

HIDDEN HAND

Pakistan intelligence assisting Afghanistan insurgency: reports

Documents reflect deep suspicions among US officials that Pakistan's spy service guides Afghanistan insurgents

BY MARK MAZZETTI, JANE PERLEZ, ERIC SCHMITT & ANDREW W. LEHREN

Americans fighting the war in Afghanistan have long harboured strong suspicions that Pakistan's military spy service has guided the Afghan insurgency with a hidden hand, even as Pakistan receives at least \$1 billion (Rs4,690 crore) a year from Washington for its help in combating the militants, according to a trove of secret military field reports made public on Sunday.

The documents, made available by an organization called WikiLeaks, suggest that Pakistan, ostensibly an ally of the US, allows representatives of

its spy service to meet directly with the Taliban in secret strategy sessions to organize networks of militant groups that fight against American soldiers in Afghanistan, and even hatch plots to assassinate Afghan leaders.

Taken together, the reports indicate that US soldiers on the ground are inundated with accounts of a network of Pakistani assets and collaborators that runs from the Pakistani tribal belt along the Afghan border, through southern Afghanistan, and all the way to the capital, Kabul.

Much of the information—raw intelligence and threat assessments gathered from the field in Afghanistan—cannot be verified and likely comes from sources aligned with Afghan intelligence, which considers Pakistan an enemy, and paid informants. Some describe plots for attacks that do not appear to have taken place.

But many of the reports rely

on sources that the military rated as reliable.

While current and former American officials interviewed could not corroborate individual reports, they said that the portrait of the spy agency's collaboration with the Afghan insurgency was broadly consistent with other classified intelligence.

Some of the reports describe Pakistani intelligence working alongside Al Qaeda to plan attacks. Experts cautioned that though Pakistan's militant groups and Al Qaeda work together, directly linking the Pakistani spy agency Inter-Services Intelligence (ISI) with Al Qaeda is difficult.

An ISI spokesman in Islamabad said on Sunday that the agency would have no comment until it saw the documents. Pakistan's ambassador to the US, Husain Haqqani, said: "The documents circulated by WikiLeaks do not reflect the current on-ground realities."

US officials have rarely uncovered definitive evidence of direct ISI involvement in a major attack. But in July 2008, the CIA's deputy director, Stephen R. Kappes, confronted Pakistani officials with evidence that the ISI helped plan the deadly suicide bombing of India's embassy in Kabul.

Links to militants

Lieutenant General (Lt Gen.) Hamid Gul ran the ISI from 1987-89, a time when Pakistani spies and the CIA joined forces to run guns and money to Afghan militias who were battling Soviet troops in Afghanistan. After the fighting stopped, he maintained his contacts with the former Mujahideen (religious warriors), who would eventually transform themselves into the Taliban.

And more than two decades later, it appears that Gul is still at work. The documents indicate that he has worked tirelessly to reactivate his old net-

Not a revelation for India

BY ELIZABETH ROCHE
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NEW DELHI

For India, revelations by WikiLeaks—that Pakistan has been aiding the Taliban in Afghanistan—vindicate what New Delhi has been saying for years: that Islamabad has been running with the hare and hunting with the hounds ever since it signed up for the US-led war on terror.

The US has been battling the militant Taliban and Osama bin Laden's Al Qaeda since the 9 September 2001 attacks on the World Trade Centre's twin towers in New York.

Delhi, which accuses Pakistan's Inter-Services Intelligence (ISI) of backing militants in Kashmir, has been warning its Western interlocutors of deep-rooted links between militant groups in Afghanistan and the spy agency.

"All the information that has come out is nothing new," said Srinath Raghavan, strategic analyst with the Centre of Policy Research, a think tank in New Delhi.

"The fact is that the United States needs Pakistan today to help with its Afghan strategy. Islamabad has positioned itself willy-nilly as an ally and the US needs the Pakistani military and intelligence to help deliver Osama bin Laden, etc. So I don't think the US will do anything at this point. I don't think anything will change," Raghavan said.

works, employing familiar allies such as Jaluluddin Haqqani and Gulbuddin Hekmatyar, whose networks of thousands of fighters are responsible for waves of violence in Afghanistan.

Gul, who says he is retired and lives on his pension, dismissed the allegations as "absolute nonsense," speaking by

telephone from his home in Rawalpindi, where the Pakistani army keeps its headquarters. "I have had no hand in it." He added: "American intelligence is pulling cotton wool over your eyes."

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Carlotta Gall contributed to this story.

The scourge of SMS spam swamps cellphone users

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less for realtors—low, but acceptable for such inexpensive advertising, and higher than an Internet banner ad's average of 0.5% for click-throughs.

The sheer ease of sending these messages and a per-SMS price that has plummeted in near-suicidal manner over the last two years, have combined to yank this industry into overdrive. SMSes go out now from every manner of business: insurance companies, realtors, bars and restaurants, neighbourhood grocers, stockbrokers, gyms, and schools. Satya Yerramsetti, founder of Hyderabad-based firm **SMSCountry Networks Pvt. Ltd.**, says he even has, as a client, a barber in Mumbai, though he professes to not know what kind of messages this barber sends.

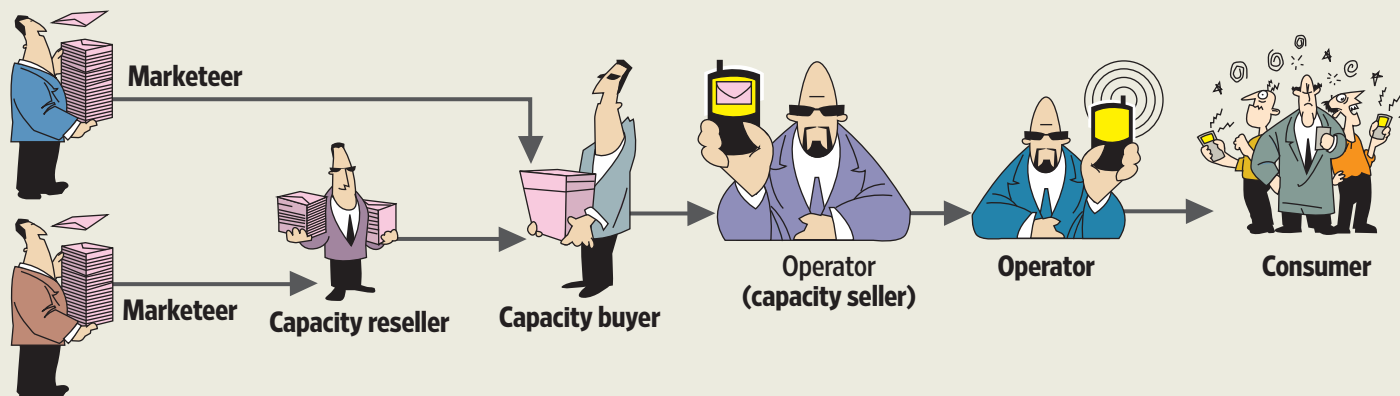
The largest sender of such SMSes is **ValueFirst Messaging Pvt. Ltd.**, and its chief executive officer Vishwadeep Bajaj estimates that 150 million marketing messages—of both spam and non-spam variety—are sent every day in India; his firm sends a full one-third of these. On a half-wiped whiteboard at his office in Gurgaon, Bajaj chews through the numbers; assuming each message costs, on an average, 3 paise, that would bring the industry's annual revenue to Rs200 crore.

"Around 30% of these are promotional SMSes," he says, politely refraining from the word "spam". The remaining would then be service messages—SMSes that the receiver has opted to get, such as bank account activity alerts. Bajaj insists this is the split, though the empirical experience of relentlessly spammed receivers suggests perhaps that the ratio is lopsided in the opposite direction.

As rapid as the industry's growth has been, Bajaj predicts just as rapid a demise. "A couple of companies have driven down the per-SMS price so low that the margins are very thin," he says. He remembers the "good old days", in

THE SPAM ECOSYSTEM

A marketing SMS may pass through as many as six entities as it makes its way through to the final recipient. The length and complexity of this chain makes it difficult for consumer complaints to be acted upon effectively.



What an SMS stamp means

The first letter refers to the operator who has sold messaging capacity for this particular message. Commonly,

T = Tata Teleservices
A = Airtel
B = BSNL
L = Loop Telecom
V = Vodafone

The second letter refers to the circle where the operator has sold capacity. Commonly,

D = Delhi
M = Mumbai
A = Andhra Pradesh

TMSECURITY

The rest of the stamp refers to the client who has sent the message. This could be specific for service messages—such as "HSBC" for HSBC customers who have chosen to get SMSes—or generic for promotional messages, such as "Noida" for realtors based in Noida.

Very recently, as Trai admits, operators are allowing marketing SMSes through without the requisite two-letter prefix—a practice that counts as illegal.

Source: Mint research

GRAPHIC BY AHMED RAZA KHAN/MINT; ILLUSTRATION BY JAYACHANDRAN/MINT

2002, when SMSes cost anywhere between 90 paise and Rs1.50; the margin, per SMS, is now often a solitary paise, and sometimes less. "We survive because of our scale, but other companies should just go home. Wait six or eight months, and you'll see that everyone is going to die." ValueFirst is already preparing, Bajaj says, to reorient itself, towards the construction of mobile applications.

The ecosystem of SMS marketing is a varied and fractured one. Most visibly, there are half a dozen big companies (such as ValueFirst and SMSCountry) and a smattering of smaller ones, all of which buy

bulk messaging capacity—or "pipes"—directly from telecom operators.

Around 60-70% of the capacity used by SMS marketers is sourced from **Tata Teleservices Ltd.**, Bajaj says, often at rates so low that they translate into 1 or 2 paise per SMS. But Lloyd Mathias, chief marketing officer of Tata Teleservices, puts his company's share in the market far lower. "We are not focused on this market at all," he says. "It does form a part of the value-added services revenue that we make, but I would not be able to say how much it contributes to our revenue."

According to rules set down by the Telecom Regulatory Au-

thority of India (Trai), every telemarketeer must be registered with it. Also, every marketing SMS must be stamped with a unique sender name, bearing a prefix that identifies the operator who has provided the requisite capacity. A "TM" prefix, for example, fingers Tata Mumbai; an "AD" message comes via Airtel Delhi.

Even these basic rules are now flouted routinely. "We have...started getting complaints of people sending SMSes without the mandatory stamping, which is against the rule," a Trai official, who asked for anonymity, confirms. So an SMS simply stamped "PRIME", advertising the Rosewood City

Township in Jaipur, is, to put it most bluntly, illegal. And it can only be delivered, as per the existing system, if a rogue operator sells messaging capacity and allows the SMSes to pass through unstamped.

Another new method for bypassing the stamp—another method, in essence, that makes it difficult for the regulator to bear down on illegal telemarketers—involves the use of modems with multiple SIM cards. "These modems are slower," Bajaj says. "They send maybe eight messages a minute."

But with pre-paid SMS cards, costs are low, and with spam, it matters less how fast it

goes out and more that it goes out at all.

The sway of the unorganized section of the SMS marketing industry is strong: Onais Rafiq, manager of media sales and alliances at SMSCountry, estimates that only 40% of these text messages are sent by "organized" firms such as his own.

Instead, a tier below ValueFirst and SMSCountry lies a sea of resellers—mom-and-pop shops such as Singh's Citi Flight, which purchase capacity from the big players, dice it up further, and sell it on to either still-smaller resellers or local customers.

These resellers have now become difficult to ignore. Bajaj says that ValueFirst started, last year, to sell capacity to resellers. Similarly, SMSCountry began only a few months ago to sell a white-label version of its SMS-sending software to resellers because, as Yerramsetti admits frankly, "We thought we were losing a large market share to our competitors." SMSCountry has grown rapidly in the same time frame; from 70 employees in December, Rafiq says, they now have 300, and hope to reach 500 by the end of the year.

In the bitterest irony, though, Bajaj notes that as per-SMS prices have plunged, the smaller resellers, who have grown the industry to such mammoth proportions, suffer first and the hardest. Margins dilute further as they squeeze down the chain. "It's the mom-and-pop guys—you know, two guys somewhere with a PC—who're telling us: 'Thanks boss, but we've had enough'," Bajaj says. "Once upon a time, the margins for these guys used to be enough that they could buy a Honda City after eight months. Now, they can't even buy a Maruti."

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Gouri Shah in Mumbai contributed to this story.

This is the first of a two-part series on the SMS spam industry. Next: But how did they get my number?