



## Language Competence as A Factor of Economic Growth in the Conditions of Inter-country Development and Cooperation

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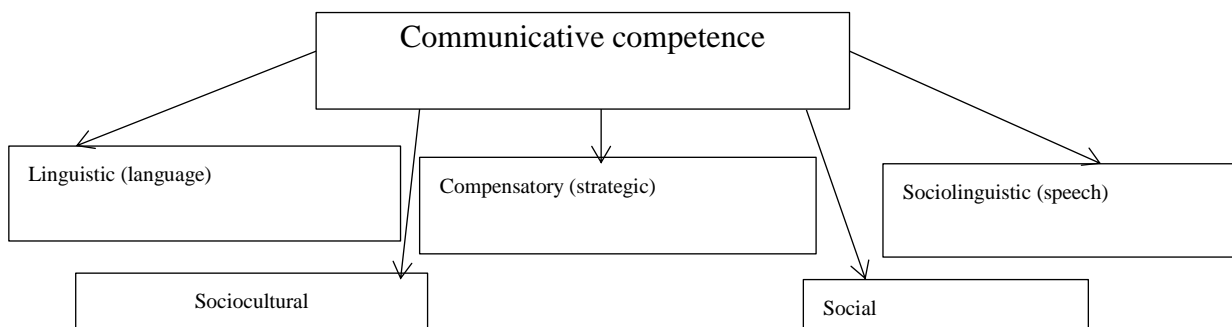
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### Annotation:

The article examines the importance of language competence as a key factor in economic growth and international cooperation in the context of globalization. It summarizes the results of modern studies demonstrating the influence of foreign language proficiency on increasing the competitiveness of companies and countries, developing international trade and eliminating language barriers.

**Keywords:** language competence, language barriers, language literacy, human capital, language skills, globalization.

In the modern world, language competence is becoming increasingly important as a factor contributing to economic development and strengthening international cooperation. Fluency in foreign languages is becoming not only a communication tool, but also an important resource determining the competitiveness of countries, organizations and individuals. In this article, we will consider the key aspects of the influence of language competence on economic growth and inter-country cooperation.[1].



**Figure 1. Linguistic and sociocultural aspects of learning a foreign language**

The topic of the influence of language competence on economic development and international cooperation is actively discussed in scientific circles (Fig. 1), which is confirmed by a significant number of studies in this area.

According to Griffiths' work, language competence is considered an important element of human capital, contributing to the development of international trade and increasing the level of competitiveness of countries. The author emphasizes that companies with multilingual employees demonstrate higher export rates and profitability.[1]

Successful examples of implementing multilingualism in business are demonstrated by companies such as Google, Amazon and Airbus, which actively invest in developing the language skills of their employees. PwC research (2021) shows that companies providing foreign language training increase their profitability by 15-20% due to the expansion of the geography of business[4].

The experience of the European Union countries is also of particular interest. According to a Eurostat study, EU residents who speak two or more foreign languages earn on average 12% more than those who speak only one language[2].

In the context of globalization, international economic relations are developing ever more rapidly. Companies entering international markets are faced with the need to overcome language barriers in order to effectively interact with partners, clients and suppliers. Research shows that about 49% of companies operating in international markets consider language barriers to be one of the main obstacles to growth. According to the European Commission, the lack of language competence leads to an annual loss of about 11% of potential export deals.

### Table 1. The influence of language competence on economic cooperation

Aspect	The role of language competence	Impact on economic growth	Example
International trade	Ability to negotiate and conclude contracts in foreign languages	Increasing the competitiveness of countries and companies in international markets	Trade between Uzbekistan and Russia
Investments and business	Ability to establish connections and negotiate with foreign partners	Attracting foreign investment and developing new businesses	Attracting investors from different countries of the world
Tourism	Development of tourism, creation of a comfortable environment	Economic growth due to increased tourist flow	Development of tourism in countries where language learning is widespread

Table 1 examines language competence as an element of human capital that impacts productivity and the competitiveness of workers in the marketplace. Research shows that employees who speak several languages are 10-15% more likely to find employment and receive 20-30% higher salaries. According to the British Council, employees with language skills increase companies' export potential by 37%. [3].

In addition, language literacy facilitates cultural adaptation, which is extremely important when working in international markets. Cultural understanding combined with language skills allows you to build long-term partnerships and avoid intercultural conflicts that can negatively affect business.

States that recognize the importance of language literacy for economic development are implementing special educational programs aimed at learning foreign languages. For example, in the Netherlands, about 93% of the population speaks English, making the country one of the most attractive for international investors. According to the OECD, countries with high levels of foreign language proficiency demonstrate 12% higher GDP growth per capita [3].

The development of language competence can also be linked to economic integration. For example, in the countries of the European Union, knowledge of several languages is an important factor for career growth and successful cooperation within the common economic space.

Successful examples of integrating language competence into international cooperation can be seen in various sectors of the economy. Tech companies such as Google and Microsoft actively use multilingual teams to work on products adapted to local markets. According to a 2021 study, companies that have implemented multilingual strategies increased their revenue by 20-25% by expanding their presence in new markets. Universities that offer programs in several languages attract students from all over the world, which contributes to the growth of revenue in the education sector. Language proficiency allows tourism companies to improve the quality of service and strengthen their position in the international arena. [4].

In the context of increasing digitalization and globalization, the importance of language competence continues to grow. New technologies such as machine translation and artificial intelligence simplify communication, but do not replace the importance of personal language skills. Effective development of language literacy in the future requires the introduction of innovative teaching methods such as online platforms and mobile applications, cooperation between educational institutions and businesses to create programs that meet labor market requirements, as well as support for multilingualism at the level of government and international organizations.

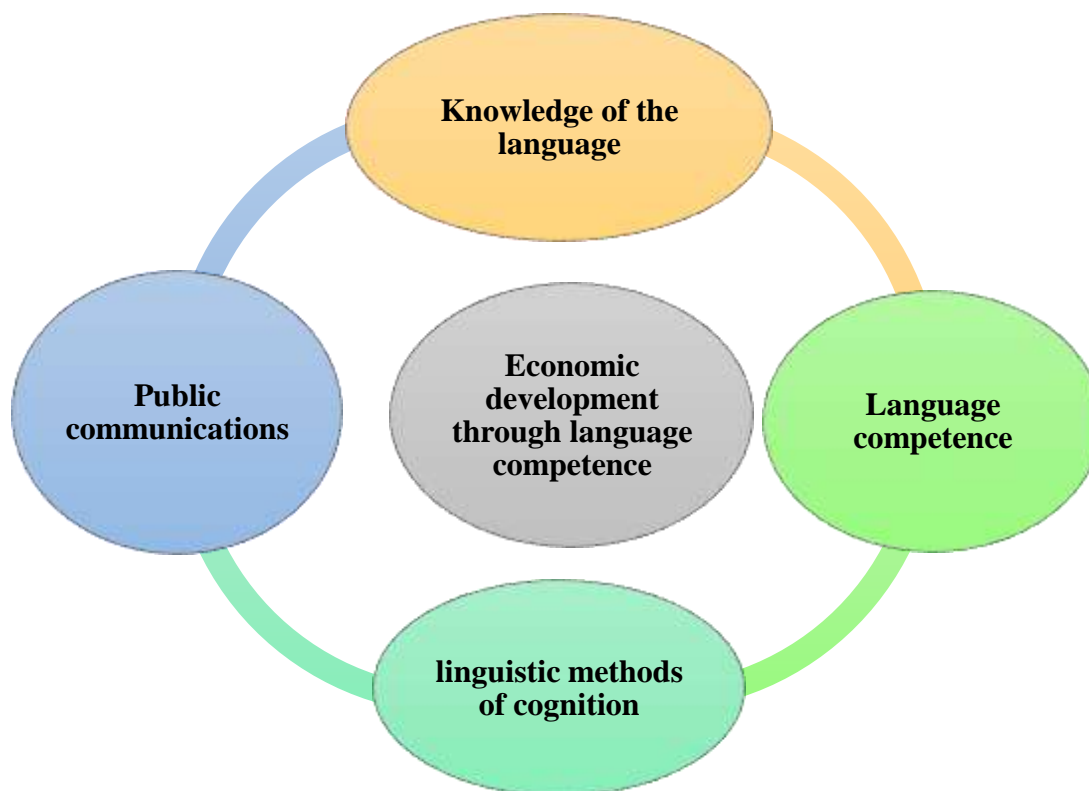
Language competence plays a key role in economic growth and the development of international cooperation. It helps strengthen the position of countries in the global market, increases the competitiveness of companies and opens up new opportunities for the population. The development of language skills should be considered a priority task aimed at creating a sustainable and competitive economy in the context of globalization.

In recent decades, the world economy has been undergoing a period of significant changes caused by globalization, growth of international trade and expansion of intercountry relations. In these conditions, language competence is becoming a key factor contributing to the economic growth and development of countries, as it affects the efficiency of communication, increases competitiveness and opens up new opportunities for cooperation in the international arena. One of the striking examples of countries actively developing their language policy to stimulate economic growth is Uzbekistan.

Uzbekistan, located at the crossroads of several cultures and languages, is actively developing its language policy in order to strengthen its position in the international arena. After gaining independence in 1991, the country began to focus on the development of the state language - Uzbek, which gradually replaced Russian as the main language of communication in politics and business. However, in the context of globalization and the growth of international economic ties, Uzbekistan also realizes the importance of knowledge of other languages, especially English, Russian and Chinese.

In recent years, Uzbekistan has taken steps to improve the language skills of its citizens, which is directly related to the active development of foreign trade, tourism, investment and other areas of the economy. Improving language literacy among the population and in government agencies helps attract foreign investors and partners, improve the quality of educational programs and develop cultural exchanges.

Language competence (Figure 1), especially in international languages such as English and Russian, is an important element for attracting foreign investors to the country's economy. Statistics show that in recent years, there has been an increase in the number of foreign companies opening representative offices and representative offices in Uzbekistan. This has become possible due to the improvement of international language communication skills among local specialists and civil servants. In 2023, according to the Central Statistical Office, the total volume of foreign investment in the country amounted to 7.6 billion US dollars, which is 12% more than the previous year.



**Figure 2. The mechanism of influence of the development of language competencies on economic development**

The impact of language competence is also noticeable in the tourism sector. Uzbekistan is a popular tourist destination due to its historical heritage and cultural monuments such as Samarkand, Bukhara and Khiva. Knowledge of foreign languages helps improve the quality of service for foreign guests and also stimulates the development of tourism. In 2022, more than 6.5 million tourists visited Uzbekistan, which is a significant increase compared to previous years.

As part of the reforms in the field of education, Uzbekistan is actively introducing courses and programs for teaching English and Chinese languages. This opens up new opportunities for students and specialists, allowing them to participate in international scientific projects and exchanges. In 2024, more than 50 new foreign educational institutions were opened in Uzbekistan, which confirms the growing interest in quality education at the international level.

In the context of digitalization of the economy, language competence is also becoming an important factor for successful business. In Uzbekistan, there is a growing number of startups and technology companies that actively interact with foreign partners. English language training programs and other courses in the field of digital technologies help improve skills in working with international platforms and expand business in the international market.

Uzbekistan continues to invest in developing the language skills of its population. In 2024, funding for foreign language programs in schools and universities was increased, and the number of courses for adults was increased. According to research, more than 40% of the country's population today speaks at least one foreign language, and about 25% speak two or more. English language courses are in the greatest demand, due to growing economic and cultural ties with English-speaking countries.

In the future, the development of language competence will be directly linked to the successful implementation of the strategy for sustainable economic growth in Uzbekistan. Language training of citizens contributes to the creation of jobs, improvement of the quality of services, as well as an increase in the volume of export-import operations and economic exchange.

Thus, language competence in the context of globalization is becoming an important element of economic growth and prosperity of Uzbekistan. Improving communication skills in foreign languages contributes to the growth of international relations, improving the quality of education and tourism infrastructure, and attracting foreign investment. The strategy for improving the language literacy of the population, especially among young professionals, promises to become one of the key factors in the further economic development of the country in the context of intercountry cooperation.

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