City police in Mumbai look to cut cyber crime, terrorism and pornography by forcing cafe owners to pay a licensing fee, use software filters and check photo IDs. But cafe owners are organizing to fight the regulations.

The rapid proliferation of cyber cafes in India recently is the result of two strong drives: Many Indians want to make money by opening cyber cafes, and many Indians want to surf the Net, which offers easy access to foreign news reports, chat rooms, pornography and gambling.

Now the city government of Mumbai (Bombay) is looking to squelch those dual impulses by regulating cyber cafes. They want to force cafes to get licenses from the government, install software filters for pornography, and force patrons to show valid photo IDs. Many cyber cafe owners are angry at the proposed regulations and are organizing to prevent India from becoming like its neighbor, China, which forced licensing of cafes after a deadly fire.

While easy entry into the cyber cafe business has caused an enormous boom in Internet cafes in India -- some estimate there are about 300,000 cafes nationwide -- it has also brought problems for a very conservative culture. Some cafes have become known for showing "dirty movies." Worse, terrorists have used cyber cafes in India as communications outposts. These threats have caused police in many cities to set up cyber crime units.

Hackers are also causing problems: Calcutta is also looking to take action after its police Web site was hacked and made into a porn site, according to the Times of India. The Calcutta proposal, due to be implemented in six months, would require cafe owners to keep a log book on all users and record what sites they visit.

The proposed regulations in Mumbai have been divisive in the technology community. Indian media watcher Pradyuman Maheshwari, who runs the Mediaah Weblog, told me that he's personally against over-regulation, but "I'd like the Internet to be a 'decent' place to operate in." He thinks the regulation is a good idea, that it should be picked up by other cities, and believes the majority of people at cyber cafes would be able to produce a photo identification.

But the Chennai e-business guru known as Naavi argues on his Naavi.org site that proposed regulations are an invasion of privacy, and said the occurrence of cyber crimes was so "miniscule" that these regulations were a drastic measure.

"In practice, the rule is likely to be ignored both by the cyber cafe owner as well as the users," Naavi wrote. "Instead, most cyber cafe owners would opt to pay 'protection money' to the local police and forget the rule."

Meanwhile, one Mumbai cafe owner, Ashish Saboo, 33, decided to take a stand against the regulation. Saboo is a financial analyst and advisor, and founded the Association of Public Internet Access Providers (APIAP). He set up a Web site for other owners to join up, and called for them to unite against the proposed regulations. I recently corresponded with Saboo by e-mail, instant messages and crackling phone line. The following is an edited transcript.

OJR: Why did you decide to start a cyber cafe in the first place?

Ashish Saboo: I was like many people who were excited about the Internet a few years ago during the dot-com boom. The best way to understand more about the Internet was to start a cyber cafe. That requires [little] investment, and was easy. That's why cyber cafes have mushroomed in India and many of the Third World countries. So I have [worked] since 1998 at my cyber cafe, and I have assisted many others in setting up their Internet cafes.

OJR: What's the overall cyber cafe situation in India?

Saboo: Even the smallest of towns has five or six cyber cafes, easily. They have been that popular. Most of them were started in '97 or '98. More than a million people daily depend on cyber cafes for Net access. It's much cheaper than even in the USA.

We estimated at the peak there were more than 5,000 cafes in Mumbai. Currently we estimate around 3,000. On average, they have four to six computer terminals. We estimate more than 1.5 million people are dependent on cyber cafes in Mumbai. On average there are 15,000 computers in the public domain. The industry is very fragmented, so it's difficult to make estimates.

OJR: Who is coming up with the regulation for cafes? The local government?

Saboo: That's right. You had a story on China. It's along the same lines. There's not much of a difference. They are talking about regulation because they're very nervous. They're afraid of the international backlash if the regulation [takes effect], because it is only China that has done that.

The issue originated way back in May 2001, when two people wrote a letter to the Chief Justice of the Bombay High Court complaining about the proliferation of pornographic sites on the Internet.

Since then some prominent opinion leaders and Internet specialists have been pursuing along with the police department to plug in the so-called anonymity provided by the Internet usage in public places, i.e. cyber cafes. In the meantime a few hackings of some sensitive government sites and threat e-mails were traced to cyber cafes, which reinforced the threat perception.

In many Asian cultures and in India, viewing pornography is banned completely. It is a political issue out here. Based on that, the Net offers easier access to all that illicit material. The dilemma for closed nations with the Internet is that it is breaking through and giving people access, both for the positive side and the negative side. Unfortunately the negative side has been highlighted much more.

Ultimately what happened is that it's not the cyber cafes that can control access to porn sites. It's the ISPs which are in a better position to block them. Most of them have not taken any steps to block them, whether in the name of freedom of expression, but it's a humanly impossible task to ban them. Unfortunately the owners of the cyber cafes are having to block those things. [Cafe owners] are providing the connectivity and the computers, which for most people in India can't afford. But the cyber cafes have no control over what people can see.

OJR: What about software filters? That's part of the regulation as well.

Saboo: The costs are prohibitive for most of the owners of cyber cafes. Do you know that the earnings of the cyber cafe comes to only 300 U.S. dollars per month? You can see that not many can really afford the software.

OJR: Are other cities considering the regulation?

Saboo: Most of them have been waiting in the wings. The resources for [law enforcement] are limited. Plus it is beyond most of their understanding. They're looking to the big cities like Mumbai to take an initiative. If they pass the regulation, I think most of them will follow Mumbai's example and pass similar regulations. Looking at China's case, where only 15 percent compliance was possible [with regulations] -- in a dictatorial country -- in a democracy here we wouldn't see such compliance with such a regulation. It's very unjustified. The threat perception has been made very high.

OJR: Why do you feel the regulations are onerous for cafe owners?

Saboo: As you know most of the cyber cafe owners are marginal business owners with limited resources and reach. Nor is the business lucrative. Hence most have chosen to stay quiet.

[The regulations] require cyber cafe owners to get permission from more than 13 authorities! Like the fire brigade, electrical contractor, municipal authorities, etc. It is evident the [rules] are too complex to comply with and finally non-compliance will lead to being labeled illegal. The Internet thrives on ubiquity and cyber cafes have provided the essential ubiquity. These [rules] are a serious threat to Internet proliferation. Now essentially the environment of a cyber cafe is the same as of any corporate office -- no one has ever asked them to comply with so many agencies!

It's unfortunate the world's biggest democratic country has been misguided to follow in the footsteps of the world's biggest dictatorial country -- China.

OJR: Has anyone from the government talked to you about the regulation or asked anyone at other cafes for their ideas?

Saboo: Yes, but only as a formality; they chose to tell more than ask us. Only the organized cyber cafe chains have a vested interest in seeing the current form of regulations through, just like China's Phase 2 regulations. A small entrepreneur is not in a situation to cope with such regulations. We feel less than 5 percent will comply and the rest will be labeled as illegal, leading to government crackdowns. Thus ultimately the ubiquity of Internet access will be lost just like in China.

OJR: Will a lot of poor people lose access to the Net?

Saboo: Yes. It will make it unaffordable. We had suggested an online registration system and encouraged a self-regulatory body. Today, most of the cyber cafe owners are in a bind. Sustenance is a problem. As home Internet access proliferates, that impacts public access

places.

OJR: What about online news publications that people read at cyber cafes? Will this make that difficult for people to get news outside of India?

Saboo: Here I will share with you some interesting examples. There have been many enthusiasts who do not have adequate access to reading material, for example, special hobbies like astronomy. Here recently a newspaper reported a young lad of 16 was able to witness and record intricate details of a major meteor shower. Most astronomers in India missed it, but thanks to this guy, he used to regularly log on from a local cyber cafe to such Web sites as NASA's and was able to learn all from such resources.

It is generally felt that only literates can access the Net. But I have seen those who care for the content are willing to learn too. Take the case of a sadhu (holy man). Here in India every 12 years a religious congregation takes place called the Kumbh Mela. I am sure you must have heard of it. Here I was able to teach a not so English-literate sadhu to surf the Net and visit the Web sites offering pictorials of the Kumbh Mela. On Web sites like Rediff.com.

Even in business, here a young group of guys aged below 18, where in India they cannot legally enter into a contract, were able to get contracts on Web development from the U.S. and Europe. These folks regularly get access through cyber cafes and have learned completely on their own!

OJR: There are obviously some terrorists using cyber cafes, and people are viewing porn at cafes. What is your proposal to help stop that?

Saboo: Yes, it is true it has been misused. I believe some cyber cafe owners have been misguided, too. But they can be very well guided and educated, encouraged. My take is since there is a lack of broad commercial opportunities from the Internet, that is why some have fallen prey to such business without any regulation.

How could you stop terrorists from using your computers? And the world's oldest profession was always accessible and you don't even have to invest in a computer. As mentioned earlier, we are open for regulation where it offers opportunities and legitimacies. But unfortunately, the regulations are not working in that direction.

It is simply the passion of these young entrepreneurs and the Silicon Valley dreams that have encouraged [cafe owners] to set up shops. The government should recognize the youth's aspirations, and take this as an employment development opportunity. Further restricting Internet access will not plug the terrorist activity. Take for example SMS messages too can go untracked. Thus the government has to take a positive step and encourage entrepreneurs, make them their ally.

OJR: How important is it if people lose access to news online from cafes? Can't they get news on TV and newspapers?

Saboo: The Internet is able to offer unbiased news, thanks to many news groups and blogs. TV and newspapers cannot match the variety nor the depth of the whole Internet. In the initial days we used to witness most of the folks used chat for online flirting, but today we see many use it for serious business networking. Check out the number of profiles from India on [business networking site] Ryze.com.

OJR: Do people also go online for news from other parts of India?

Saboo: Yes. Particularly when there has been a major accident or something happening. People choose to log on the Internet to tell you the gravity [of the situation]. There was a recent bomb blast right in the heart of the Mumbai. All telephone, cell connections were instantly disrupted and TV news was slow. Many logged on to the Internet. All the leading Web sites with India-specific news [had their] servers jammed. Thus online news has already proved its importance due to quick response and opportunity to [see] varied versions [of events].

OJR: How many members do you have so far for your association? How has it been received by other cafe owners?

Saboo: We have 200-plus members so far. The association was formed on my initiative some six months back. Due to intense competition amongst cafe owners, there was a lot of skepticism, but now slowly cafe owners are realizing the benefits of coming together. However due to resource constraints from all corners, the association has not been vibrant in its representation.

OJR: What does the general public in Mumbai think about the cyber cafe regulation?

Saboo: Most of them are skeptical of such regulations to come, because they are difficult to implement, and few have serialized ID cards or keep them [on hand] constantly like a passport, driving license, etc. Further, law enforcement is very lax. Most cafe visitors are opposed to such methods of regulations. Many, particularly amongst female visitors, feel their personal identities and details may be misused.

OJR: When do you expect the new regulations to pass and be enforced? Will they shut down illegal cafes after that?

Saboo: They have not revealed when they plan to implement [the rules] and we expect someday a nasty surprise. As mentioned previously the enforcement is weak, hence the licensing will only work as a handy tool for those with vested interest to close down the cafes. This will only cause fear amongst the owners and many will opt to close down the business.

We are very keen that you follow this story because it is not just a case with India but with all the less-developed countries who are grappling with the issue. The cyber cafe owners are hard hit. The industry is managed mostly by novices and their contribution in bridging the digital divide has not been recognized by anyone.