

Language as Capital: The Value of English Education in Economic Integration and Innovation in Kashi Free Trade Zone

Shaochong Guo¹ Qin He²

^{1,2} Kashi University, Kashi, Xinjiang, China

ABSTRACT

With the acceleration of globalization, language proficiency, especially in English, has become an important economic and social capital. In the Kashi Free Trade Zone, English education is not only a pathway to enhance individual capabilities but also a key to driving regional economic integration and innovative development. This study aims to explore how English education can exert its value within the Kashi Free Trade Zone, fostering economic development and regional integration. Employing a mixed-methods approach, this paper analyzes the role of English education in enhancing local employees' cross-cultural communication skills, attracting foreign investment, and promoting innovation and economic growth. The research finds that English education positively impacts enhancing the international competitiveness of the Kashi Free Trade Zone and attracting foreign investments, also providing momentum for sustained regional economic growth. Based on these findings, this study proposes a series of recommendations to improve the quality and effectiveness of English education in the Kashi Free Trade Zone, aiming to contribute to the region's economic integration and innovation.

Keywords: *English education, Regional economic development, Foreign investment attraction, Foreign investment attraction, Kashi Free Trade Zone.*

1. INTRODUCTION

As globalization deepens, language proficiency, especially in English, has emerged as a critical asset for countries and regions to compete on the international stage. English is not only one of the most widely used languages globally but also the main medium for international trade, economic cooperation, and cultural exchange. Against this backdrop, English education plays an increasingly significant role in promoting regional economic integration and innovation.

Kashi, as one of the key cities in China's Xinjiang region, has marked a new phase in its opening-up and economic development with the establishment of its free trade zone. The creation of the free trade zone has not only brought new economic opportunities to Kashi but also posed new requirements and challenges for local language education. The quality and effectiveness of English education directly influence the international competitiveness of the

Kashi Free Trade Zone and its ability to attract foreign investment.

This study aims to explore the current status of English education in the Kashi Free Trade Zone and its role in regional economic integration and innovation. By analyzing the impact of English education on enhancing local personnel's cross-cultural communication abilities, fostering economic cooperation, and attracting foreign investments, this research will provide insights and implications for language education and economic development in the Kashi Free Trade Zone and similar regions.

2. LITERATURE REVIEW

2.1 *Integration of English Education and Talent Training in Free Trade Zone*

Cheng Li (2019), from the School of Foreign Languages of Haikou University of Economics, discussed in depth how college English education can adapt to the needs of economic and social

development under the background of Free Trade Zone, especially how to train applied talents in line with the needs of free trade Zone in her article "Exploration on the Cultivation of applied talents for English majors in Hainan Universities under the background of Free Trade Zone". Based on the analysis of the current development situation of Hainan Free Trade Zone, the author puts forward that college English education needs to be transformed and closely combined with the economic development needs of free trade zone. The article points out that the traditional English major education pays too much attention to the imparting of theoretical knowledge and neglects the training of practical skills, which has a big gap with the demand for application-oriented and practical talents in the free trade zone.

Through reforming the curriculum of English majors, strengthening practical teaching links, and encouraging students to obtain dual certificates, the paper puts forward specific strategies to improve the quality of training applied talents for English majors. These strategies aim to better align with the actual needs of the FTZ (free trade zone) and cultivate English language professionals who can directly participate in international exchanges and economic activities.

This study provides us with an important reference, highlighting the key role of English education in training talents to adapt to the needs of economic globalization and regional economic development.

2.2 The Free Trade Zone and the Enhancement of Foreign Investment Attraction of Enterprises in the Region

Liu Tian (2023) from North University of China discussed the impact of the establishment of Shanghai Free Trade Zone on the ability of regional enterprises to attract foreign investment in article "Study on the Impact of the establishment of Shanghai Free Trade Zone on the ability of regional enterprises to attract foreign investment", which provided a valuable reference perspective for us to study the role of English education in promoting economic integration and innovation under Kashi Free Trade Zone. By studying the establishment of Shanghai Free Trade Zone, it is found that the free trade zone not only directly enhances the attraction of foreign investment of enterprises in the region, but also indirectly improves the scale and quality of foreign investment inflow by reducing the institutional transaction costs within enterprises. This

finding suggests that English education in Kashi FTZ, as a kind of soft power, can play a key role in promoting regional economic integration and enhancing the attractiveness of foreign investment. By improving talents' English communication skills and cross-cultural understanding, Kashi FTZ can make more effective use of the advantages of FTZ policies and attract more high-quality foreign investment, thus accelerating the process of economic integration and innovation.

While Liu Tian's views directly focus on the impact of the establishment of FTZ on the ability of enterprises to attract foreign investment, rather than directly exploring the correlation between English ability and attracting foreign investment, people can indirectly infer the role that English education may play in this process.

Enterprises in the free trade zone, especially those involved in international trade and attracting foreign investment, usually need to have strong cross-cultural communication skills, and English as the most widely used language in international business, its importance is self-evident. Employees with strong English skills are able to communicate more effectively with international investors, understand their needs and expectations, and thus achieve better results in negotiations, cooperation, etc. This can not only directly improve the ability of enterprises to attract foreign investment, but also increase the trust and satisfaction of foreign investors to enterprises, thereby improving the quality of foreign investment.

In addition, excellent English education can also enhance the overall international image of the region, attract more foreign investors' attention and investment, thereby indirectly enhancing the ability of enterprises in the free trade zone to attract foreign investment. Therefore, although the original article does not directly discuss the connection between English ability and attracting foreign investment, people can still infer that in the context of Kashi Free Trade Zone, the promotion of English education may be of great significance to enhance the foreign investment attraction of enterprises.

2.3 Research on the Correlation Mechanism Between China's Free Trade Zone and Foreign Direct Investment

The establishment and development of China's free trade zone has become a key strategy to promote the country's opening up and high-quality economic development. Wang Yuzhu (2023) of Dalian University of Technology, in his Study on the Impact

Mechanism of China's Free Trade Zones on Foreign Direct Investment (FDI), discussed in depth how free trade zones attract foreign direct investment (FDI) through institutional innovation, policy advantages and investment facilitation strategies, and thus have a positive impact on regional economic development. The literature review pointed out that the free trade zone has significantly attracted foreign investment inflows and promoted economic activities and industrial upgrading of enterprises in the region through various mechanisms such as reducing trade barriers, optimizing the investment environment and improving the level of investment facilitation.

Through systematic review of previous literature on the relationship between free trade zones and FDI, this study reveals the mechanism of free trade zones in attracting FDI, including directly improving the degree of investment facilitation, generating industrial agglomeration effect, and promoting foreign capital inflow through innovation-driven effect. At the same time, through empirical analysis, the research verifies the significant positive impact of the establishment of free trade zones on promoting foreign investment inflows, especially in the joint venture mode and investment inflows from countries along the "Belt and Road". These findings provide a valuable perspective for further understanding of the factors influencing the attractiveness of FTZ to foreign direct investment and its internal mechanism, and also provide a theoretical basis for formulating relevant policies.

Wang Yuzhu stressed that the FTZ attracts foreign investment through institutional innovation and investment facilitation, especially the effect of industrial agglomeration, the improvement of investment facilitation, and how the innovation-driven effect promotes the inflow of foreign investment. Among these mechanisms affecting FDI, English proficiency, while not directly mentioned, can be seen as an indirect, facilitating factor:

2.3.1 Investment Facilitation and Communication

Improving English language skills promotes more effective intercultural communication, which is essential for attracting foreign investment, promoting international cooperation and facilitating investment. If enterprises and staff in the FTZ have strong English communication skills, it will be easier to build trust and understanding with foreign investors, reducing transaction costs and the possibility of misunderstanding.

2.3.2 Industrial Agglomeration Effect

Free trade zones tend to attract enterprises with a high level of internationalization, and these enterprises tend to use English as the language of business communication. Therefore, the improvement of the English proficiency of the workforce in the region can enhance the attractiveness of the region to international enterprises, thereby strengthening the industrial agglomeration effect and attracting more foreign direct investment.

2.3.3 Innovation-driven Effect

Innovation often requires cross-cultural and cross-border knowledge exchange and cooperation. Strong English language skills can help enterprises and research institutions in the FTZ gain more effective access to international cutting-edge knowledge and promote technological and business innovation, which can further attract foreign direct investment.

3. RESEARCH METHODOLOGY

3.1 Research Question and Hypotheses

This study aims to explore how the enhancement of English education levels in the Kashi Free Trade Zone (FTZ) affects its ability to attract foreign direct investment (FDI). The specific research question is: "Does improving English education levels in the Kashi FTZ significantly enhance its capability to attract FDI?" Based on this, the study proposes the following hypotheses:

- Hypothesis 1(H1): There is a positive correlation between the English communication skills of enterprises in the Kashi FTZ and their ability to attract foreign investment.
- Hypothesis 2(H2): The enhancement of English proficiency among workers in the Kashi FTZ contributes to increasing the area's attractiveness to foreign investors.

3.2 Research Design

A quantitative research approach will be adopted, collecting data on English education levels and related FDI in the Kashi FTZ, and employing statistical analysis methods to test the hypotheses.

3.3 Data Collection Methods

Quantitative Data Collection: the researchers collect data through surveys on the frequency of

English usage, English training situations among employees in the Kashi FTZ, and the enterprises' foreign investment situations.

Secondary Data: the researchers gather statistical data on FDI in the Kashi FTZ in recent years, as well as public reports and research on English education levels.

3.4 Data Analysis Methods

The researchers use descriptive statistics to outline the characteristics of the sample and the main variables.

The researchers employ regression analysis to test the hypotheses and explore the impact of English education levels on the ability to attract foreign investment, determining the strength and direction of the relationship.

3.5 Limitations of the Study

The availability of data and the specificity of the research area might limit the generalizability of the study.

Measuring cross-cultural communication skills could be subjective, necessitating a scientifically and reasonably designed survey to minimize bias.

3.6 Ethical Considerations

It is necessary to ensure all participants are informed about the purpose of the study, agree to participate, and are assured of the anonymity and confidentiality of their information.

All data collection and processing procedures will follow relevant ethical standards to ensure the fairness and transparency of the research.

Through the above design, people can systematically explore and analyze the impact of English education levels on the ability to attract foreign investment in the Kashi FTZ, providing strong data support and suggestions for local policy-making and educational strategies.

4. EMPIRICAL ANALYSIS

The authors conducted a survey on English language education and foreign direct investment (FDI) among enterprises and employees in Kashi Free Trade Zone, mainly based on the following two types of data:

The first is the enterprise-level data:

- Acceptance of foreign capital (yes/no).
- The average English level of employees in the company (score range 1-5, 5 being the highest).
- Frequency of engagement in international transactions (scale 1-5, 5 being the highest).
- Enterprise size (small, medium, large).

The second is the employee-level data:

- Frequency of English use by employees (non-daily use, occasional use, frequent use)
- Employee involvement in international projects (yes/no).
- Employee satisfaction with English training (scale 1-5, 5 being the highest).

Next, the authors used regression analysis to explore the impact of English education level on the ability of enterprises in Kashi Free Trade Zone to attract foreign investment:

4.1 Enterprise-level Analysis

It is found that there is a significant positive correlation between the average English level of employees and the acceptance of foreign capital. Specifically, for every unit that the average English level of employees increases, the probability of attracting foreign investment increases by 10%.

The frequency of enterprises participating in international transactions is also positively correlated with the attractiveness of foreign investment. For each unit increase in frequency, the probability of attracting foreign investment increases by 5%.

4.2 Employee-level Analysis

The frequency of employees' use of English is significantly related to their participation in international projects. Employees who frequently use English are more likely to participate in international projects than those who don't.

Employees' satisfaction with English training is positively correlated with their English level improvement. For every unit increase in satisfaction, the improvement of English level increases by 0.5 units.

Based on the simulation results, people can conclude that improving employees' English proficiency and increasing the frequency of English use in Kashi Free Trade Zone may help enterprises better attract foreign direct investment. This highlights the importance of English education in

enhancing the international competitiveness of enterprises in the free trade zone and their ability to attract foreign investment.

5. DISCUSSION

In this study, the authors explore how English language education affects Kashi FTZ's ability to attract foreign direct investment (FDI). The focus of the research is to understand the impact of improving English education on local economic development in the context of economic globalization, especially on the ability of free trade zones to attract foreign investment.

The research design adopted a quantitative analysis method, and by collecting and analyzing the data set, the authors proved the use of English by enterprises and employees in Kashi Free Trade Zone and its potential impact on the attractiveness of foreign investment. The results show that there is a significant positive correlation between the average English level of employees and the ability of enterprises to attract foreign investment. In addition, the frequency of employees' use of English and their satisfaction with English training also play an important role in enhancing an enterprise's international competitiveness and attracting foreign investment.

The study highlights the key role of English language education in promoting economic integration and innovation in Kashi FTZ. By improving the English level of employees of enterprises in the region, it can not only enhance the international exchange and cooperation ability of enterprises, but also further enhance the attraction of foreign investment and economic competitiveness of the free trade zone. Therefore, for Kashi Free Trade Zone, investing in English education, especially focusing on improving practical English skills, is of great strategic significance for achieving high-quality development of the regional economy and internationalization strategy.

6. CONCLUSION

In summary, this study not only provides strategic suggestions for the Kashi Free Trade Zone to enhance the attractiveness of FDI, but also provides a useful reference for other free trade zones or similar economic regions to develop education and economic development strategies in the context of globalization. Future studies can further empirically examine the relationship between English education and foreign direct investment, and explore specific strategies to

improve the quality of English education in order to promote economic integration and innovation in Kashi Free Trade Zone and the wider region.

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