Betting Across Borders: Mobile Networks and the Future of Gambling\textsuperscript{1}

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Abstract:

This essay explores the phenomenon of gambling on mobile phones in India. It argues that the growth of SMS-based gambling on cricket matches has enlarged the gambling sector and empowered criminal syndicates that operate across borders. It is based on fieldwork conducted for my dissertation, in India and neighboring countries. This research included one year spent in India and neighboring countries, studying mobile communication practices. The findings are based on participant observation and 85 interviews with participants in illegal gambling related to the Indian Premier League.

In the past decade, in Asian countries rich and poor, mobile networks have transformed individuals’ relationship with information near and far, and allowed for a complex new series of interactions. In India and many other countries across Asia, the proliferation of mobile phones has created new opportunities for the longstanding pastime of gambling, especially among young people interested in sports. From international betting websites to local SMS-based betting rings, mobile gambling has become a wildly popular hobby.

In recent years, India has become one of the world’s largest gambling markets, especially in cricket. The country has become the largest source of the $40-50 billion worth of bets placed on cricket worldwide each year (Agur, 2013; Hawkins, 2013). Increasingly, these bets involve syndicates with operations in Pakistan, the U.A.E., and other nearby locations. These massive and mostly illegal flows reveal the new spatial dynamics at work in the mobile phone networks of South Asia and the Gulf States. The flows within and between these places involve a complex set of interactions directed from afar, conducted in face-to-face meetings, and coordinated by the sophisticated use of mobile networks.

Gambling: The Oldest Form of the Good Life

Gambling has a long history as a popular pastime in South Asia. Dice and card games and bets on horseracing long predate the arrival of the British; the Mughal emperors prohibited these on the grounds that they violate maisir – the Islamic prohibition on monetary gains from games of chance or speculation. Despite these efforts to curtail gambling, it remained a ubiquitous feature of life in the Mughal period, from 1526-1857 (Mukhia, 1969). Under the British Raj, gambling became intertwined with the colonial economy: mercantile communities speculated on the prices of opium, gold, silver, and cotton (Richards, 2002). With the introduction of direct telegraph service to and from England, land and undersea wires became long-distance conduits for increasingly sophisticated information, which local populations used for making and taking bets (Benegal, 2012). Within British India, the expansion of the telegraph created new flows of information. Scheduled updates of information prompted a thriving weather-betting market – for example, the amount of rainfall on a given day or pahar (three-hour period) in different cities (Hardgrove, 2002). Certain annual celebrations, such as Diwali (the festival of lights, invoking Lakshmi, the Goddess of Wealth) and Janmashtami (Lord Krishna’s birthday) also emerged as occasions for gambling.

Gambling on cricket in India developed later than gambling on commodities, rain, or festivals, and owes much to successive communication networks of the 20th and 21st centuries. The introduction of radio (1924) and television (1959) in India led to gatherings
of cricket fans in bazaars and other public spaces, broadcast by shopkeepers who used cricket broadcasts to draw crowds (Cashman, 1980; Ugra, 2005). These assemblies of fans became focal points not only for listening and watching matches, but also for betting on the action. In the postwar period, with the expansion of broadcast radio and television, cricket audiences gathered in bazaars across India to follow their regional team in the Ranji Cup, or the national team in Test matches, most often against England or Pakistan. In such settings, bookies established odds, collected bets, and enforced punishments for those unable to pay. In these large crowds, social relations determined trust; betters needed to know a bookie or be referred to a bookie by a friend who could vouch for the better. Since gambling was illegal, it took place via networks rather than via formal institutions (Hawkins, 2012).

**Gambling Goes Mobile**

In the past decade, India has experienced spectacular growth in its mobile phone networks. Previously a telephone laggard (fewer than 1% of its citizens had telephones in the early 1990s), India is now the second-largest telephone market on earth, with more than 900 million phones (TRAI, 2014: 3). With this growth, mobile phones have become the carriers for many forms of entertainment. They have also become essential tools for betting participants.

How users bet depends on their phone type. Users with Smartphones can access a wide range of international betting sites. However, because most users in developing countries do not have a Smartphone, they use a basic ‘feature phone’ in combination with traditional in-person betting. Just as in the early broadcast days, would-be betters need to be referred to bookies, and they meet in person with bookies to settle bets. Once a relationship is established, a better can communicate bets to his bookie via SMS. The information can easily be coded so that the message fits on a single line of text and, crucially, so that the contents will not be understood by any third parties (e.g. police) who happen to see the message. The following figure shows examples of real bets placed via SMS:

<table>
<thead>
<tr>
<th>Code</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSKtossbat</td>
<td>If Chennai win the coin toss, captain M.S. Dhoni will elect to bat</td>
</tr>
<tr>
<td>7-1-nb</td>
<td>In the 7th over, the 1st ball will be a no-ball (illegal delivery)</td>
</tr>
<tr>
<td>11:05 W</td>
<td>In the 11th over, the 5th ball will be a wicket</td>
</tr>
<tr>
<td>19o3b 6</td>
<td>In the 19th over, the 3rd ball will be hit for 6 runs</td>
</tr>
<tr>
<td>Malinga 0.3w</td>
<td>Lasith Malinga’s 3rd delivery of the match will be a wide</td>
</tr>
<tr>
<td>Kallis-W-lbw</td>
<td>Jacques Kallis will be out leg-before-wicket</td>
</tr>
</tbody>
</table>
In my research of gambling related to the Indian Premier League, betters used a fairly standard set (and order) of codes to indicate the conditions for a bet. In the case of spot-bets (those placed on a specific moment in the match, as opposed to the result of the entire match), betters tended to indicate first the over, then the ball, then the action.² In the case of non-time specific actions (such as an action by a specific bowler who might begin bowling at any point in the match or the method by which a batsman will get out), betters tended to name the player or team first, followed by the action on which the bet is based. Betters often used colons or dashes to separate components of the code. For example, in the second example above, the better used dashes to separate 7 (the 7th over), 1 (the 1st ball of the over) and nb (a prediction that the delivery will be a no-ball); and in the third example above, the better used a colon to separate 11 (the 11th over) from 05 (the fifth ball of the over). What these codes have in common is ease of transmission. Participants require only a handset with text message capabilities, and an agreement on message formatting. I asked if users gambled on the match without using their phones; more than one user replied, “how else would I place a bet?”

Betting syndicates distribute the odds for a match in real-time, via mobile phone. With these odds, bookies in different cities collect bets and send updates back to their superiors. In his book-length study of gambling in cricket, Ed Hawkins (2013) found that hierarchies of individual bookies exist within syndicates. The quality, granularity, and frequency of updates via mobile phone depends on whether a bookie enjoys first, second, or third tier status within the organization. A dozen bookies might work for the same organization in one city, but the internal politics of the organization determine which bookies get the most valuable updates (Hawkins, 2013: 46, 62, 67). I encountered hints of these hierarchies when I spoke to bookies. When I asked about an upcoming match, one told me: “There is information out there, but I don’t have it. Maybe next week. I’m down the food chain.” In the networks of participants involved in cricket betting in India, mobile phones are not a leveling; they allow for organizational hierarchies and differentiated speed and quality of information flows.

The Dark Side of the Good Life

On its own, betting is an off-field diversion that adds excitement for fans. However, when the sums are large, players can be tempted to take part in the action. Fixing the results of entire matches is likely to attract attention, so those in a position to shape the outcome of matches tend to use spot-fixes. These involve pre-determined outcomes on individual balls

² In cricket, the bowler delivers the ball to the batsman via an overhead throw, with the ball typically bouncing once on its way to the batsman. The bowler’s objective is to get the batsman out. The batsman’s objectives are to protect the stumps behind him from being hit by the ball, and to score runs. In each ‘over’, the bowler delivers six balls in succession, with each representing an opportunity to get the batsman out, or for the batsman to score runs.
for small or medium-sized gains at low risk. For example, players (especially bowlers and captains) can make money on the side by engineering certain events at agreed-upon moments in the match (for example: in the 3rd over, the 1st ball will be a certain type of delivery). For young players with single-season contracts and no endorsement deals, inside spot betting offers income that can satisfy requests for cash from friends and family, and fund a more glamorous lifestyle (Agur, 2014).

Mobile networks are a critical factor in inside betting. They are the means by which teams, journalists, and others communicate with players. While veteran players guard their phone numbers with great caution (or hire personal assistants to manage all calls), junior players sometimes give away their number to journalists and others, in the hope of landing an interview or making other useful connections. Faced with a high degree of scrutiny by media and police, players tend to trust only bookies they know personally, or who have been referred by someone close to them. Inside betting networks thus tend to follow existing social relations; over time, they allow new social relations among participants. The high turnover of devices makes for fragile, ephemeral, and fleeting connections among participants. Rather than forming lasting organizations, mobile networks in India encourage one-off, “disposable” connections for specific purposes (Agur, 2013 and 2014).

The worldwide growth of mobile networks has allowed for significant new flows of information and capital (Castells, 2000). In Indian cricket, mobile networks have created the conditions for powerful new networks and criminal syndicates, based in Mumbai and Dubai (Hawkins, 2013). Given this changing set of possibilities for corruption, a major question is: to what extent have police been able to keep up with criminal syndicates in their use of mobile phones for illegal activity? The participants I interviewed were nearly unanimous: a significant amount of mostly subtle corruption exists in the league, and mobile networks provide the essential link in much of this corruption (Agur, 2014).

Conclusion

The growth of mobile gambling shows that ‘the good life’ has positive and negative repercussions, and that the effects extend beyond national borders. Thanks to cheap, mass mobile telephony, what large numbers of users in one country do for fun can create new winners and losers elsewhere. This is simultaneously exciting for users, worrying for governments, and highly profitable for a range of actors involved. Mobile gambling is already one of the most popular pastimes for mobile users in India and beyond. In the years to come, the arrival of more mobile phone users (especially young people) will likely mean more participants and more bets.
Mobile networks are essential tools in gambling, since they provide the critical links among participants and allow intermediaries to retain a light physical footprint in their areas of operations. But just as they offer advantages to those able to make use of the technology, mobile networks are imperfect tools. They are subject to surveillance and seizure, and distant bosses must rely on local operatives to make personal contacts and enforce the terms of agreements. The fact that criminal syndicates have set up in close proximity (India, Pakistan, and the U.A.E.) is a reminder of the importance of location in finance and the tensions that exist among players in illicit networks.

Bibliography


