

Tourist desertion severely hits Egyptian economy

For how long can the Egyptian economy keep going without tourists? The Giza pyramids have been desperately deserted for several weeks, since soon after the demonstrations began

Souvenir traders are feeling the pinch. "European tourists are worried about coming to countries in conflict. The tourism sector is hardest hit because of these protests or demonstrations," said shop owner Khair Abu Arab. Tourism is a pillar of the Egyptian economy. This precious source of revenue is estimated at between five and 11 percent of the Arab country's GDP. Analysts do not expect the losses to be recovered quickly.

A month before the eruption of the massive demonstrations against Hosni Mubarak, experts predicted Egypt's growth would be second only to Qatar in the region. Forecasts have since been revised downwards: from the 5.4 percent originally anticipated this year, analysts now foresee growth of only 1-2 percent. Lower consumption, a drop in foreign investment and rising unemployment are also expected to hurt economic performance.

The value of the Egyptian economy in 2010 has been estimated at 160 billion Euros, half that of the oil giant Saudi Arabia. Apart from tourism it depends on proceeds from the Suez Canal, Egyptian expatriates sending money to family at home, and foreign investment. Regardless of



Men ride horses in front of the Great Giza pyramids on the outskirts of Cairo

the troubles, the Egyptian economy is faced with enormous challenges. Two-thirds of the population are under 30, an age group that accounts for 90 percent of the country's jobless. The official unemployment rate of 10 percent is thought to be much higher in reality. Inflation is creeping along at 10 percent; the minimum wage

is 50 Euros a month.

Most serious is poverty: 40 percent of Egypt's population of 85 million live on less than 1.5 Euros a day. Meanwhile a small number of well-placed individuals have grown extremely rich. Encouraged by the impact of the protests against Mubarak, several thousand workers from pub-

lic sector companies in the Suez Canal area went on strike calling for better working conditions. The canal is a barometer of world trade, business along it slipped by 1.6 percent in January compared to December. Even so, the uprising is not expected to have seriously affected shipping via the canal.

Director Jackson sets start date for *Hobbit* filming

Filming of the two *Hobbit* movies will finally begin in New Zealand next month, director Peter Jackson says

"Despite some delays we are fully back on track and very excited to get started," he said. Problems faced by the movies included a threat by their makers to move filming after a row over actors' wages. The films, the first of which is due out in December 2012, were further delayed when Jackson was hospitalised last month because of stomach pains. Jackson, whose *Lord of the Rings* trilogy was also filmed in his homeland of New Zealand, underwent surgery for a perforated ulcer.

Warner Bros and New Line had previously considered taking the production away from New Zealand after acting unions threatened to boycott the films in protest over payments to actors. The studios agreed to film the movies in New Zealand after the Government granted them tax breaks worth millions of Dollars and changed employment laws. The films, which will star Martin Freeman as Bilbo Baggins, were earlier stalled by problems including rows over distribution rights and the exit of original director Guillermo del Toro.

West Ham stadium seats plan backed



West Ham can have retractable seating for the Olympic stadium provided it can fulfil its promise to athletics, Sports Minister Hugh Robertson said

Olympic Park Legacy Company (OPLC) executives have chosen the club's bid over a rival proposal from Tottenham Hotspur. West Ham United are considering the seating to ensure the stadium is viable for football and athletics. Mr. Robertson said West Ham's seating proposal was 'fair enough'. West Ham are happy for the athletics track to be kept in the stadium and for the venue to be used for a variety of sports and concerts. Tottenham's plans were to dismantle the stadium in Stratford and build a new football ground in its place.

The Olympics Minister said he did not believe the issue of the running track would cause prob-

lems to football fans at the stadium, adding that West Ham could have retractable seating so long as they kept their promises to athletics. He noted, "People tend to think of a 1980s mixed-use stadium. This is a much more modern stadium, the sight lines are much better, the fans are much closer to centre spot than the outer seats at Wembley. Anybody who has stood in the middle of where the pitch will be will tell you that it looks much, much better. If West Ham want to bring in retractable seating and can still fulfil the promises they made to athletics then that's fair enough."

The decision must now be ratified by two government departments and the Mayor of London. Mr. Robertson confirmed the government was close to ratifying the choice of West Ham to take over the Olympic Stadium.

Cuba 'goes digital' at last

More than five decades after the Cuban revolution, the Caribbean island has embraced the digital revolution

A high-speed fibre optic Internet cable connecting Cuba with Venezuela has recently arrived on the island. It was brought

ashore in a ceremony attended by dignitaries from both countries.

Officials say it will provide a connection speed 3,000 times faster than at present. Despite the revamped access, authorities say Internet use will be limited to 'social' purposes and that prior-

ity would be given to developing public Internet access centres, especially in universities and other educational institutions. Most Cubans rely upon slow and expensive satellite connections to access the Internet or crowded cybercafés.

Verizon iPhone launch greeted

Verizon Wireless' new iPhone drew sparse crowds, a far cry from the mania that usually surrounds a nationwide Apple Inc product debut

The number one US wireless carrier had prepared for a huge turnout for its kick-off of store sales of the iPhone, but it still had supplies in stock last week.

The new phone ends more than three years of US exclusivity on the device enjoyed by number two phone company AT&T Inc. Many iPhone customers had complained about AT&T's network, citing dropped calls and slow



Adam Deacy (L) is first in line to buy an Apple iPhone

download speeds. Verizon had said it was preparing for unprecedented demand even after a day of online sales. Analysts see the new phone boosting both Apple and Verizon revenue.

Verizon Wireless, a venture of Verizon Communications Inc and Vodafone Group Plc, will charge \$199.99 for the 16-gigabyte iPhone, with a two-year wireless

plan. The carrier had prepared for long lines by outfitting stores with metal barricades and putting plenty of employees inside. But in New York and San Francisco, the crowds in front of Verizon and Apple retail stores numbered 10 to 20 people, much smaller than the mobs that snaked around Apple stores during the summer launch of iPhone 4.