Which laptop per child?

The chipmaking giant Intel is accused of damaging the non-profit scheme to provide cheap laptops for the developing world. It says it's helping. Bobbie Johnson reports

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As the head of a project that wants to take hi-tech into the developing world, Nicholas Negroponte has had to get used to criticism. Over the past two years the One Laptop Per Child (OLPC) initiative, a scheme aimed at building low-cost computers for education in developing countries, has been attacked many times. Its detractors include rival technology companies, aid workers and African politicians. But last week Negroponte's composure finally broke as he lashed out at Intel for what he called a "predatory" attempt to damage the not-for-profit scheme.

The object of his fury was Intel's Classmate PC, a rival laptop from the chipmaking giant with a similar sales pitch. Negroponte accused Intel of capitalising on his work, and said the Silicon Valley giant was deliberately underpricing the Classmate to put extra pressure on OLPC. "Intel should be ashamed of itself," he told CBS News. "It's just - it's shameless."

OLPC's machine, the XO-1, is often dubbed the "$100 laptop". It currently costs $175 (£88), although Negroponte says this can be reduced to around $100 as more are manufactured. Under the hood it has innovative power-saving features, cutting-edge long-distance wireless networking capabilities and runs the open source Linux operating system. Intel's Classmate lacks some of those abilities, but has a faster processor and can run Linux or Windows XP Embedded, a stripped-down version of the Microsoft operating system. It costs $285, though Intel is bullish about getting the price below $200.

**Cutting edge**

The advent of such competition means that some countries previously behind OLPC are now considering their options. Brazil, for example, was set to order...
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millions of XO-1 machines, but is now considering buying the Classmate - or another system - instead. Nigeria, Pakistan and Thailand are also wavering. Despite the perception that the One Laptop product is both technically superior and better-intentioned, its officials are concerned that the technology industry's giants are using their power to stop it from becoming a success. "OLPC has the best power management ever built, better Wi-Fi and connectivity than anywhere else, a display that's four times better than anything on a laptop today," says Walter Bender, the initiative's president of software and content. "There's no comparison between OLPC and other products - but there is a lot of pressure on governments to stick with a known quantity."

Intel denies that it is deliberately targeting One Laptop. However, the company has been one of the most vocal critics of the project in the past. Although sniping has come from many parts of the computing industry - including from Bill Gates, who advised potential buyers to "get a decent computer" instead - it was Craig Barrett, the Intel chairman, who really stuck the knife in.

"Mr Negroponte has called it a $100 laptop - I think a more realistic title should be the $100 gadget," Barrett told reporters in 2005. His predictions for the machine were scathing. "The problem is that gadgets have not been successful ... it turns out what people are looking for is something that has the full functionality of a PC. We work in the area of low-cost, affordable PCs, but full-function PCs, not handheld devices and not gadgets."

Given Barrett's scepticism it seems something of a U-turn for Intel to be fervently pushing its own equivalent. The company, however, rejects claims that it is being hypocritical.

"Craig referred to One Laptop Per Child as a gadget in 2005, when they first unveiled it," says Agnes Kwan of Intel. "They have come a long way since; back then it was low performance and he fairly referred to it as a gadget. Now we're all working to the same vision, even if we are going about it in different ways."

Kwan also denies that Intel is deliberately undercutting its own prices in order to push OLPC out of what it had now decided was a lucrative market.

"That is not true," she says. "We are not selling Classmate below cost price - we are striving for a sustainable model."

It is not the first time that Intel has been accused of using its near monopoly to overpower rivals - for example, it is being investigated by the European Commission over allegations of anti-competitive behaviour. AMD, Intel's only major rival and the company which supplies the chips inside the XO-1, did not waste an opportunity to go
What we have here is an infinitely powerful monopoly metaphorically threatening to break the kneecaps of a non-profit if it doesn't 'get in line,'" wrote AMD spokesman Michael Silverman in a letter published on the Barron's website.

But the fact remains that despite huge interest from governments, OLPC has struggled to make a breakthrough with definite orders. Bender, a former director of the Media Lab at Massachusetts Institute of Technology, says technical progress has been lightning fast - but that the main hurdle now is bureaucracy.

"The situation is that we're asking governments to do something new and different - to not stick with the status quo, and try something new. There is an unbelievable amount of misinformation that's been circulated, but we're going to keep pushing."

Lofty ambitions

Neither he nor Intel will rule out working together in the future, but he stressed that the project must not be suffocated by commercial competitors if it is to deliver on its lofty ambitions. "This is not about a philosophy. For example, the power requirements of Classmate just aren't viable in many of these places, period. It's not about there being a better way that you can do this - it's the only way. In the long run, we're thrilled that Intel's taking this marketplace seriously ... but I just want to make sure it's real; that there's sustained interest, and that the prices are going to keep coming down instead of starting to go up because shareholders demand it."

Battle of the laptops

**XO-1**

**Operating system:** Linux  
**Memory:** 256MB RAM  
**Media:** 1GB flash, USB and SD slots, built-in video camera  
**Processor:** 435MHz AMD Geode  
**Screen:** 7.5" low-power display  
**Wireless:** 802.11b/g/s Wi-Fi, mesh networking  
**Today's price:** $175

**Classmate**

**Operating system:** Linux or Windows XP Embedded  
**Memory:** 256MB RAM  
**Media:** 2GB flash, built-in microphone  
**Processor:** 900MHz Intel Celeron M  
**Screen:** 7" display  
**Wireless:** 802.11b/g Wi-Fi  
**Today's price:** $285