

# Language Markets and Professional Barriers: Examining the Economics of English in Urban India

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Language acquisition is a vital form of human capital with significant economic implications. Proficient knowledge of a particular language can not only improve job prospects but also increase the wages and economic opportunities afforded to an individual. Language skills fall under the human capital framework for three main reasons: they offer returns in the labor market, require time and resources to be spent, and are exercised by a person (Chiswick & Miller, 2003). In this context, English, the lingua franca of the business world, plays a critical role.

Previous scholarship has extensively explored the economic benefits of English language acquisition for immigrants in various countries. For instance, a study by Kossoudji (1988) focused on the correlation between English language ability and labor market opportunities for Hispanics and Asians. Other field experts (Chiswick & Miller, 1995; Roshid & Chowdhury, 2013) have also explored the influence of dominant language fluency among immigrants and graduates to estimate the impact it has on their earnings. Studying the economics of language has offered critical interdisciplinary insights in such cases. It seems less clear, however, the effect English has in domestic contexts. One such example is India, where English has transformed from a symbol of colonial rule to a valuable skill needed to survive the rapid pace of the global workplace. In the Indian labor market, English proficiency often coincides with higher earnings and has gained greater relevance in the new millennium. This is because of the number of opportunities that open up when an applicant is fluent in a language as globalized as English. Despite this, its effect inside domestic markets is largely unexamined.

This research paper is aimed at charting the economics of English language acquisition in urban India. It will contextualize the equivocal relationship between English and India by considering its colonial origin, changes post-1947 or the Indian independence, as well as its utility as a global lingua franca. The primary focus, however, is to study the impact of language acquisition on employability and professional growth. By analyzing evidence from existing case studies and policy experiments on micro and macro levels, this paper considers how an English language premium influences the Indian labor market.

## BACKGROUND

Before understanding the economics of English language acquisition in India, it is essential to weigh the arguments surrounding English as an “elite” language. Historically, the English language is viewed as one of the most “visible and tangible indicators ... of British colonialism” (Parameswaran, 1997, p. 22). In 1949, when the Indian constitution was adopted, it recognized 14 languages in place of a national language, which later grew to 22. At its core, this was an attempt to herald the country’s rich multilingual legacy. For administrative reasons, though, Hindi and English were declared as the two official languages.

Like other colonized nations, the debate over which language to promote in schools—native tongues or English— has drawn mixed responses over the years (Gupta, 1995). To a large extent, as Gyanendra Pandey (2016) writes, the English language continues to be “the language of the rulers” in postcolonial India. Hence, some claim that teaching English at an early stage could deepen the existing social and economic inequalities in India. Proponents on this side advocate for native language instruction as a means to increase access to education and reduce the likelihood of children from disadvantaged sections dropping out. On the other hand, it is also evident that English proficiency has become a widely accepted requirement in the professional world. Several scholars contend that English medium education and English language skills are not a barrier but a “ticket to vertical mobility in Indian society” (Faust & Nagar, 2001, p. 2878). Since it facilitates social and economic opportunities for individuals in the professional workforce, they argue that English can be a vital tool for uplifting marginalized communities. This is particularly relevant considering the price tag attached to enrolling in private schools and coaching centers is something most low-income families cannot afford.

Moreover, it can be argued that abandoning English in public schools would further distance vulnerable groups from English language acquisition and lead to an uneven distribution of its benefits.

Meanwhile, the importance of English in the labor market shows no sign of diminishing. With an increasing number of white-collar jobs defaulting to English, non-English speakers are severely restricted from participating in the labor market, specifically for high-paying jobs. One such study evaluating the employability of graduates in major roles across India found startling results. Upon surveying 60,000 graduates across Indian colleges, it was concluded that as many as 47% of recent graduates were “unemployable” in any sector because of their lack of proficiency in the English language (Chaturvedi, 2013). For the role of an analyst, it was even reported that 90% of graduates did not meet the English language proficiency requirements. While the political and cultural implications of this phenomenon require consideration, it is also evident that a significant economic advantage is afforded to English speakers over non-English speakers in the country.

Previous scholarship has analyzed these differences through the concept of an “English language premium,” which refers to the economic returns the English speaking population receives in the labor market (Chakraborty & Bakshi, 2016; Munshi & Rosenzweig, 2006). Such benefits include better employment opportunities as well as higher mobility and wages compared to their non-English speaking counterparts. To explore the effects of this skill premium in urban India, this paper investigates evidence from different micro and macro case studies. As a result of liberalization, globalization, and the recent boom of the Indian IT sector, English proficiency has started to play a consequential role in the field of socio-economics. Hence, studying such perspectives related to English language learning, particularly the impact of language acquisition on employability and professional growth, can offer important insights into matters of policy, pedagogy, and social justice.

## **DISCUSSION**

In their seminal research, Joydeep Roy (2004), and later Chakraborty and Bakshi (2016), investigated the outcomes of eliminating the English language in the educational policy of West Bengal. The state removed English from its primary school curriculum across all government-run schools in 1983. This was done in a bid to benefit children from disadvantaged communities. Abolishing the English barrier, they believed, would make students less likely to drop out. Other states like Tamil Nadu and Karnataka adopted similar changes. Yet, the policy experiment in West Bengal remains one of the most wide-reaching language experiments in India, spanning over 20 years until it was finally reversed in the 2004–05 academic year.

Moreover, private schools and cohorts who began their education prior to 1983 were not affected by the change. These conditions led to an advantageous scenario where researchers were able to conduct formative studies on the implications of eradicating English in urban India. Though the state government hoped to make learning more accessible, findings reveal that it actually had the opposite effect. Rather than more students enrolling in state schools, Roy (2004) found that more children were attending private schools and coaching centers instead. Families also incurred higher out-of-pocket expenditures from the 1980s to the 1990s. A Regional Institute of English South India (RIESI) survey held in Karnataka in 2003 may contextualize the motives behind this, since a staggering 592 of the 613 parents it surveyed at the time believed that learning English would allow for greater economic mobility and wanted it introduced early in schools.

These parents were indeed well-founded in their opinions, as evidenced by a statistical study conducted by Chakraborty and Bakshi (2016). After analyzing data from the time of West Bengal’s policy intervention, they found that just a 10% decrease in the probability of learning English at the primary level lowered weekly wages by 8%. Overall, they concluded that the wages of students who were educated under the new policy were 26% lower on average (Chakraborty & Bakshi, 2016, p. 1). Since families who could afford private sector options invested in them, the vulnerable sections lost out on the skill “premium,” which only furthered the divide between the rich and the poor.

Outside of West Bengal’s policy experiment, another macro-study supports the notion of an English speaking premium. To quantify the effects of English language skills on wages, Azam et al. (2013) used data from the 2005 India Human Development Survey and presented “the first estimates of the returns to English-language skills in India” (p. 335). After accounting for various external influences, they estimated that men who spoke English fluently received 34% higher wages. Similarly, men who spoke some English received 13% higher wages compared to those who spoke no English at all (Azam et al., 2013, p. 336). These statistical findings affirm that English language skills can substantially impact hourly wages in the labor market. Additionally, they demonstrate a strong case for the inclusion of English in state-run school curriculums.

Despite this, inequitable access to English instruction remains one of the major causes of the socioeconomic divide in India. So much so that English has been dubbed the “new caste system in India,” whose hierarchy is deeply linked to the country’s existing deep-rooted class divisions (Bhatia, 2017). However, these statements may not sufficiently capture the emancipatory potential of English. For years, families from low-income backgrounds have looked to English medium schooling as a means for professional and career growth. Over the last two decades, this has led to a sharp decline in the enrollment rates of students in state-run schools for classes 1 to 8, from 80.4% in 2003 to 58.6% in 2016–17 (Mehta, 2006, 2016). Low-cost private schools in India have been at the forefront of this shift, offering parents a financially viable path to English education. Yet its returns have not been adequately scrutinized.

This is important, considering the effectiveness of English medium instruction in India can be a crucial factor in determining its economic outcomes. As Bhattacharya (2022) notes, while English medium education might provide advantages in certain contexts, it may not always translate to economic empowerment for all segments of society. Disadvantaged groups, particularly those from rural or economically marginalized backgrounds, face challenges accessing quality English education. They also face difficulties keeping up with their cohorts, which limits their ability to reap the benefits of the English speaking premium later in life. When Endow (2021) investigated these returns in a primary survey held in Delhi and the National Capital Region, she concluded that parents often do not get a fair return for investing their limited resources toward education. Additionally, her findings highlighted that language acquisition among students was poor and mostly went undetected at primary levels. Some reasons for this are the textbook reliance on rote learning as well as the translation and memorization-based teaching processes seen in low-cost primary schools (Bhattacharya, 2022; Endow, 2021). Furthering this, Endow (2021) noted that in such settings, if the language of instruction is not one that is familiar or spoken at home, there are adverse effects on actual learning.

Despite these limitations, low-cost private schooling, as well as state-run schools, offer a level of accessibility that cannot be disregarded. Researchers have suggested that changing how the English language is taught in these environments can have a significant impact on economic returns. One such change, for instance, is using bilingual teaching and learning materials to improve understanding, comprehension, and overall ability to communicate in the English language among students. Some suggest that the inherent linguistic diversity of Indian classrooms might hold the key to effective pedagogy. Agnihotri (2010) has outlined how keeping the “multiplicity of languages and cultural practices available among children at the center of classroom transaction” can result in better learning outcomes (p. 10). The latest National Curriculum Framework for School Education (2023) has also recognized the “central importance to language learning, across all stages” and, more notably, reaffirmed its commitment to multilingualism (p. 133).

India is one of the world’s largest markets for English instruction. Though the status and prestige associated with English need further scrutiny, it is evident that English cannot be discarded from classrooms entirely. The differences in skill premium obtained by students in public schools or low-cost-private schools compared to high-cost English medium schools are crucial here. Understanding the dynamics between language and economics can offer insights to policymakers and pave the way for high-quality education that is equitable, beneficial, and accessible to all. More importantly, it can equip and empower disadvantaged groups with the language skills needed to tackle the globalized workforce.

## CONCLUSION

This paper sheds light on the economics of English language acquisition in urban India, with a focus on its implications for employability and professional barriers in the Indian labor market. The evidence presented emphasizes the importance of language as a form of human capital and its role in determining economic outcomes for individuals. The ambivalent relationship between English and India, arising from its colonial origins and its utility as a global lingua franca, highlights the complexity of linguistics in the country. By analyzing various studies, this paper has attempted to offer an insight into the ways in which English language proficiency affects professional growth.

Further, the English speaking premium received by those proficient in the language is a significant consideration for future policies. While English medium instruction may provide equitable opportunities to all segments of society in India, its potential inefficiencies must also be noted. Due to this, the economic returns to disadvantaged groups may be limited or drastically different from their cohorts. This is compounded by the challenges they face in accessing quality English education.

Developing policies that promote inclusive language learning and enable equal access to English language education can be vital in breaking down socio-economic barriers in the country. A multilingual approach to education also merits

consideration here. Since this approach favors language acquisition more equitably and effectively, it can empower individuals from diverse backgrounds and regions. Researchers have even revisited “Indian English,” which was unfairly considered an inferior variant of standardized English, and acknowledged its legitimacy in a global context (Maxwell et al., 2023; Sridhar, 2020). As Amritavalli (2013) puts it, “English is taught by Indians to Indians so that we may interact with one another and with the world. ... We need not insulate it from our other languages in the classroom” (p. 23).

Languages have been a central force in shaping economic outcomes and professional opportunities not just in India but across the world. By understanding the dynamics of language markets and professional barriers, policymakers can work towards creating an environment that fosters language proficiency and provides equal economic opportunities for all individuals.

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