

The Language of Prosperity: English and World Commerce

*The Margaret Thatcher Lecture Series
The 2007 Margaret Thatcher Lecture
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Thank you, Mr. Miller, for that introduction. And thank you to the English Speaking Union for this invitation. It's a great honor.

As you can probably detect from my accent, I did not grow up in Manhattan, but a little east of here.

No, not Long Island.

Actually, Dagenham, a neighborhood east of London. I mention that because if you ask almost any Londoner, they will tell you that the East End is the very last place – probably on Earth – they would go to find someone to speak on the English language.

They might even ask me: why'd they pick you?

In true Cockney fashion, I might answer with phrases like: *"I didn't Adam and Eve it, either. I never even earned a Douglas Hurd or a Desmond Tutu. But then, I went up the apples and pears and took a butcher's at the ESU and thought – if I use my loaf, I'll stay out of Barney Rubble."**

Now that we're clear...

I thank you for looking past my pedigree. But more so for giving me the profound privilege of delivering the lecture that bears the name Margaret Thatcher.

I am an Englishman. A proud one. And one who has the deepest admiration for Lady Thatcher.

I also want to thank you, of course, for the work you do, the message you spread, and the language you've cherished and championed ever since after World War I. After the Great War, great minds came together... and we're better for it.

Between the years the ESU was founded, 1918, and the year the ESU was formally organized here in the United States, 1920... a young American entrepreneur named Cornelius Vander Starr arrived in Shanghai where he would start the company it is now my great privilege to lead.

The fact that the ESU got up and running and that AIG got its start roughly at the same time is mostly a coincidence. But I do believe there is a connection, too. And one that I hope I can

speak to from the experience of working for a global but English-speaking and American-based company.

In a word, the connection is: opportunity.

The opportunity to ensure that English remains not just a language *of* but the best hope *for* international understanding and friendship. The opportunity for commerce to play not just a part, but a leading role.

But before we talk about what English can be, a quick word on what it is. And that is – without a doubt – a language like no other.

A glance at any number of examples makes that clear.

Just last month it was reported that in preparation for the Beijing Olympics Games in 2008, taxi drivers must pass English exams... and municipal officials are starting to enforce regulations which call for advertisements and signs to use “standardized” English.

In Newsweek, there was a story about Cambridge. No, not the home of Harvard. And no, not Oxford’s great rival either.

It was about the Cambridge School of Languages – a few small rooms in a congested suburb of Delhi. There, for a few dollars a month, students can learn English. It is one of many schools. In fact, it is estimated that the English language is a 100-million-dollar per year business... and that is in India alone.

One of the teachers will tell you why. “We tell students,” he says, “you need two things to succeed. English and computers.”

A story about Dubai in the Financial Times described how in that flourishing and very much international city there is one common language, and it’s not Arabic. Whether it is Chinese shopkeepers, Indian teachers, Iranian dentists, or Russian businessmen... daily interaction is in English.

Recently, the *International Herald Tribune* ran this headline: “In many business schools, the bottom line is English.”

And even in France, the trend is unmistakable. A commission recommended that basic English should be on par with basic math – taught as part of a mandatory curriculum, starting in primary school.

Now, some habits are hard to break. Especially those grounded in the stubbornness of the Old World. The Minister of Education balked. But French schoolchildren and their parents have not. 96 percent of them are already studying English as an elective.

A final example of English's unique nature – an example that goes to our language's ability to be, at times, both complex and confusing... and an example which has inspired a best-selling book.

A panda walks into a café. He orders a sandwich, eats it, then draws a gun and opens fire.

An incredulous waiter stops the panda as he makes his way towards the exit. "Why would you do that?"

"I'm a panda," he says. "Go, look it up."

The waiter finds a wildlife manual. Opens it up. And, sure enough, finds an explanation.

"Panda. Large black-and-white bear-like mammal, native to China. Eats (comma) shoots and leaves."

The power of a humble, but terribly misplaced, comma.

Despite the occasional confusion, the English language is versatile, wonderful, powerful... and most of all, global.

How global?

So global that in his report for the British Council, David Graddol asks: Why global English may mean the end of 'English as a Foreign Language.'

So global that currently, there are an estimated 500 million to a billion people who speak English, as either a first or second language. Within a decade, just a decade, that number is estimated to climb to 3 billion.

And so global that Manchester United Football Club – the team AIG is proud to sponsor – has a Dutch goalkeeper... a Portuguese winger... a South Korean midfielder... defenders from France, Argentina and Serbia... and a striker from Norway... all who communicate with their British teammates and manager in two languages.

One, and forgive my bias, is the international language of the best football on the planet.

The other is the global language of English.

Yes, Chinese remains the most spoken language in the world. But more people now speak English as a second language in addition to their native tongue. Some refer to them as "English-knowing bi-linguals."

That statistic may or may not grab you, but think of it in the way scholar David Crystal does: English is the first language that's ever been spoken by more people as a second language than a first.

In Asia alone, the number of English-users is over 350 million – that is roughly the populations of the United States, Britain and Canada... combined. There are more Chinese children studying English – about 100 million – than there are people in my native Britain.

In fact, according to Crystal, these populations aren't just speaking English but increasingly shaping it. And he suggests we could become a tri-English world. People would have a local English-based dialect they use at home, another they use at work or school, and an international Standard English they use around the world.

In some profound ways, we're already moving in that direction.

Eighty percent of the electronically stored information in the world is in English; 66 percent of the world's scientists read in it. About 90 percent of all international organizations use English as one of their official languages, including the Olympics.

Admittedly, there is a lot to grasp. But to put it simply, if one can, it is this: English is the language of diplomacy. The language of science. The language of technology and the Internet. The language of commerce. The language of hope, opportunity, and empowerment.

It is a global language. It is *the* global language. The language of prosperity.

Not bad for a language that a contemporary of Shakespeare would say: "*stretcheth no further than this island of ours.*"

Yogi Berra might describe this transformation in another way. A master of syntax in his own right, he would say, "History just ain't what it used to be."

(I mentioned that an East-End-er would be the last person picked to deliver a speech about the English language. Yogi Berra might be just ahead of us... but maybe more entertaining.)

That so much has changed – and in so many ways for the better – is a testament, I think, to the influence of the "special relationship" between the main English-speaking peoples – Great Britain and the United States – and the role they played in promoting democracy and free markets.

As the historian Andrew Roberts notes, "The English-speaking peoples did not invent the ideas that nonetheless made them great...but that they have perfected better systems of government."

I am grateful for the leaders who started this organization and those like Margaret Thatcher who have carried the mantle with such eloquence, vision and fortitude.

That's not to say the United States and Great Britain, or our leaders, have always agreed.

After World War II, when the US and Britain were negotiating the International Monetary Fund and other financial arrangements at Bretton Woods, some bristled at what was perceived to be American heavy-handedness. It led to this very British poem:

“In Washington, Lord Halifax once whispered to Lord Keynes,
It's true they have the money bags, but we have all the brains.”

And there were signs even earlier, in 1921, when Winston Churchill was elected President of the English-Speaking Union.

After giving the presidential address, he wrote to his wife Clementine (as recounted in Martin Gilbert's seminal Churchill biography):

"It was uphill work to make an enthusiastic speech about the United States... when they are wringing the last penny out of their unfortunate ally. All the same, there is only one road for us to tread, and that is to keep as friendly with them as possible, to be overwhelmingly patient, and to wait for the growth of better feelings which will certainly come..."

They did come, of course. And, in fact, Churchill's belief – and really, the theme of his Pulitzer Prize-winning “History of the English-Speaking Peoples” – could be summed up by another of his quotes. This one more famous:

“If we are together, nothing is impossible.”

Or as Lady Thatcher said in her inaugural presentation of this lecture series: “Anything which stands in the way of that relationship is an obstacle to progress.”

I believe that remains an enduring truth. And one that I should add was only solidified in the days after 9/11. In fact, it is an enormous honor for me to chair the business advisory committee of the British Memorial Garden Trust and for AIG to support the Trust's tribute to the unity and friendship between the U.S. and the U.K. and the memories of the 67 British victims of the World Trade Center attacks.

But still – Churchill's letter to his wife is interesting. And not only because it is rare for a public official to acknowledge – even privately – that he cannot tell the entire truth.

It's an interesting historical analogy.

Because this, too, is a very challenging time. Not necessarily in terms of the relationship between the United States and Great Britain, although we do have our occasional disagreements.

But consider . . .

The war on terrorism and the emergence of rogue states; economic inequality – real and perceived; cultural and religious differences ranging from what women can wear to what an actor can say; a host of other factors. All have arguably impacted the reputation of the English-speaking peoples and contributed to mistrust and sometimes dislike.

With that being the case – if the rest of the world does not look to the governments of the English-speaking peoples as they once did – what then does that mean for English, the language we know in our hearts is responsible for and so crucial for better understanding, friendship, peace and opportunity?

Can we, in Churchill's words, wait for the growth of better feelings? And will they certainly come?

I don't think we can wait. And if we assume they will certainly come they may bypass us altogether.

So what then is the solution?

If the question is how we ensure that English remains and continues to be the language of empowerment and prosperity... the answer is that English is the language of commerce.

The answer is that there is a larger than ever role for business and industry to ensure that English remains the language that creates understanding; that leads to peace and progress; that breeds optimism and opportunity.

If the history of the predominance of English-speaking peoples is defined first by commerce spreading English... it can now be defined by English spreading commerce.

How else can you describe a world where a child in Bangladesh or Belarus or Brazil logs on to the Internet and surfs and communicates in English?

English is the official language of the European Central Bank and the working language of Asian trade bloc ASEAN.

Even in the BRIC economies (Brazil, Russia, India, and China) – those economies identified by Goldman Sachs economist, Jim O'Neill, as economies that will join the United States and Japan as the world's largest economies by 2050 – we see the prevalence of English.

India has more English speakers than the total populations of the UK, US, Australia, New Zealand, and South Africa.

You cannot graduate from a Chinese university without passing a basic English exam. Not too long ago there was a piece in the *New York Times* about New Yorkers teaching their children Mandarin. However, in China, parents are teaching their children English.

Why?

Because the Chinese – and others – see learning English as a way to a better life, whether that means financially or socially.

So it is incumbent upon those of us who do business in this climate to do our part by being good ambassadors. By being responsible citizens. By respecting, not exploiting, what is increasingly an interdependent and interconnected world.

We can accomplish that in different ways.

By being honest, open and transparent in our business dealings.

By treating our employees and customers very well.

By thinking globally.

And by recognizing that wherever you set up operations, you have a responsibility to be a local company.

I mentioned that AIG's roots go back to 1919. We started with two clerks in a small office in Shanghai. Today, we have 106,000 employees operating in more than 130 countries and jurisdictions serving 69 million customers, with revenue of more than \$113 billion. (And incidentally, I know of no other major American business that can trace its roots directly to China.)

We are, as I like to say, a Chinese company by birth... that morphed into an American-based company that is global by nature.

For the most part, wherever they are stationed, our management teams speak English. But in each of the places we do business, we are very much local. We understand that we have an obligation not just to our customers and shareholders... but to the communities around the world where we do business.

So we invest in those communities – with resources and jobs. We engage them. Most of all, we respect them.

That means respecting their history. Their cultures. And how they speak, use, and perceive the English language.

Because if we don't understand – or refuse to understand – how the growing number of non-native speakers use our language, it's more than a business deal we're risking.

I speak specifically about AIG. I've been with the company for more than 35 years. It's what I know. But the lesson is not ours alone. In an increasingly global and interdependent world, it is critical for all English-speaking companies to be flexible, responsible, and sustainable.

If we are, we will truly "draw together in the bonds of comradeship the English-speaking peoples of the world," in the words of Sir Evelyn Wrench. And the English language will truly continue to be the language of prosperity.

Earlier, I mentioned Winston Churchill. Just as Margaret Thatcher and Ronald Reagan defined the special relationship between the United States and Great Britain in the 1980s, Churchill and Franklin Roosevelt did the same during WWII.

In fact, Churchill had his own suite in the White House residence and would often stay with his good friend for weeks at a time. And there's a great story about Churchill's visit at Christmas time 1941, recounted in several books including John Meachem's "Franklin & Winston: An Intimate Portrait of an Epic Friendship."

The story goes that Roosevelt rolled down the hall one morning to say hello. He knocked on the door and entered.

But then, the president was shocked to see Churchill coming from the washing room, dripping wet, and with no clothes at all. None. Knowing Churchill, it must have been some sight. Well, Roosevelt immediately apologized to the British leader for seeing him that way and began to withdraw. But Churchill stopped him: "As you can see," he said, "The prime minister of Great Britain has nothing to hide from the president of the United States."

Roosevelt loved that humor. And valued the friendship. He would say what a pleasure it was sharing the decade with his counterpart.

Now, for full disclosure, this is not just a story about... well... full disclosure.

It's about partnership. It's about what we can accomplish when we work together. Ultimately, it's about how these two leaders shared a language and its values and saved the world. That's certainly a tall order to live up to. But it's certainly something we should aspire to.

Because the English language may be global in scope – and growing. But it remains, more than ever, what the founders of the ESU said it was almost 90 years ago: the best hope for international understanding and friendship.

It is our responsibility to keep it so.

Thank you.

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** "I didn't believe it either. I never even earned a Third or a 2.2. But then, I went up the stairs and took a look at the E-SU and thought – If I use my head, I'll stay out of trouble."*

Translation of the Cockney rhyming slang portion of Mr. Sullivan's speech is courtesy of William R. Miller OBE, Chairman, The English-Speaking Union of the United States.