The Value of English Proficiency to the United States Economy

By Don Soifer   April 2009

Lexington Institute
Executive Summary

What is the cost to the United States economy attributable to a lack of basic English skills? There are currently over 11 million English learners living in the United States, including over 5 million currently attending elementary and secondary schools.

This paper utilizes data from the 2000 Census as well as a range of sources to estimate that $65 billion annually in wages are lost due to poor English language skills. Among other findings:

- There were 4.4 million “linguistically isolated” households in the United States in 1999, where all family members above the age of 14 have difficulty with English.
- Only one in four English learners in U.S. schools is foreign-born.
- Overall, limited proficiency in English imposes a wage penalty for Latino workers in the United States that can range from 3.8 to 38 percent, according to research by economist Libertad Gonzalez.

Details follow.
BACKGROUND

There were 10.9 million English learners living in the United States, according to the 2000 Census. Of these, 4.4 million were students enrolled in elementary and secondary schools in all 50 states (that number grew to over 5 million in 2006-07).

As a result, their success, in classrooms and workplaces alike, is closely linked to the economic future of a growing number of communities and states around the country. Many areas, from North Carolina’s Research Triangle to Chicago’s Lake County suburbs, are confronting for the first time the unique educational challenges related to teaching English learners, and especially to teaching them English.

The challenges are great, as Limited English Proficient (LEP) Americans trail the rest of the population substantially both educationally and economically.

The median income for English learner households in the United States was $25,604 in 1999, or about 60 percent of the $42,000 median household income for the rest of the population. The number of English learner families living in poverty, at 26.3 percent, was more than twice the rate nationally.

On the National Assessment of Educational Progress (NAEP), the test known as the Nation’s Report Card, English learners scored at “below basic,” the test’s dismal lowest level of achievement, at a rate of nearly three times that of the English proficient population in fourth and eighth grade reading and math. While some educators who staunchly support an approach to bilingual education that de-emphasizes the teaching of English say that it can take four to six years to learn English properly, the reality is that many are acquiring English much more slowly than that. Many are more likely to drop out of school than to ever become proficient in English.

What is the cost of failing to bring English learners to proficiency, both for them and for the rest of the economy?
Largely because of the availability of data, much of the published research to date addressing the value of English proficiency to earnings in the United States has focused specifically on the foreign-born population. Geoffrey Carliner of the Institute for International Economics found that, while in 1989, immigrants to the United States earned on average 50 cents an hour less than native-born Americans, their wages increase by 0.8 percentage points on average for each additional year of residence. His research attributed 16 to 18 percent of that narrowing for male immigrants, and 6 to 10 percent for females, to gains in English proficiency (Carliner, 1996).

Barry Chiswick and Paul Miller have produced some of the most widely-cited research on the earning power of immigrants to the United States. Their analysis of 1990 Census data found that immigrants from non-English speaking countries who were fluent in English earned 14 percent more annually than those who were not. They also determined that where they live makes a difference, and in particular, the concentration of others with strong English skills living around them. Especially for those immigrants who are fluent in English, they concluded, earnings are higher for those who do not live in communities with strong concentrations of non-English speakers (Chiswick, 2002).

<table>
<thead>
<tr>
<th>State</th>
<th>Number of LEP enrollment students</th>
<th>Percent LEP enrollment students</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. California</td>
<td>1,591,525</td>
<td>25.7%</td>
</tr>
<tr>
<td>2. Texas</td>
<td>684,007</td>
<td>15.5%</td>
</tr>
<tr>
<td>3. Florida</td>
<td>299,346</td>
<td>11.3%</td>
</tr>
<tr>
<td>4. New York</td>
<td>203,583</td>
<td>7.1%</td>
</tr>
<tr>
<td>5. Illinois</td>
<td>192,764</td>
<td>9.2%</td>
</tr>
<tr>
<td>6. Arizona</td>
<td>155,789</td>
<td>15.1%</td>
</tr>
<tr>
<td>7. New Mexico</td>
<td>90,926</td>
<td>28.7%</td>
</tr>
<tr>
<td>8. Colorado</td>
<td>90,391</td>
<td>11.8%</td>
</tr>
<tr>
<td>9. Washington</td>
<td>75,678</td>
<td>7.4%</td>
</tr>
<tr>
<td>10. Nevada</td>
<td>72,117</td>
<td>18.1%</td>
</tr>
<tr>
<td>United States</td>
<td>4,479,576</td>
<td>9.3%</td>
</tr>
</tbody>
</table>

Source: Obtained from http://www.ncela.gwu.edu/stats/3_bystate.htm
But most English learners in U.S. schools are not immigrants. According to 2000 Census data, 59 percent of U.S. elementary school children who are English learners were born in this country to immigrant parents. Another 18 percent are third-generation Americans. This means that only 24 percent of English learners in public elementary schools in the United States are foreign-born.

TWO FORMS OF LINGUISTIC ISOLATION

Increasingly in recent years, the notion of linguistic isolation as an obstacle to learning has received greater attention from those concerned with policy solutions to support the opportunities facing English learners. The term has two important uses.

Linguistic Isolation in Schools

English learners are more likely “to be in racially and linguistically isolated settings with other English learners (thus limiting their opportunities for language acquisition),” wrote Patricia Gándara and Megan Hopkins of the University of California, Los Angeles in a 2008 essay. This aptly describes the first meaning of linguistic isolation.

<table>
<thead>
<tr>
<th>Language</th>
<th>Number of LEP Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spanish or Spanish Creole</td>
<td>7,931,850</td>
</tr>
<tr>
<td>Chinese</td>
<td>571,125</td>
</tr>
<tr>
<td>Vietnamese</td>
<td>326,970</td>
</tr>
<tr>
<td>Korean</td>
<td>264,420</td>
</tr>
<tr>
<td>Russian</td>
<td>192,295</td>
</tr>
<tr>
<td>French (incl. Patois, Cajun)</td>
<td>145,580</td>
</tr>
<tr>
<td>Portuguese</td>
<td>118,725</td>
</tr>
<tr>
<td>Polish</td>
<td>112,485</td>
</tr>
<tr>
<td>Italian</td>
<td>111,250</td>
</tr>
<tr>
<td><strong>Total U.S. LEP Population</strong></td>
<td><strong>10,986,850</strong></td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Census 2000.
A 2005 study by The Urban Institute found that nearly 70 percent of English learners are enrolled in 10 percent of the nation’s elementary schools, where nearly 50 percent of the students are English learners (de Cohen, 2005). More than half of California’s English learners attended schools where they represented more than half of the student population in 2005 (Rumberger, 2006). The resulting shortage of language “role models” poses an added obstacle to English learning.

For all students, regardless of their language background, there is a strong, positive correlation between educational outcomes and educational opportunities. English learners are more likely than other students to attend high-poverty schools that lack adequate materials and textbooks, that have inferior facilities, and to have teachers who are unqualified or unprepared. Shortages of teachers certified to teach English learners are well documented in those states and school districts with the largest LEP populations.

As Gándara and others have noted, English learners are also more likely to be segregated in classrooms taught predominantly in their non-English, native language, and to share these classrooms with other non-English speakers exclusively. This approach works against this critical student population, often restricting their best opportunities for English acquisition. For LEP students, interaction on a daily basis with their peers who speak English well is crucial to their language development. This is true whether such interaction occurs in the classroom, lunchroom or schoolyard during recess. It is an unfortunate reality.
that segregated bilingual education programs, often termed “transitional,” frequently deny children these opportunities.

In those states with the largest populations of English learners, like California, Texas and Illinois, the rate at which English learners are transitioned from bilingual education programs, successfully meeting the exit requirements to become reclassified as proficient in English, are extremely low: under ten percent. In Illinois, 7.8 percent of students in state-mandated bilingual education programs succeeded in meeting the transition requirements for exiting the program.

Such programs may be described as “transitional bilingual education,” but the reality for most students is that they are transitional in name alone. Put differently, this means that it takes the average English learner more than ten years in public schools to learn enough English to be moved into the mainstream by being redesignated as proficient. As described by Gándara and Hopkins, “English learners are a special risk category for disengagement because they cannot fully participate in the classroom with English speaking peers.” Statistically, such children are more likely to drop out of school than ever to become proficient in English.

According to the 2000 Census, 10.4 percent of the U.S. population is foreign-born, an increase from 7.9 percent in 1990. Most of these immigrants are from countries where English is not the predominant language.

One analysis of 1980 Census data found that among second-generation Americans born to post-1965 immigrants, 12 percent spoke English “not well or not at all” and another 13.8 percent only spoke English “well” (Portes, 1993).

Certainly, children who are new immigrants to the United States bring their own educational challenges, largely depending on the level of formal education they received in their home countries. But, statistically speaking, these students comprise a relatively small number of English learners. One study of new immigrants in New York City in the 2007-08 school year observed that 20 percent arrived in first grade or earlier (NYCDE, 2008).
Figure 4. Metropolitan Areas with Significant Numbers of Linguistically Isolated Households

Figure 5. Population in Linguistically Isolated* Households (States with highest percentage)

<table>
<thead>
<tr>
<th>State</th>
<th>Ages 5-17</th>
<th>Ages 18 and higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>13.39%</td>
<td>10.41%</td>
</tr>
<tr>
<td>Texas</td>
<td>8.91%</td>
<td>7.51%</td>
</tr>
<tr>
<td>Arizona</td>
<td>8.49%</td>
<td>6.00%</td>
</tr>
<tr>
<td>Nevada</td>
<td>8.36%</td>
<td>6.42%</td>
</tr>
<tr>
<td>New York</td>
<td>7.32%</td>
<td>7.58%</td>
</tr>
<tr>
<td>New Mexico</td>
<td>6.64%</td>
<td>5.85%</td>
</tr>
<tr>
<td>New Jersey</td>
<td>5.88%</td>
<td>6.16%</td>
</tr>
<tr>
<td>Florida</td>
<td>5.74%</td>
<td>5.97%</td>
</tr>
<tr>
<td>Illinois</td>
<td>5.53%</td>
<td>5.14%</td>
</tr>
<tr>
<td>United States</td>
<td>5.06%</td>
<td>4.39%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, Census 2000, Summary File 3.

* A linguistically isolated household is one in which all members 14 years old and over have at least some difficulty with English.
Most educators involved with teaching English learners point to high mobility rates as among the most significant challenges. Often, less stable home environments and migration related to employment (such as the pursuit of seasonal jobs) are major causes of this mobility. There are also other factors, less formal but still significant. Particularly among Mexican-American immigrants and their children, ritual returns to Mexico to celebrate an extended Christmas holiday, “Las Posadas,” beginning December 16, further complicates the academic calendar. Some educators, however, attribute a reduction in the numbers of students absent over this time to federal immigration policy reforms, for students not lawfully present.

**Linguistically Isolated Households**

The second form of linguistic isolation is a census term relating to household language use. The U.S. Census Bureau defines a linguistically isolated household as one in which all members 14 years old and over have at least some difficulty with English. There were 11.9 million Americans living in 4.4 million linguistically isolated households in 2000. This was a substantial increase from 1990, when the census reported 7.7 million people in 2.9 million linguistically-isolated households.

Spanish-speaking households comprised 68 percent of all linguistically isolated households in the United States. Chinese was a distant second, at 6 percent, followed by Vietnamese and Korean, each at 3 percent.

Just under half of households in linguistic isolation (46 percent) are led by married couples, two-thirds were born in the United States, slightly more than one-third have one wage earner, and slightly under a third have two.

Children are generally more likely to live in linguistically isolated households than adults. In California, these include over 13 percent of school-aged children, the highest rate in the nation. In Texas, Arizona and Nevada, more than 8 percent do.

Linguistic isolation tends to be concentrated around metropolitan areas. An analysis of 2000 Census data by the Harvard School of Public Health identified 14 of the nation’s 100 largest metropolitan areas where more than 10 percent of children live in linguistic isolation (as were children in 28 of the nation’s 331 major metropolitan areas).
Living in linguistically isolated environments has also been strongly linked with lower earnings for non-English speakers. Enclaves where there is a strong concentration of a single, non-English native language are associated with lower levels of English proficiency. Poor English skills produce lower nominal earnings. In addition, those who live in enclaves that are linguistically isolated frequently have less information about jobs offered by employers who operate in the mainstream economy, which generally offer higher wages. For these and other reasons, earnings are lower where the intensity of linguistic isolation is greatest, particularly for those foreign born with poor English skills, as Chiswick and Miller and others have shown (Chiswick, 2002).

EARNING POWER AND ENGLISH PROFICIENCY

There has been relatively little research produced on the effects of English proficiency on earnings in the United States for non-immigrants, largely because of a shortage of available data. Most researchers have chosen to focus their research on immigrants to the United States.

Using data from the 1990 Census, Bleakley and Chin identified a positive effect of English-language skills on wages among those who immigrated to the U.S. as children. Compared with an immigrant who speaks English poorly, an immigrant who speaks English well earns 33 percent more and a person who speaks English very well earns 67 percent more, they observed (Bleakley, 2003).
Libertad Gonzalez, an economist at Universitat Pompeu Fabra in Barcelona, currently teaching at Columbia University, examined the relationship between earnings and English proficiency for Hispanic workers in the United States in a 2004 discussion paper. “On average, LEP imposes an overall wage penalty that lies between 3.8 and 38.6 percent, and reduces the probability of finding a job by 0 to 6.5 percentage points,” she found.

Noting that the wage premium for speaking English well rises with education, she observed, “We can rule out large effects for low education levels and certain occupations.” Agricultural workers, for instance, would experience a wage increase of no more than 6.7 percent when improving their English proficiency from “not at all” to “very well,” and would only slightly reduce their unemployment probability. For workers in service occupations, she concluded that the wage premium would be no higher than 17.4 percent. The highest wage penalties occurred for repair and managerial occupations.

Workers with limited English skills were most likely to be employed in production, transportation or shipping (30.2 percent) according to 2000 Census figures, followed by service occupations (28.1 percent), construction, extraction and maintenance (15.4 percent), sales and office occupations (12.4 percent), management and professional (8.9 percent) and agricultural and fishing (5.0 percent).

Meanwhile, Gonzalez also observed that the return of English proficiency for wages is much higher, 60.6 percent, among immigrants who have lived in the United States for 20 years or longer, than for immigrants living here less than 10 years, 24 percent (Gonzalez, 2005).
Another approach, by Mark Hugo Lopez and Marie Mora, focused on the effects of different instructional methods for Spanish-speaking immigrants. Using 1990 Census data, they concluded that first-generation immigrants taught using the transitional bilingual education model earned 31 percent less annually than their peers who did not — $18,478 to $24,200. For second-generation Latino immigrants, they found that gap to be 24.5 percent — $18,886 to $23,513 (Lopez, 1998).

### Earnings and Educational Attainment

Census figures indicate that among all workers 25-64 years old who graduated high school but advanced no further had annual earnings of $25,900 (median average) from 1997-1999. Those who failed to complete high school earned $18,900. Workers who went on to attend some college (without earning a degree) earned $31,200, those who received an associate’s degree earned $33,000, and those who succeeded in earning a bachelor’s degree earned $45,400.

Median average annual income for Hispanics in particular is noted in...
Figure 7, in 1999 dollars. Work-life projections are synthetic estimates based on a hypothetical 40-year working life.

The Census Bureau’s synthetic work-life estimates predict that those who graduate high school, but advance no further, will earn an average of $1.07 million over their professional lifetime. Those who do not graduate high school will earn an average of $794,000.

A man who earns a high-school diploma only, will earn approximately $1.4 million over his professional lifetime. Women in the same position will earn approximately $1.0 million.

By contrast, men who do not graduate high school are projected to earn $1.1 million, and women $700,000, over the same period.

U.S.-born whites averaged 13.6 years of schooling, while U.S.-born blacks averaged 12.4 and U.S.-born Latinos 12.2 years, according to one analysis of 2000 Census data. Of the largest Latino subgroups, U.S.-born Cuban-Americans averaged 13.6 years, Puerto Ricans, 12.4, and Mexicans 12.1. Average schooling for foreign-born Latinos was one percentage point lower for immigrants from Cuba and Puerto Rico, and nearly 3 points lower for Mexicans (Duncan, 2006).

The differences between Latinos of different national origins were also significant relative to proficiency in English, although the differences dissipated to a large degree for second-generation Americans.
Of foreign-born Cuban-American men, 47.7 percent speak English “very well,” compared with 58.1 percent of Puerto Rican men, and 26.0 percent of Mexicans. Of U.S.-born Cuban men, 93.0 percent speak English “very well,” compared with 88.9 percent of Puerto Ricans and 87.0 percent of Mexicans. Numbers for women were slightly higher, and proportional (Duncan, 2006).

**English Proficiency and High School Graduation**

Students lacking proficiency in English have much lower high school graduation rates nationally than other students. This is particularly true of California, home to one-third of the nation’s English learners. The California legislature in 1999 passed a requirement that, beginning with the Class of 2004, all students must pass the English Language Arts and Mathematics sections of the California High School Exit Examination (CAHSEE). The requirement was deferred until 2006.

Reclassified Fluent-English Proficient (R-FEP) students, who began school as English learners but became proficient in English, were among the top demographic groups taking the test for the classes of 2006-2010. Students in those classes passed the test on their first attempt 88.5 percent of the time. Non-economically-disadvantaged, white and Filipino students were the only demographic groups with higher first-time passing rates. These former English learners were more than twice as likely to pass the high school graduation test as students who remained English learners.

A majority of California tenth grade English learners have been enrolled in U.S. schools since kindergarten or first grade, according to the state’s independent evaluation of the 2008 test (Becker, 2007).
English Proficiency and Educational Attainment

On the NAEP standardized test administered nationwide, English learners continue to demonstrate woeful results, especially as they reach eighth grade. This fact is made even worse by the fact that the rates at which English learners successfully acquire adequate English language skills to become redesignated as proficient remain extremely low—below 10 percent in those states with the largest English learner populations, including California, Texas and Illinois.

On NAEP, the “basic” achievement level, “denotes partial mastery of prerequisite knowledge and skills that are fundamental for proficient work at a given grade.” Research has shown that children who fail to master basic reading skills by fourth grade will likely continue to fall further behind every year. Students who perform in the lowest category of achievement, “below basic,” in eighth grade reading are at extreme risk of dropping out during their high school years, and it is at that grade level where English learners often begin to disappear from school attendance rolls.

In California, home to one-third of the English learners enrolled in U.S. schools, 74 percent of eighth grade students who are English learners scored “below basic,” on the 2007 NAEP test. English learners in Texas, New York and Illinois scored even lower.
LOST WAGES DUE TO INADEQUATE ENGLISH SKILLS

English language skills are a form of human capital: they are productive in the labor market and require an investment of time and resources on the part of the learner. Without adequate English skills, workers will earn less and are able to contribute less productively to the economy. Put differently, there are real costs associated with failing to provide LEPs with the English language skills they need to participate fully in the economy.

To estimate these costs, two methods will be utilized. The first will address those 4.5 million English learners aged 18 and over measured in the 2000 Census as full-time workers.

Using Libertad Gonzalez’s wage penalty projections and data from the 2000 Census, it is estimated that $30.261 billion in annual earnings were missed by Latino English learners belonging to this first group as a result of wage penalties for inadequate English skills (see Figure 9).

It would be unreasonable to assume that all English learners would progress from having no English at all to possessing perfectly fluent English.

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**Figure 9. Wage Penalties Across Occupations, Spanish-speaking English Learners**

<table>
<thead>
<tr>
<th>Occupation Group</th>
<th>Median Income</th>
<th>Wage Penalty</th>
<th># LEP Employed</th>
<th>Missed Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managerial and professional</td>
<td>$47,000</td>
<td>0.4492</td>
<td>214,030</td>
<td>$4,518,686,972</td>
</tr>
<tr>
<td>Service occupations</td>
<td>$29,000</td>
<td>0.1671</td>
<td>954,385</td>
<td>$4,624,854,272</td>
</tr>
<tr>
<td>Sales, technical and office</td>
<td>$28,000</td>
<td>0.2151</td>
<td>354,415</td>
<td>$2,134,570,662</td>
</tr>
<tr>
<td>Production, craft and repair</td>
<td>$34,000</td>
<td>0.3622</td>
<td>601,100</td>
<td>$7,402,426,280</td>
</tr>
<tr>
<td>Farming, fishing and forestry</td>
<td>$33,000</td>
<td>0.131</td>
<td>215,975</td>
<td>$933,659,925</td>
</tr>
<tr>
<td>Operators, fabricators, laborers</td>
<td>$34,000</td>
<td>0.3074</td>
<td>1,018,745</td>
<td>$10,647,515,242</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$30,261,713,353</strong></td>
</tr>
</tbody>
</table>

Source: Gonzalez, 2005; Census 2000.
language skills as the result of participating in elementary and public education. In many cases it may be overly optimistic to assume that all English learners can be expected to advance to speaking English “very well.”

So this projection only estimates the missed earnings for an English learner who fails to advance two levels of proficiency – from speaking English “not at all” to “well.”

Additionally, this projection only estimates lost wages for Latinos, who comprise 70 percent of the adult LEP population as reported on the 2000 Census. The Gonzalez model does not include projections for non-Latino English learners.

**English Learners Working Less Than Full-Time**

For those 5.1 million English learners who are 18 or over and do not work full-time, a second method of estimating costs due to lack of English proficiency needs to be utilized.

The strong majority of eighth grade English learners in the United States who took the test scored in its lowest category – “below basic” – in reading. Students who score in the test’s lowest category are extremely unlikely to become high school graduates.

Students who scored “below basic” on NAEP’s eighth grade reading test are considered extremely unlikely to recover educationally and to earn a high school diploma.

The average annual earnings of a high school graduate above age 25 who did not go on to college, as measured by the 2000 Census, was $25,900, in 1999 dollars. Those who were not high school graduates earned an average of $18,900.

Figure 8 shows the number of eighth grade English learners scoring “below
Students lacking proficiency in English have much lower high school graduation rates nationally than other students.

A conservative projection would estimate that 208,000 students nationally tested “below basic” on the eighth grade NAEP test for reading. This is significantly more students than tested in the same category for eighth grade math.

Jay Greene, writing for the Mackinac Center for Public Policy in 2000, noted that nearly all students entering high school lacking basic skills, as measured by their NAEP performance, will not improve their skills in high school. He estimated that 72.8 percent of those testing “below basic” on NAEP’s eighth grade NAEP test would drop out of high school (Greene, 2000).

Using this model, we estimate that 151,424 English learner students who test “below basic” on eighth grade reading will not complete high school. Of these, 70 percent are Latino.

As discussed earlier, the Census Bureau projects that average annual income for Latinos who are not high school graduates are $5,780 less than those who graduated high school but advanced no further (1999 dollars). For this projection, we will not assume that any of the students who would have graduated high school with adequate English skills would have gone on to pursue any education beyond high school. However, this is highly unlikely given that students who are able to reach
status as former English learners are one of the highest-performing groups in American public education. Making this assumption will help ensure a conservative estimate.

For the purpose of this estimate, we will also make the conservative assumption that for all English learners able to acquire adequate English skills, one-fourth would still not graduate due to failure to develop basic skills in other areas, including math.

Using these assumptions, we estimate that 113,569 students fail to graduate high school each year in the United States due only to lack of English skills. These students, then, will earn a total of $656.4 million less each year as a result of not learning English, in 1999 dollars, according to the 2000 Census.

For the 6.3 million LEP adults in the United States who had not graduated high school, we estimate conservatively that 4.2 million are not full-time employees as measured
On average, LEP imposes an overall wage penalty that lies between 3.8 and 38.6 percent. by the census. This would then account for $24.276 billion in annual missed earnings.

Based on these estimates, we project $64.899 billion is lost every year in the United States due solely to inadequate English skills for LEP adults (2008 dollars). This does not include wage penalties for non-Hispanic English learners who are employed full-time, although it is very likely that these exist and are significant.

CONCLUSION AND POLICY IMPLICATIONS

Congress has appropriated nearly $700 million annually for English Language Acquisition under Title III of the Elementary and Secondary Education Act since 2002. In addition, schools can also receive Title I funding for disadvantaged students for their English learners. There are 40 states that provide additional education funding specifically for English learners, although 24 of these do not require that the funding be spent exclusively for that purpose (McNeil, 2009). Federal education spending does not prescribe any particular classroom approach to teaching English, but instead leaves such instructional decisions to states and school districts.

It is clear that these programs are not getting the job done, as evidenced by the millions of English learners who have participated in public elementary and secondary education in the United States without acquiring proficiency in English. Americans who lack adequate English skills trail the rest of the nation substantially, both educationally and economically. Conditions such as linguistic isolation have exacerbated these challenges significantly, and the number of Americans living in linguistic isolation has grown in recent years.

Nearly $65 billion can be estimated in lost earnings each year in the United States as a result of failing to teach adequate English skills. It is extremely likely that this estimate understates actual figures, due to the conservative assumptions described in this paper.
These findings hold significant policy implications at all levels. A long history of legal precedents in most U.S. jurisdictions with large English learner populations has consistently evaluated educational programs for English learners in financial terms – specifically, the aggregate dollar values of educational spending for this population. But quantifying educational inputs by measuring the costs of services provided fails to account for what is ultimately the most critical cost – the price to English learners, and to the American economy, of failing to adequately teach basic English skills.

It also provides an indication for just how high the stakes have become for adult English proficiency in the United States. Programs that increase English language skills for adult Americans effectively, whether they are immigrants or the children of immigrants, are likely to produce substantially higher productivity and earnings for them over their lifetimes.

The fact that fewer than one in four English learners in U.S. public schools are foreign-born demonstrates that those meeting these challenges will depend on education policies and programs that emphasize results, not just inputs.
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