Long Session Report

Session Title: Panama Papers, Nine Months On

Date & Time: 1 December 2016, 15:30-16:30 hours

Report prepared by: Annette Kleinbrod, Transparency International

Session coordinated by: Barbara Trionfi, Executive Director, International Press Institute

Moderated by: Barbara Trionfi, Executive Director, International Press Institute

Experts:
- Frederik Obermaier, Süddeutsche Zeitung, Germany
- Marina Walker, International Consortium of Investigative Journalists (ICIJ)
- Jake Bernstein, Author of Secrecy World, United States

What were the aims of the session and corruption risks?

Investigative journalists have a very important role to play in investigating corruption. At the same time, however, they also face a tremendous risk in doing so. Many of the journalists involved in the investigations related to the Panama Papers, for instance, faced harassment and put their lives in danger.

Nine months on from the biggest data leak in history and unprecedented collaboration between investigative journalists on the global level, this session looked at what journalists have achieved with their investigations into the Panama Papers and reflect on what has been learned from this experience.
Summary of panellists’ contributions & discussion points (please be as detailed as possible)

Frederik Obermaier kicked of detailing how the Panama Paper investigation started off during a very normal evening in the life of his colleague Bastian Obermayer: While he was at home with his whole family, he got a message, “Hello. This is John Doe. Interested in Data?”

This was the start to of the journey that led to access to 2.6 terabits of data; an amount that Frederik Obermaier still cannot put in words. John Doe was the driving force behind the data leak. While it was first difficult for the journalists to ask questions as they did not know – and still do not know – who he is, they communicated with him so long that they have the feeling he knows the topic well and has a good sense of morality. Later, when John Doe published his manifesto, they learned that he saw offshore activities as a cause of inequality in the world. It was also convincing for the journalists that John Doe did not ask for money. In addition, John Doe emphasised, he would not work for any money or intelligence services, and never has.

Right away, Frederik Obermaier and his colleague Bastian Obermayer saw that one of Putin’s best friends was on the list, involving cases of corruption and money laundering. It was clear to them early on that this was not just a German story, and way bigger than cases Süddeutsche Zeitung usually works on. They decided they needed a trans-national solution for a trans-national problem and contacted the International Consortium of Investigative Journalists (ICIJ) for that reason. Both, Frederik Obermaier and his colleague Bastian Obermayer were not sure whether ICIJ would take the story and were very happy when they did.

Mariana Walker is considered the driving spirit behind the successful, international collaboration on the Panama Paper investigation. She explained that the true nature of investigative journalists is similar to that of lone wolves; they are not trained to work in networks. However, the universe of Mossack Fonseca was excessively complex, too global and too important to deal with alone. Therefore, ICIJ decided to change their usual working methods and called for a network of investigative journalism to work on the case. Effectively, ICIJ has worked for this for 19 years, but had never expected it to happen.

Building a network was about building the story together and sharing ownership. Thanks to Süddeutsche Zeitung sharing the information on the data leak, all this was possible. The network model worked because all parties were committed to collaboration, shared ownership and the open source approach. At the same time, this approach was also more efficient, more cost effective (being a lone wolf can be very expensive) and offered protection. A bigger challenge, however were the journalists – every time one person shares information with someone, a risk was taken. They worked to create bonds of trust and in the end, everybody was working on his or her own story.

The amount of data produced a special challenge. The documents were very diverse: power of attorney, passport copies and tons of emails. ICIJ also created a virtual newsroom to enable radical sharing and called it the Global i-Hub. Last but not least, ICIJ tried to empower people to find out answers for themselves by making public the names behind offshore companies.

The impact created has been huge: 4,700+ stories by 376 journalists all over the world. What they found: Mossack Fonseca accepted drug dealers, fraudsters, financiers of terrorism and gunrunners as clients. They not only tolerated tax avoidance and evasion but also actively helped their client to skirt taxes. They offered fake beneficial owners of companies and bank accounts as a service, and many more practices that are similar.

ICIJ is doing an end-of-the-year round up on the global impact achieved:
Investigations, protests and call for elections in Iceland – Iceland’s prime minister resigns
Chile President of Transparency International steps down
Cartel-linked suspects are arrested after Panama Papers Revelations
150 civil/criminal probes in 79 countries
EUROPOL found connections with terrorism, Russian organised crime, etc.
The Panama Paper investigations wiped out 135 USD billions of the value of nearly 400 publicly traded companies
Law changes in New Zealand, Mongolia, Panama, Taiwan
More than 6,500 companies and people are investigated
Mossack Fonseca was raided by the police in Panama and El Salvador

For detailed information on impact achieved see: https://panamapapers.icij.org/20161201-global-impact.html

In sum, work on the Panama Papers involved a revolution in media solidarity and a change of mentality (radical sharing, inspired by trust), while technology allowed for a new level of cross-border collaboration.

Jake Bernstein looked at the Panama Papers from the data angle, saying “Information wants to be free and technology exists to make this happen.”

John Doe’s extraordinariness cannot be over emphasised: He decided to not monetise his data but he gave it to journalists. He had a clear moral outrage about offshore practices. However, the role of investigative journalists was crucial. It is not just the volume of data; in most cases the data received was only a starting point. Often, leads were dead ends; there was no story as the offshore banking involved had broken no rules.

“If we found cases we could investigate, they were often incredibly complex. To understand what was going on and to understand the limitation of the data and to then investigate it, required many journalists. We needed journalists who had the experience, and the material and the resources.”

Main outcomes of session (include the highlights and interesting questions from the floor)

- Prosecutors need to have the resources they require to do their job.
- If authorities want to encourage whistleblowers to submit information about wrongdoings to them (state-level institutions), they need to provide secure communication channels.
- One sees increasingly cross-border collaboration involving governments and authorities.
- Fact checking requires constant comparison of data received confidentially with information publicly available or that can be requested through access to information protocols.
- In response to allegations that the Panama Papers investigations appeared to disregard serious corruption cases affecting the United States, giving the impression of being a biased leak, speakers noted that investigative journalists can only report on data they have, e.g., in case of the Panama Papers, there were also thousands of data entries relating to the US, but the cases weren’t as high profile cases as with other countries.
Mossack Fonseca did not focus on US market. They focussed first on Latin America market, then on Europe, Asia and Africa but not on the US. Panama would not be the first choice for US-based firms as there are so many options in the US and Panama is Spanish-speaking.

Journalists who covered the Panama Papers, even in countries with very good press freedom standards, have been under great pressure by a number of players, including state authorities and private companies.

Session quotes:

- “We decided we need trans-national solutions for trans-national problems. So we contacted ICIJ.” – Frederik Obermaier, Süddeutsche Zeitung, Germany
- “We needed to change the way we are working and this is what we call network journalism. This is what ICIJ was working for for 19 years.” – Marina Walker, International Consortium of Investigative Journalists (ICIJ)
- “4,700+ stories by 376 journalists all over the world.” – Marina Walker, International Consortium of Investigative Journalists (ICIJ)
- “Information wants to be free and technology exists to make this happen.” – Jake Bernstein, Author of Secrecy World, United States

Key recommendations and concrete follow-up actions

- Network journalism offers opportunities to achieve a much higher level of impact
- Better protection for investigative journalists and whistleblowers needed
- Equip prosecutors with sufficient resources to do their work
- Enable whistleblowers and investigative journalists to communicate via safe communication channels
- Legalize encryption and anonymity!

What can be done to create opportunities for scaling up the solutions discussed in the session? And by whom?

- Include a stronger advocacy emphasis to create sustainable, positive change.

Key Insights for the future of the anti-corruption agenda (including Game Changing ideas/ suggestions/ actions from the session)

- Better protection for investigative journalists and whistleblowers.
- Providing sufficient resources to prosecutors.
- Enable whistleblowers and investigative journalists to communicate via safe communication channels.

Rapporteur’s name and date submitted

Annette Kleinbrod, 15 December 2016

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