willing to study the Chinese language. In 2011, there were 292,611 oversea students represented 194 countries who come and study in China (Zhang, 2013). Whether oversea students or another foreigners are looking to learn or to seek more opportunities in China, the Chinese language is a necessary stepping stone. Except in China, there is a report shows that the number of people learning Chinese in other countries has exceeded 30 million (Zhang et al., 2018). The establishment of Confucius Institute and Confucius Classroom is necessary for filling up the intense needs for Chinese language. By the end of 2016, there were 511 Confucius Institute and 1,073 Confucius Classroom in more than 140 countries. Notwithstanding, no matter Confucius Institute or Confucius Classroom, they are not the key point to maintain the status of the Chinese language. Instead, the weight of Chinese speakers in international marketing and the motivation of Chinese learners are the main hinges to develop the importance of the Chinese language (Zheng, 2008).

Based on a survey study by Zhang (2012), the understanding of Chinese using in international business is presented. In the study, 232 respondents presenting 26 countries

participated in this survey; moreover, these respondents were from various types of enterprises which are related to production-manufacturing, trade in goods, financial services, transportation services, retail, technical services and trade, corporate management and services, education and so on. This data shows that foreign Chinese speakers cover a range of business sectors and business positions. In addition, this study also investigated the main communicative object of a business person when using the Chinese language. The result shows that the top object is Chinese colleagues, following by Chinese customers and potential customers, and the third is Chinese friends with a non-working relationship. With the great changes in China's economic and business activities in the international community, it has become more common for foreigners to work with Chinese. It is in line with the theory of the economics of language. The theory of the economics of language states that in addition to being a tool and medium for obtaining and communicating information, language also has an economic essence which are value, utility, cost and benefit (Wen, 2007; Grin, 1996; Vaillancourt, 1996; Poor, 1991). Valliancourt (1996) points that language is a kind of human capital, as well as regarded as a tool for people to learn other skills to serve their employers, families and society. China's political and economic status has grown, so does the economic activities with Chinese counterparts, whereupon the degree of demand for Chinese language in the international market has increased since by owning Chinese language capability can enhance the chance doing business with Chinese counterparts.

Chinese in International Business

Language is indispensable to any kind of economic activity. Trades, information networks, and cultural exchange are based on language, as well as the export of labor and merchandise services. Since in 2010, China overtook Japan to become the second largest economy in the world; moreover, in 2018, China's GDP reached 13.61 trillion U.S. dollars (Xu, 2019). One of key contributor to China's GDP is China's international trade. A study mentioned a report of LaFleur in 2010 that between 2000 and 2007, China's international trade with exports has increased almost 490% and import has growing 425% (Puslecki, 2010). On the other hand, all business is open in China after China participated in World Trade Organization (WTO), therewith greatly expanded in business association between Chinese and foreign business persons. In 2004, international businesspersons made nearly 3.9 million business trip to China (Chinese National Tourist Office, 2006). Consequently, the foreign business scholars

found that a great deal of international trade with China has facilitated a great amount of communication with the Chinese counterparts (Cardon, 2009). In the international trade, international business negotiation is an inevitable activity in international business context. Hurn (2007) mentioned a working definition of international negotiating is getting people from different countries to seek agreement through thoughtful dialogue. Also, the author mentions negotiating across borders is visibly differs from negotiating within the domestic market since a number of new factors have to be concerned, such as different languages, cultural differences, different business practices etc. International business researchers found throughout a process of communication, misunderstandings are frequently happened in global business communication (Chen et al., 2006) since a word or phrase means one thing in one culture but means something quite different in another culture (Hurn, 2007). Based on the cross-cultural perspective, international business researchers have recognized the transformative power of translation (Janssens et al., 2004; Steyaer & Janssens, 2013; Xian, 2008). The act of translating data is constrained by language-related decisions that are influenced by culture, politics, and situational context (Brannen et al., 2017). It thus can be seen, when language learners learning the second language, they need to learn its national culture and politics in order to gain the consistent meaning. Therefore, foreign businesspersons with the ability of Chinese language can gain more opportunities to have international trade with Chinese counterparts since they have some understanding on Chinese business culture as well. Understand Chinese business culture is one of key point to success. Cardon (2009) mentioned that almost all business books about China is that business success rest with face issue in business relationship. Face in the Chinese business culture is a metaphor relating to reputation, status, honor, and respect when doing business with Chinese counterparts (Cardon, 2009; Cardon et al., 2003; Chen et al., 2001). Talking to national culture, language is a vital role in the cultural context. Language is not only the reflection of culture, but also the center of culture (Vaara et al., 2005). For instance, when foreign business persons doing business with Chinese counterparts, they should recognize that in Chinese business culture, polite language and indirect language are most emphasized in the formal business activities, but less emphasized in daily business operations and business negotiations (Cardon, 2009). In conclusion, the Chinese language is special productivity, which can positively affect or limit economic activities while doing business with Chinese counterparts. In addition, the improvement of Chinese capability could promote the economic development of both China

and other countries since the language barrier is an effect on trades between two countries (Wen, 2007; Zhang et al., 2018; Ji, 2019).

No matter in China or other countries, there is no doubt that the enhancement of language capability could bring more fluent and effective business going, so that promote the development of economic and society eventually. The tourism industry is one of the beneficiary business activities from language since tourism activities are generated by language learning. For instance, the Spanish Tourist Administration had organized more than 400 Spanish learning tours in 30 countries since 2008; as a consequence, this program brought 462 million euros revenue to Spain (Wang, 2016). Similarly, the spread of the Chinese language motivates people to learn Chinese culture by traveling in China. According to the news on the annual report on the development of inbound tourism in China, there were 12.0778 million inbound tourists in 2012 which brought foreign exchange revenue of 51.664 billion U.S dollar. In 2017, the number of inbound tourists was 139 million; besides, the top purpose of tourists is sightseeing (25.7%), following by the purpose of relaxing on holidays (25.5%), and the third is to understand Chinese culture (21.2%). The effect of the Chinese language is also reflected in outbound tourism in China since there is an increasing number of Chinese speakers in other countries. To deal with Chinese people, foreigners must learn Chinese as well as Chinese people and Chinese culture or depend on Chinese-speaking tour guides. Chinese tourists prefer to travel the countries with fewer language barriers when dealing related to purchasing, living, transportation and so on. Based on the news of an annual report on the development of outbound tourism in China (2018), outbound tourism reached 131 million, with 115.29 billion US dollars spent on outbound tourism. The top 15 destinations for Chinese tourists in 2017 were Hong Kong, Macau, Thailand, Japan, Vietnam, South Korea, the United States, Taiwan, Malaysia, Singapore, Indonesia, Russia, and Australia. Thailand is especially a popular country for Chinese tourists in recent years. Thus, there is an increasing number of Chinese native and non-native speakers in Thailand, such as sales, teachers, students, tour guides, etc. In addition, there are plenty of signboards added the Chinese language everywhere in Thailand. Chinese mobile applications such as AliPay, WeChat have also entered convenience stores, supermarkets, and shopping malls in Thailand to offer more convenience for Chinese tourists. Thus it can be seen, the rapid development of inbound and outbound tourism in China is consistent with the spread of the Chinese language. Learning the Chinese language

inspires more foreigners to visit China to learn the culture, study a language or business cooperation, so that promotes economic and social development eventually.

Conclusion

This study's systematic and thorough review of the publication, mainly on publication of Chinese scholars, on the Chinese language in economics, international business, and communication. A majority number of scholars have gained a better understanding of the effect and value of the Chinese language in international economic cooperation and development. Besides, our review also emphasizes the importance of the Chinese language in international business, especially under the globalization context nowadays. Results from the review found supporting evidence that the importance of the Chinese language in international business. With the continuous development of China's economy, international business activities are increasing day by day. Thus, the Chinese language has become valuable as a useful language tool in international business communication activities. Besides, the Chinese language can promote the progress of international economic and trade exchanges, so that enhances the economy of China as well as increases the revenue of other countries who have a greater number of Chinese speakers.

The results of this study also provide some practical implications. Based on the review, the promotion of the Chinese language mainly depends on teaching Chinese as a foreign language currently. The needs of the Chinese language in international marketing maintains an upward trend, so the Chinese language course should be set up corresponding with different industries, fields, positions, and purpose of work scope. For business persons who are willing to cooperate with Chinese people, learning the Chinese language in advance would help to have an understanding of Chinese culture and Chinese business culture. On the other hand, since the second language is regarded as human resources capital for an organization, an organization could save the cost on this human resources by having more Chinese speakers to deal with Chinese in international business. For future studies, besides emphasizing the Chinese language on teaching, economic value, scholars can also apply this finding to investigate the importance of Chinese language in enterprises which own Chinese speakers. For example, future studies may compare the influence of the enterprise with more Chinese speakers and with fewer Chinese speakers in international business performance.

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