

# Royal economics

## The price of an enchanting anachronism

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SO, WHAT'S the economic value of the royal family? All those jewels and palaces, hats and linens. Critics complain that such consolidation of inherited wealth among the lucky few makes little sense in the 21st century (apparently unaware of economic trends of the last decade). Defenders argue that the royal family is not only a source of national pride and idle entertainment but also some sweet tourist lucre, which more than pays for the priggish excesses of this pasty dynasty. (Tim de Lisle at *Intelligent Life* elegantly claims that both sides are missing the point.)

Annie Lowrey at *Slate* writes that while the royal family is covering the expense of the wedding and party, taxpayers may be spending up to £10m on police and security (much of the cost is in paying overtime, given that today is a national holiday). Will the sale of tea towels and knick-knacks to tourists really make up the difference? Perhaps:

Companies selling royal memorabilia—paper dolls, commemorative mugs, refrigerators, what have you—already report sales increases of 40 percent, a figure expected to climb. Pricewaterhouse Coopers analyzed the impact on London alone, estimating the benefit from domestic and foreign visitors' spending at £107 million. Retail researchers Verdict estimated a £620 million economy-wide windfall.

But, she writes, all these national holidays still hurt the economy. The Confederation of British Industry estimated in 2007 that each extra bank holiday costs the country around £6 billion. Given the timing of these nuptials, Britons can handily take an 11-day holiday using only three vacation days. (Many have duly taken this opportunity to escape the hordes and hoopla.)

Like the coming Olympics in London, a cost-to-benefit analysis of the wedding day will probably be a wash. For the royal family to earn its keep, they must boost tourism in the long term. And given the magnetism of this couple, luring us all like dumb furry moths to flame, these economic benefits may indeed bear out.

What's interesting to note is the way the story of Will and Kate has gone against recent trends in celebrity publishing. At a time when the tabloids have never been keener to feed our rabid, *schadenfreude*-fuelled desire for blood on the tracks, this beatific couple is being held up as an antidote of sorts. There is indeed something thrilling about the purity of their celebrity—so clean and untainted, unearned but not appallingly so. Like the monarchy itself, the couple is a charming anachronism; storybook-friendly with some pleasant contemporary twists (their ages, her family and her university education are all nice touches). The novelty of youth and beauty, love and luxury, is something everyone seems keen to preserve. That is, at least for now.