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A woman rescued by Nigerian troops from Boko Haram fighters praying at a camp in Yola, south of Dalori. Women and girls at a separate camp are believed to be victims of mass rape.

## Boko Haram militants raped hundreds

DALORI, NIGERIA

Aid workers and officials in Nigeria fear assaults have long-term objective

BY ADAM NOSSITER

Hundreds of women and girls captured by Boko Haram have been raped, many repeatedly, in what officials and relief workers describe as a deliberate strategy to dominate rural residents and possibly even create a new generation of Islamist militants in Nigeria.

In interviews, the women described being locked in houses by the dozen, at the beck and call of fighters who forced them to have sex.

“They married me,” said Hamsatu, 25, a young woman in a black-and-purple head scarf, looking down at the

ground. She said that she was four months pregnant, that the father was a Boko Haram member and that she had been forced to have sex with other militants who took control of her town.

“They chose the ones they wanted to marry,” added Hamsatu, whose full name was not used to protect her privacy. “If anybody shouts, they said they would shoot them.”

Boko Haram, a radical Islamist sect that has taken over large stretches of territory in the country’s northeast, has long targeted women, rounding them up as it captures towns and villages. Christians have been forced to convert to Islam, and many women have been given to Boko Haram fighters for “marriage,” a euphemism for the sexual violence that occurs even when unions are cloaked in religion.

Dozens of newly freed women and girls, many of them pregnant and battered, are now showing up at a

**They “make a very conscious effort to impregnate the women. Some of them, I was told, even pray before mating.”**

sprawling camp for the displaced here outside the Borno State capital, Maiduguri, as Nigerian soldiers and other military forces try to push Boko Haram out of nearby territory it has occupied for much of the last year.

The full human toll of that occupation is only now emerging. More than 15,000 people have sought shelter at the camp, at an abandoned federal training center, most of them women, relief officials said. Over 200 have so far been found to be pregnant, but relief officials believe many more are bearing the unwanted children of Boko Haram militants.

“The sect leaders make a very conscious effort to impregnate the women,”

said the Borno governor, Kashim Shettima. “Some of them, I was told, even pray before mating, offering supplications for God to make the products of what they are doing become children that will inherit their ideology.”

The militants have openly promised to treat women as chattel. After Boko Haram militants kidnapped nearly 300 schoolgirls from the village of Chibok last year, the group’s leader called them slaves and threatened to “sell them in the market.”

“We would marry them out at the age of 9,” the leader, Abubakar Shekau, said in a video message soon after the girls were abducted, prompting the global “Bring Back Our Girls” campaign. “We would marry them out at the age of 12.”

Boko Haram turned sharply violent six years ago in the most destitute part of Nigeria and has been waging unremitting war against the federal government.

## Elisabeth Bing, Lamaze birth crusader, dies

BY KAREN BARROW

Elisabeth Bing, who helped lead a natural childbirth movement that revolutionized how babies were born in the United States, died on Friday at her home in New York. She was 100.

Her death was confirmed by her son, Peter.

OBITUARY

Ms. Bing taught women and their spouses to make informed childbirth choices for more than 50 years. (“We don’t call it natural childbirth, but educated childbirth,” she once said.)

She began her crusade at a time when hospital rooms were often cold and impersonal, women in labor were heavily sedated and men were expected to remain in the waiting room, pacing.

Ms. Bing pushed for change. She worked directly with obstetricians, introducing them to the so-called natural childbirth methods developed by Dr. Fernand Lamaze, which incorporated relaxation techniques in lieu of anesthesia.



**Sharp words** Secretary of State John Kerry waiting to address American military and diplomatic personnel in Seoul, South Korea, on Monday. He later criticized North Korea’s leader, Kim Jong-un, and called for global pressure on his government.

## Fake degrees earn company millions

Pakistan-based operation used network of made-up schools in global scheme

BY DECLAN WALSH

Seen from the Internet, it is a vast education empire: hundreds of universities and high schools, with elegant names and smiling professors at sun-dappled American campuses.

Their websites, glossy and assured, offer online degrees in dozens of disciplines, like nursing and civil engineering. There are glowing endorsements on the CNN iReport website, enthusiastic video testimonials, and State Department authentication certificates bearing the signature of Secretary of State John Kerry.

“We host one of the most renowned faculty in the world,” boasts a woman introduced in one promotional video as the head of a law school. “Come be a part of Newford University to soar the sky of excellence.”

Yet on closer examination, this picture shimmers like a mirage. The news reports are fabricated. The professors are paid actors. The university campuses exist only as stock photos on computer servers. The degrees have no true accreditation.

In fact, very little in this virtual academic realm, appearing to span at least 370 websites, is real — except for the tens of millions of dollars in estimated revenue it gleans each year from many thousands of people around the world, all paid to a secretive Pakistani software company.

That company, Axact, operates from the port city of Karachi, where it employs over 2,000 people and calls itself Pakistan’s largest software exporter, with Silicon Valley-style employee perks like a swimming pool and yacht.

Axact does sell some software applications. But according to former in-

siders, company records and a detailed analysis of its websites, Axact’s main business has been to take the centuries-old scam of selling fake academic degrees and turn it into an Internet-era scheme on a global scale.

As interest in online education is booming, the company is aggressively positioning its school and portal websites to appear prominently in online searches, luring in potential international customers.

At Axact’s headquarters, former employees say, telephone sales agents work in shifts around the clock. Sometimes they cater to customers who clearly understand that they are buying a shady instant degree for money. But often the agents manipulate those seeking a real education, pushing them to enroll for coursework that never materializes, or assuring them that their life experiences are enough to earn them a diploma.

To increase profits, the sales agents often follow up with elaborate ruses, including impersonating American government officials, to persuade customers to buy expensive certifications or authentication documents.

Revenues, estimated by former employees and fraud experts at several million dollars per month, are cycled



**Shoaib Ahmed Shaikh, the founder of Axact, has acknowledged media criticism of the company but dismisses it as “lies.”**

## Factory town illustrates U.S. trade quandary

GALESBURG, ILL.

BY BINYAMIN APPELBAUM

Even in this city of abandoned factories, it is possible to see some of the benefits the United States reaps from increased foreign trade: At the rail yard, where boxcars of bargain-price Asian goods are routed to American consumers; at the nearby slaughterhouse, where pigs are packaged for the global market; and at Knox College, where almost 10 percent of the students now come from foreign countries.

It is also hard to miss the enduring costs. In 2004, Maytag shut down the refrigerator factory that for decades was Galesburg’s largest employer and moved much of the work to Mexico. Barack Obama, then running to represent Illinois in the Senate, described the workers as victims of globalization in his famous speech that year at the Democratic National Convention.

A decade later, many of those workers are still struggling. The city’s population is in decline, and the median household income fell 27 percent between 1999 and 2013, adjusted for inflation.

George Carney, who drove a forklift until the day the factory closed, and then found work as a bartender, is now receiving federal disability benefits. He says he is bitter that American policy makers smoothed Maytag’s road to Mexico by passing the North American Free Trade Agreement in the early 1990s.

“I don’t believe in laying someone off, in taking away someone’s livelihood just so other people can make more money,” Mr. Carney said as he nursed a beer in a windowless bar on the banks of the Mississippi River. “Why would I want to destroy that person? Why would I want to destroy lives?”

## ISIS captures key Iraqi city despite strikes

BAGHDAD

Seizure of Anbar capital represents biggest victory this year for the militants

BY TIM ARANGO

The last Iraqi security forces have fled Ramadi, as the city fell completely to the militants of the Islamic State, who ransacked the provincial military headquarters, seizing a large store of weapons, and killed people loyal to the government, according to security officials and tribal leaders.

The fall of Ramadi on Sunday, despite intensified American airstrikes in recent weeks in a bid to save the city, represented the biggest victory so far this year for the Islamic State, which has declared a caliphate, or Islamic state, in the vast areas of Syria and Iraq that it controls. The defeat also laid bare the failed strategy of the Iraqi government, which had announced last month a new offensive to retake Anbar Province, a large desert region in the west of which Ramadi is the capital.

“The city has fallen,” said Muhaanad Haimour, the spokesman for Anbar’s governor. Mr. Haimour said that at least 500 civilians and security personnel had been killed over the last two days in and around Ramadi, either from fighting or executions. Among the dead, he said, was the 3-year-old daughter of a soldier.

“Men, women, kids and fighters’ bodies are scattered on the ground,” said Sheikh Rafi al-Fahdawi, a tribal leader from Ramadi, who was in Baghdad on Sunday and whose men had been resisting the Islamic State, also known as ISIS or ISIL.

CURRENCIES LONDON, MONDAY 11AM				PREVIOUS
▼ Euro	€1=	\$1.1380	\$1.1450	
▼ Pound	£1=	\$1.5660	\$1.5720	
▼ Yen	¥1=	¥119.690	¥119.270	
▼ S. Franc	\$1=	SF0.9210	SF0.9160	

Full currency rates Page 20

NEWSSTAND PRICES			
Bail RP 30,000 (including PPN)	Hong Kong HK\$ 25.00	Manila Peso 110.00	Singapore US\$ 5.00 (GST Incl.)
Bangladesh Tk. 135.00	Indonesia RP 30,000 (PPN Incl.)	Myanmar US\$ 4.50	Sydney A\$ 8.25 (GST Incl.)
Bangkok Baht 85.00	Jakarta RP 30,000 (including PPN)	Nepal NRs 19.50	Taipei NT 120.00
Brunei B\$ 8.00	Japan Yen 210 (Tax included.)	Pakistan RS 20.00	Taiwan NT 120.00
Cambodia US\$ 3.50	Macau P 25.00	Philippines Peso 110.00	Thailand Baht 85.00
China RMB 30.00	Malaysia RM 7.50	Seoul Won 2,000	Vietnam US\$ 4.00

STOCK INDEXES MONDAY			
▲ The Dow prev.	18,272.56	+0.11%	
▲ FTSE 100 11am	6,983.57	+0.33%	
▲ Nikkei 225 close	19,890.27	+0.80%	

OIL NEW YORK, MONDAY 6:00AM			
▲ Light sweet crude	\$59.69	+\$0.59	

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**The age of the ‘super PAC’**  
The 2016 contenders are exploiting loopholes to transform the way presidential campaigns are organized and paid for. nytimes.com/politics

**Homeland beckons retirees**  
More immigrants to the United States are returning to their native countries as they near retirement, experts say. Some are returning for family reasons, while others are seeking a higher standard of living. nytimes.com/business

**A surprise? Not with N.B.A. draft**  
The actual selection of the winning teams for the N.B.A. draft lottery takes place not on stage in front of television cameras, but an hour before in strict secrecy. nytimes.com/basketball



WORLD NEWS ASIA

Pakistan-based company profits from fake degrees

PAKISTAN, FROM PAGE 1  
through a network of offshore companies. All the while, Axact's role as the owner of this fake education empire remains obscured by proxy Internet services, combative legal tactics and a chronic lack of regulation in Pakistan.

"Customers think it's a university, but it's not," said Yasir Jamshaid, a quality control official who left Axact in October. "It's all about the money."

Axact's response to repeated requests for interviews over the past week, and to a list of detailed questions submitted to its leadership on Thursday, was a letter from its lawyers to The New York Times on Saturday. In the letter, it issued a blanket denial, accusing a Times reporter of "coming to our client with half-cooked stories and conspiracy theories."

In an interview in November 2013 about Pakistan's media sector, Axact's founder and chief executive, Shoaib Ahmed Shaikh, described Axact as an "I.T. and I.T. network services company" that serves small- and medium-size businesses. "On a daily basis we make thousands of projects. There's a long client list," he said, but he declined to name those clients.

The accounts by former employees are supported by internal company records and court documents reviewed by The New York Times. The Times also analyzed more than 370 websites — including school sites, but also a supporting body of search portals, fake accreditation bodies, recruitment agencies, language schools and even a law firm — that bear Axact's digital fingerprints.

In academia, diploma mills have long been seen as a nuisance. But the proliferation of Internet-based degree schemes has raised concerns about their possible use in immigration fraud and about dangers they may pose to public safety and legal systems. In 2007, for example, a British court jailed Gene Morrison, a fake police criminologist who claimed to have degree certificates from the Axact-owned Rochville University, among other places.

Little of this is known in Pakistan, where Axact has dodged questions about its diploma business and has portrayed itself as a roaring success and model corporate citizen.

"Winning and caring" is the motto of Mr. Shaikh, who claims to donate 65 percent of Axact's revenues to charity, and last year announced plans for a program to educate 10 million Pakistani children by 2019.

More immediately, he is working to become Pakistan's most influential media mogul. For almost two years now, Axact has been building a broadcast studio and aggressively recruiting prominent journalists for Bol, a television and newspaper group scheduled to start this year.

Just how this ambitious venture is being funded is a subject of considerable speculation in Pakistan. Axact has filed several pending lawsuits, and Mr. Shaikh has issued vigorous public denials, to reject accusations by media competitors that the company is being supported by the Pakistani military or organized crime. What is clear, given the scope of Axact's diploma operation, is that fake degrees are probably providing financial fuel for the new media business.

"Hands down, this is probably the largest operation we've ever seen," said Allen Ezell, a retired F.B.I. agent and author of a book on diploma mills who has been investigating Axact. "It's a breath-taking scam."

BUILDING A WEB

At first glance, Axact's universities and high schools are linked only by superficial similarities: slick websites, toll-free American contact numbers and familiar-sounding names, like Barkley, Columbiana and Mount Lincoln.

But other clues signal common ownership. Many sites link to the same fictitious accreditation bodies and have identical graphics, such as a floating green window with an image of a head-set-wearing woman who invites customers to chat.

There are technical commonalities, too: identical blocks of customized coding, and the fact that a vast majority route their traffic through two computer servers run by companies registered in Cyprus and Latvia.

Five former employees confirmed many of these sites as in-house creations of Axact, where executives treat the online schools as lucrative brands to be meticulously created and forcefully marketed, frequently through deception.

The professors and bubbly students in promotional videos are actors, according to former employees, and some of the stand-ins feature repeatedly in ads for different schools.

The sources described how employees would plant fictitious reports about Axact universities on iReport, a section of the CNN website for citizen journalism. Although CNN stresses that it has not verified the reports, Axact uses the CNN logo as a publicity tool on many of its sites.

Social media adds a further patina of legitimacy. LinkedIn contains profiles for purported faculty members of Axact universities, like Christina Gardener, described as a senior consultant at Hill-ford University and a former vice president at Southwestern Energy, a publicly listed company in Houston. In an email, a Southwestern spokeswoman said the company had no record of an employee with that name.

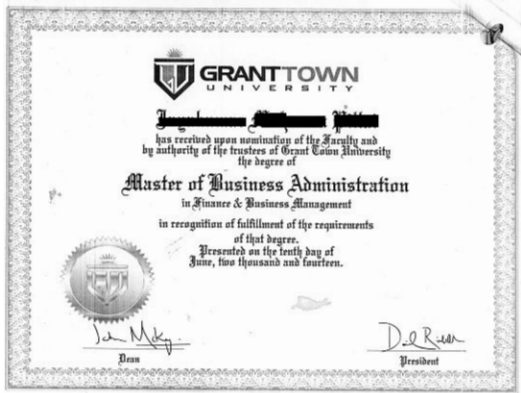
The heart of Axact's business, however, is the sales team — young and well-educated Pakistanis, fluent in English or Arabic, who work the phones with



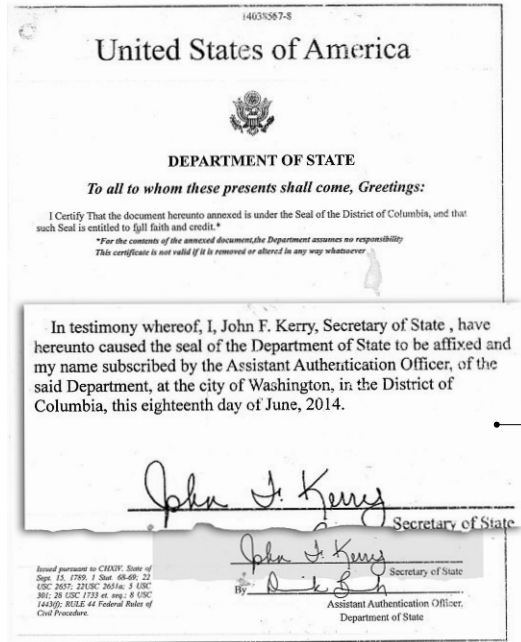
A studio at Bol, a television and newspaper group owned by Axact scheduled to start this year. Axact's founder said Bol would "show the positive and accurate image of Pakistan."

Fake degrees, huge profits

Axact, a Pakistan company, makes tens of millions of dollars annually by offering diplomas online through hundreds of fictitious schools.



Above, a degree from one of Axact's fake schools.



The lure

Fake accreditation bodies and testimonials lend the schools an air of credibility. But when customers call, they are talking to Axact sales clerks in Karachi — many of whom claim to be in the United States.

After the call

Axact employees often follow up aggressively with previous customers, pushing them to buy more. Some pose as American officials, badgering clients to spend thousands of dollars on State Department authentication letters, which are either forged or illicitly secured. Payments are funneled through offshore firms.

shaid, the former employee.

Usually the sums are less startling, but still substantial.

One Egyptian man paid \$12,000 last year for a doctorate in engineering technology from Nixon University and a certificate signed by Mr. Kerry. He acknowledged breaking ethical boundaries: His professional background was in advertising, he said in a phone interview, speaking on the condition of anonymity to avoid potential legal trouble.

REAL-LIFE TROUBLES

Many customers of degree operations, hoping to secure a promotion or pad their résumé, are clearly aware that they are buying the educational equivalent of a knockoff Rolex. Some have been caught.

In the United States, one federal prosecution in 2008 revealed that 350 federal employees, including officials at the departments of State and Justice, held qualifications from a non-Axact-related diploma mill operation based in Washington State.

Some Axact-owned school websites have previously made the news as being fraudulent, though without the company's ownership role being discovered. In 2013, for instance, Drew Johansen, a former Olympic swim coach, was identified in a news report as a graduate of Axact's bogus Rochville University.

The effects have sometimes been deeply disruptive. In Britain, the police had to re-examine 700 cases that Mr. Morrison, the falsely credentialed police criminologist and Rochville graduate, had worked on. "It looked easier than going to a real university," Mr. Morrison said during his 2007 trial.

In the Middle East, Axact has sold



Axact headquarters in Karachi, Pakistan. Axact ostensibly operates as a software company, but former employees said software operations were outstripped by its diploma business.

aeronautical degrees to airline employees, and medical degrees to hospital workers. A nurse at a hospital in Abu Dhabi, United Arab Emirates, admitted to spending \$60,000 on an Axact-issued medical degree to secure a promotion.

But there is also evidence that many Axact customers are dupes, lured by the promise of a real online education.

Elizabeth Lauber, a bakery worker from Bay City, Mich., had been homeschooled, but she needed a high school diploma to enroll in college. In 2006, she called Belford High School, which had her pay \$249 and take a 20-question knowledge test online.

Weeks later, while waiting for the promised coursework, Ms. Lauber was surprised to receive a diploma in the mail. But when she tried to use the certificate at a local college, an official said it was useless. "I was so angry," she said by phone.

Last May, Mohan, a junior accountant at a construction firm in Abu Dhabi, paid \$3,300 for what he believed was going to be an 18-month online master's program in business administration at the Axact-owned Grant Town University.

A sales agent assured Mohan, a 39-year-old Indian citizen who asked to be identified only by part of his name, of a quality education. Instead, he received a cheap tablet computer in the mail — it featured a school logo but no education applications or coursework — followed by a series of insistent demands for more money.

When a phone caller who identified himself as an American Embassy official railed at Mohan for his lack of an English-language qualification, he agreed to pay \$7,500 to the Global Institute of English Language Training Certification, an Axact-run website.

In a second call weeks later, the man pressed Mohan to buy a State Department authentication certificate signed by Mr. Kerry. Mohan charged \$7,500 more to his credit card.

Then in September a different man called, this time claiming to represent the United Arab Emirates government. If Mohan failed to legalize his degree locally, the man warned, he faced possible deportation. Panicking, Mohan spoke to his sales agent at Axact and agreed to pay \$18,000 in installments.

By October, he was \$30,000 in debt and sinking into depression. He had stopped sending money to his parents in India and hid his worries from his wife, who had just given birth.

"She kept asking why I was so tense," said Mohan during a recent interview near his home in Abu Dhabi. "But I couldn't say it to anyone."

CHASING BILL GATES

In Pakistan, Mr. Shaikh, Axact's chief executive, portrays himself as a self-made tycoon of sweeping ambition with a passion for charity.

Growing up in a one-room house, he said in a speech posted on the company's website, his goal was to become "the richest man on the planet, even richer than Bill Gates." At gala company events he describes Axact, which he founded in 1997, as a global software leader. His corporate logo — a circular design with a soaring eagle — bears a striking resemblance to the American presidential seal.

Unusual for a software entrepreneur, Mr. Shaikh does not habitually use email or a cellphone, said several people recruited to his new station, Bol.

But his ambition is undimmed: Last year he announced plans for Gal Axact, a futuristic headquarters building with its own monorail system and space for 20,000 employees. His philanthropic vision, meanwhile, has a populist streak that resonates with many Pakistanis' frustrations with their government.

As well as promising to educate 10 million children, Mr. Shaikh last year started a project to help resolve small civil disputes — a pointed snub to the country's sclerotic justice system — and vowed to pump billions of dollars into Pakistan's economy.

"There is no power in the universe that can prevent us from realizing this dream," he declared in the speech. But some employees, despite the good salaries and perks they enjoyed, became disillusioned by the true nature of Axact's business.

During three months working in the internal audit department last year, monitoring customer phone calls, Mr. Jamshaid grew dismayed by what he heard: customers being cajoled into spending tens of thousands of dollars, and tearful demands for refunds that were refused. "I had a gut feeling that it was not right," he said.

In October, Mr. Jamshaid quit Axact and moved to the United Arab Emirates, taking with him internal records of 22 individual customer payments totaling over \$600,000.

Mr. Jamshaid has since contacted most of those customers, offering to use his knowledge of Axact's internal protocols to obtain refunds. Several spurned his approach, seeing it as a fresh effort to defraud them. But a few, including Mohan, accepted his offer.

After weeks of fraught negotiations, Axact refunded Mohan \$31,300 last fall.

The Indian accountant found some satisfaction, but he mostly felt chastened and embarrassed.

"I was a fool," he said, shaking his

In Pakistan, Axact has dodged questions about its diploma business and has portrayed itself as a roaring success and model corporate citizen.

head. "It could have ruined me."

DECEPTION AND THREATS

Axact's role in the diploma mill industry was nearly exposed in 2009 when an American woman in Michigan, angry that her online high school diploma had proved useless, sued two Axact-owned websites, Belford High School and Belford University.

The case quickly expanded into a class-action lawsuit with an estimated 30,000 American claimants. Their lawyer, Thomas H. Howlett, said in an interview that he found "hundreds of stories of people who have been genuinely tricked," including Ms. Lauber, who joined the suit after it was established.

But instead of Axact, the defendant who stepped forward was Salem Kureshi, a Pakistani who claimed to be running the websites from his apartment. Over three years of hearings, his only appearance was in a video deposition from a dim room in Karachi, during which he was barely identifiable. An associate who also testified by video, under the name "John Smith," wore sunglasses.

Mr. Kureshi's legal fees of over \$400,000 were paid to his American lawyers through cash transfers from different currency exchange stores in Dubai, court documents show. Recently a reporter was unable to find his given address in Karachi.

"We were dealing with an elusive and illusory defendant," said Mr. Howlett, the lawyer for the plaintiffs.

In his testimony, Mr. Kureshi denied any links to Axact, even though mailboxes operated by the Belford schools listed the company's headquarters as their forwarding address.

The lawsuit ended in 2012 when a federal judge ordered Mr. Kureshi and Belford to pay \$22.7 million in damages. None of the damages have been paid, Mr. Howlett said.

Today, Belford is still open for business, using a slightly different website address.

Axact does have regular software activities, mainly in website design and smartphone applications, former employees say. Another business unit, employing about 100 people, writes term papers on demand for college students.

But the employees say those units are outstripped by its diploma business, which as far back as 2006 was already earning Axact around \$4,000 a day, according to a former software engineer who helped build several sites. Current revenues are at least 30 times higher, by several estimates, and are funneled through companies registered in places like Dubai, Belize and the British Virgin Islands.

Axact has brandished legal threats to dissuade reporters, rivals and critics. Under pressure from Axact, a major British paper, The Mail on Sunday, withdrew an article from the Internet in 2006. Later, using an apparently fictitious law firm, the company faced down a consumer rights group in Botswana that had criticized Axact-run Headway University.

It has also petitioned a court in the United States, bringing a lawsuit in 2007 against an American company that is a competitor in the essay-writing business, Student Network Resources, and that had called Axact a "foreign scam site." The American company counter-sued and was awarded \$700,000, but no damages have been paid, the company's lawyer said.

In his interview with The New York Times in 2013, Axact's chief executive, Mr. Shaikh, acknowledged that the company had faced criticism in the media and on the Internet in Britain, the United States and Pakistan, and he noted that Axact had frequently issued a robust legal response.

"We have picked up everything, we have gone to the courts," he said. "Lies cannot flourish like that."

Mr. Shaikh said that the money for Axact's new media venture, Bol, would "come from our own funds."

With so much money at stake, and such considerable effort to shield its interests, one mystery is why Axact is ready to risk it all on a high-profile foray into the media business. Its new media company, Bol, has already caused a stir in Pakistan by poaching star talent from rival organizations, often by offering unusually high salaries.

Mr. Shaikh says he is motivated by patriotism: Bol will "show the positive and accurate image of Pakistan," he said last year. He may also be betting that the new operation will buy him influence and political sway.

In any event, Axact's business model faces few threats within Pakistan, where it does not promote its degrees.

When reporters for The Times contacted 12 Axact-run education websites on Friday, asking about their relationship to Axact and the Karachi office, sales representatives variously claimed to be based in the United States, denied any connection to Axact, or hung up immediately.

Griffin Palmer and Kimiko de Freytas-Tamura contributed reporting.

ONLINE: TRACKING AXACT'S WEBSITES  
For links to websites The New York Times analyzed to determine possible connections to Axact, go to nytimes.com/asia