

# A cost theory of language planning and policy

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## REAL

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#### Abstract

Formal language rights, such as the status as an official, working, national, or regional language, are normally conferred on a language in a well-defined territory, be it a county, a province or an entire country. For a minority language in a federal state, the status as a rule varies from one jurisdiction to another, depending on the number of speakers in the various federal parts of the state.

We provide a normative background for this type of language policy with an approach based on the cost structure of the various planning measures. We analyze language policy on a cost-benefit basis, first defining and discussing the benefit or "demand" side assuming that benefits are basically proportional to the number of beneficiaries of the planning measure. We then argue that the costs of a planning measure can be described as a function of two variables "number of beneficiaries" and "size of area of application". This lets us analyze planning measures in a two-dimensional model fully characterized by the number of beneficiaries and their geographical distribution in the jurisdiction under consideration.

The cost structure as well as the size of the costs of given planning measures imply different optimal planning rules for different measures. For practical purposes, only a small set of policy categories is tractable. This leads to a multi-stage optimization problem. For each possible category – collection of planning measures – an optimal planning rule, minimizing the planning errors has to be found. Then an optimal policy has to be designed, optimizing for any given number of categories the social value of the policy. Finally, the number of categories has to be determined weighing the social value of the policy against the administrative costs of implementing it. The dependence of the various steps of the optimization on the structure and size of costs is analyzed.

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- WICKSTRÖM, Bengt-Arne (2020). "On the political economy of minority rights. Three ways to manipulate a minority: Goals, rules, and border poles", in: *European Journal of Political Economy* 64: 101894 (16 pages). ISSN: 0176-2680. DOI: doi.org/10.1016/j.ejpoleco. 2020.101894. URL: http://www.sciencedirect.com/science/article/pii/S0176268020300422.
- WICKSTRÖM, Bengt-Arne (2024). "Law and economics of minority-language policy", in: *European Journal of Law and Economics* **58**. DOI: doi.org/10.1007/s10657-024-09810-2. Forthcoming.

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