

CHAPTER 18

“What someone wants kept in the dark.” An Analysis of the Norwegian Panama Papers Coverage

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Abstract: The Panama Papers was a successful example of investigative journalism, both in terms of scope and international cooperation, as well as, to an extent, even having an impact on police and tax authorities’ practices. But to what extent did the investigation contribute to influencing public understanding – thus awakening public awareness and enhancing democratic participation with regard to the question of transparency? Norway is a country where no politician or other elite representative had to resign as a result of the leak. This article analyses the messages of those Norwegian media outlets having the most comprehensive coverage in the first weeks following the leak, and tries in part to see it through the eyes of an ordinary citizen attempting to make sense of this complex phenomenon.

Keywords: Panama Papers, investigative journalism, tax base erosion, public empowerment

The Panama Papers was impressive work, and has given rise to claims of a new kind of international cooperation in the press (Sambrook et al., 2017). Not only did the cross-border handling of over 11 million digital files lead to a string of exposures and millions of dollars of unpaid taxes suddenly finding their way home, but Europol also used tools from the journalistic

Citation: Fonn, B.K. (2019). “What someone wants kept in the dark.” An Analysis of the Norwegian Panama Papers Coverage. In R. Krøvel & M. Thowsen (Eds.), *Making Transparency Possible. An Interdisciplinary Dialogue* (pp. 263–286). Oslo: Cappelen Damm Akademisk. <https://doi.org/10.23865/noasp.64.ch18>
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investigation to disclose trafficking and money laundering.¹ In Norway, the editor of *Aftenposten*, the front-runner of the Panama Papers' Norwegian coverage, stated in an op-ed only a few days after the launch of the leak that “together we can achieve anything”.²

Despite all the good work, the Panama Papers was far from solving the problems that tax base erosion represent to the world's nations. On the other hand, neither is this the task of the press. But what is the task of the press? Most codes of ethics for journalism emphasise its function as a ‘watchdog’, whose task is to scrutinise power and disclose power abuse on behalf of the ‘ordinary citizen’, and thus contribute to transparency and democratic participation. As the ICIJ's manifesto reads: “We believe it is the job of journalists to arm the public with information, to empower citizens to strengthen democratic institutions and democracy itself. We believe that truth is society's best weapon against corruption, injustice and inequality.”³ The Norwegian press code of ethics, *Vær var-som-plakaten*, is one among many with similar formulations.

The notion of transparency, used in a media context, subsequently means more than making financial flows transparent to tax authorities. It also means making complex international issues intelligible to citizens. As *Aftenposten*'s editor also wrote in his op-ed: “Investigative journalism is important because it gives to all of us the information that makes debate in society more fact-based.”⁴

National economies are exceedingly intertwined in a global network, and economic issues are exceedingly difficult to understand. In many countries people still struggle to cope with the repercussions of the recent financial crisis. The European welfare states are said to be threatened due to a dwindling tax base. Researchers claim that social and economic inequality is on the rise. In other words, the gap between the ordinary citizen and the rich and mighty seems to be widening. The need for informative journalism on what those with power do, can be said to be more

1 *Aftenposten*, 2 December 2016.

2 *Aftenposten*, 9 April 2016.

3 <https://www.icij.org/about/icijs-manifesto/>

4 *Aftenposten*, 9 April 2016.

pressing than ever. This is where investigative journalism and work like the Panama Papers come in.

This paper is a study of the outcome of the leak in one country, Norway, mainly built on a study of *Aftenposten* and two other important newspapers that specialise in economic journalism. The participants in the ICIJ consortium cooperated on all cases of international interest, whereas national outlets contributed by revealing their own cases and stories. Norway was one of the countries where the leak did not have any notable immediate consequences, as opposed to neighbouring Iceland, for example, where the Prime Minister had to leave office after the disclosure of his family's tax arrangements. The lack of immediate consequences in Norway does, however, also make it more interesting – it begs the simple question: How much useful information for readers, in the context of democracy, did the coverage contain?

In this paper I will discuss the relationships between international issues and national journalism; between actors and structure; between law and morality; the problem of information without sufficient context; and finally, touch upon the special relationship between the media and 'experts'. A crucial question is whether journalistic genres and journalistic self-understanding in itself may be impediments to achieving the journalism the public need in an internationalised world.

I will do this in part by trying to see the coverage through the eyes of a 'typical' ordinary reader, attempting to make sense of all the comprehensive information in a complex, globalised economy.

Corpus and context

This article is based primarily on an analysis of the first two weeks after the news broke, in particular in the ICIJ partner *Aftenposten*. Two other important Norwegian newspapers have also been studied during the same period – *Dagens Næringsliv* and *Klassekampen*. Together these three are at the top of the list in the Norwegian monitoring agency Retriever when one searches for the phrase "Panama Papers". *Klassekampen*, number three, shares its rank with another newspaper, *Dagsavisen*, but *Klassekampen* is particularly interesting for its broad coverage of issues at the intersection

between international and national economic affairs – a trait it shares with *Dagens Næringsliv*. There is also an interesting spread in political viewpoints between the the two papers I have chosen to supplement the major, mainstream (but liberal-conservative in editorials) daily *Aftenposten* – namely the economic liberalist, business daily *Dagens Næringsliv* and the more left-leaning *Klassekampen*.

I have used the articles from Retriever as a base, but have also read all three newspapers during these two weeks carefully to be sure I did not miss any important articles that did not have the phrase “Panama Papers” in them.⁵ In addition I have checked the overall developments in journalism in relation to tax havens during the last five years in all major Norwegian news media using Retriever’s database, and therefore I occasionally also refer to some broader trends.⁶

Before proceeding to a discussion of the Norwegian coverage and an assessment of how informative the coverage may seem from the point of view of an ‘ordinary’ citizen, I will comment briefly on two specific aspects of the context in which the Panama Papers became media texts: (a) the (still) national character of news media, and (b) the news content of the Panama Papers case.

a) For one thing, the complexity of the international economy is to an extent mirrored in journalism. The news media have, to an increasing extent, cross-national owners, and when there are no language barriers they have a possible global reach. In addition, it is difficult to imagine a story on the finance pages, the life-style pages or the politics pages that does not have some kind of international link. Not least, a globalised and digitalised world makes exactly the kind of information transfer and international cooperation that characterised the Panama Papers possible.

5 Most references to dates refer to the print editions of these newspapers. *Klassekampen* was at the time a predominantly print paper, and as some of this work was done at a stage when *Dagens Næringsliv* had unfortunately withdrawn from Retriever, it was necessary to work with the print editions for practical reasons.

6 For the reason described above, *Dagens Næringsliv* is also not included in all this material. As these are broad trends, one can get a fairly good picture without including niche media, but due to this weakness in the underlying material I have not included any numbers.

Nevertheless most news outlets also still have what Benedict Anderson (1991) has coined an 'imagined community' in mind. They must constantly strive to appeal to a sense of identity in their audience. There is basically nothing wrong with that. If one upholds a belief in journalism's democratic function, this is in fact a necessity. In the foreseeable future it is difficult to imagine democracy without some kind of national media monitoring what the national elites or other power elites do – and the nation state is still the entity with the best prospects of fulfilling democracy.

At the same time, this highlights the complexity of covering global issues for a national audience. They have to be deconstructed, interpreted and explained: Why is this important to 'the little reader' in society, and what issues can the readers influence? A story of international dimensions will normally be given a domestic angle, or at least some domestic spectacles through which to view it – as Eide & Simonsen (2004) have put it, "the world is created from home". This is seen as a necessity to catch the readers' interest, but it also implies that attention may be led away from other, more comprehensive questions.

b) The other aspect of interest to us is what was the 'news' in the Panama Papers story?

The news was not the fact that tax havens exist. Admittedly, there was not much international attention paid to tax havens until the 1990s, when the US and Switzerland both started investigations of this practice (Zucman, 2015, p. 16), but after that date the existence of tax havens has been more or less part of our common knowledge. The OECD started its work for more openness in 1998, an ambition that has been confirmed and deepened on several subsequent occasions. One can register almost one important media leak a year, at least for the last five years, and recently the international community has also seen the publishing of important books about tax evasion and tax avoidance. One very important contribution was economist Gabriel Zucman's *The Hidden Wealth of Nations*, published in its original French version in 2013 and in English in 2015. In this popularised and highly accessible book Zucman estimated that 7600 billion dollars – eight percent of the total financial wealth of the

world's households – was stowed away in tax havens, which paralleled a total tax loss for the world's nations of 200 billion dollars a year.

In Norway, the question has furthermore been discussed in official Norwegian reports and research reports, and the work of the G20 or the OECD has been covered regularly by the press, albeit often without much enthusiasm. As a well-organised welfare state with a still quite solid tax base and relatively high tax ethics, tax havens have often been regarded as something that 'happens abroad' by Norwegian public opinion. Multinationals that run their businesses in Norway with considerable public funding and still stow away their profits in tax havens are occasionally mentioned, and the media outlets that cover economic issues on a regular basis are naturally more interested in tax issues than the mainstream press. But on the whole, when browsing through Retriever data from the last five years, I find that there are occasional peaks, which also often seem to coincide with various international leaks, but the issue is normally not very salient.

So what was the news? The news was rather that an enormous amount of information from a law firm in Panama, Mossack Fonseca, had become available to the press, and that this information had been subject to profound, investigative journalism. The news was to a great extent, in other words, the journalism.

We all agree that the investigation was a great achievement – which also won several of the participants important awards – but it is important to bear in mind this question of the news content when analysing it. In Norway it is also safe to say that the news to an extent was that a *Norwegian* newspaper had participated in the investigation. This was also an important point raised with admiration by *Aftenposten's* competitors.⁷ Norway is a small country, but often with some degree of international influence or international success, a point that is rarely overlooked in the national media.

This contrast between the celebration of the journalistic work in 2016 and the varying degree to which the issue has regularly been covered was noted by debaters who had followed the issue closely. The British writer

⁷ E.g. *Dagens Næringsliv*, 5 April 2016.

George Monbiot wrote with unconcealed irony in an op-ed translated in *Klassekampen* that “nobody knew (before the Panama Papers) that tax avoidance was neoliberalism’s favourite activity”.⁸ The Norwegian professor Guttorm Schjelderup, leader of an official Norwegian report on the issue (NOU, 2009, p. 19) wrote in *Dagens Næringsliv* on 6 April that the news was that “many journalists from all over the world (had) simultaneously become interested in tax havens”.⁹ Even more important was the criticism raised a month later by the Panama Papers’ own deep throat, “John Doe”. He wrote that the reason he had to leak the data, was that the media generally had failed completely when it came to tax havens.¹⁰

The Panama Papers in Norway

I will now go through the coverage in the chosen outlets, divided into four different parts. I also want you to follow me through this coverage and see it through the eyes of an average reader, the reader that the fact-based information is for. Let us, just to get a little acquainted with that person, assume that this ‘little’ reader is a she. We can imagine her as a busy person with a job and family, but she wants to stay relatively well informed. For this purpose, she mostly turns to the press. Let us say that she subscribes to one paper that she browses through, online, while having her morning coffee – Norway’s major mainstream paper, *Aftenposten*. However she also likes to get her news from different angles, so sometimes at work she browses through two more quality papers, *Dagens Næringsliv* and *Klassekampen*, and apart from that she gets a more sporadic impression of public debate by checking other outlets on her phone or PC or sometimes by watching the news when the children are in bed. She knows very well that tax havens exist, but she finds the whole issue extremely complicated. She is an ardent taxpayer herself, but she often hears the politicians say that “we cannot afford” this and that aspect of the welfare state any longer. She sometimes worries whether the welfare state is under so much pressure that her parents will not get a proper nursing home when

8 *Klassekampen*, 9 April 2016.

9 *Dagens Næringsliv*, 6 April 2016.

10 *Aftenposten*, 7 May 2016.

they grow old, and it sometimes strikes her that she hopes her toddler's kindergarten is not involved with a tax haven. But most of the time she has demanding, everyday tasks to attend to, and has little time to ponder these things. Then, suddenly, a major leak occupies all the front pages and newscasts. This raises her awareness of the issue considerably. Now she decides to seize the opportunity to understand it all.

1) Actors and structure, episodes and themes

The fact that there are peaks and valleys in the coverage of this issue is somewhat understandable. It is impossible for the media to cover everything all the time, and structural issues are hard to translate into interesting media stories. That is one reason why journalism frames information as *news*, which also implies that specific *events* enhance the chances of an issue being brought to public awareness. Based on Goffman's classic notion of 'framing' (1974), which was further developed by Entman (1993), Iyengar (1991) has claimed that journalistic stories will often have *episodic* as opposed to so-called *thematic* frames – thematic frames being attempts to describe structures and explain context.

Personalisation is a technique that is often particularly associated with episodic frames. Through the use of certain narratives, journalism can choose certain persons to represent a more complex issue, or to serve as the public face of problems or conflicts in society, hereunder to be ascribed the role of 'villain'. To an extent, this reflects a democratic necessity: if nobody is held accountable, even if the issue is profoundly a result of a system failure, there may also be no incentive to try to improve the system. On the other hand, it is often argued that if the press can make a prominent person resign from his position, it is considered a professional victory in itself (Lindholm, 2015). This point is echoed in the op-ed by *Aftenposten's* editor cited above. Thus a desirable result may sometimes be confused with the real goal.

The choice of frames is, however, not only a question of newsroom choice. Indeed, what the various types of framing do to the public's understanding of an issue is also interesting. The extensive use of episodic frames, personalisation and other related forms has, over the years,

given rise to concern. Whereas *thematic* framing is believed to provide more profound information on the background of a special problem, it has been argued that *episodic* framing makes the public assume that responsibility in relation to a certain issue is both individual and able to be solved by individual action (Iyengar, 1991). If so, the public may react with cynicism and distrust in the system.

Other scholars have also pointed out how different kinds of non-thematic frames can make members of the audience who do not care much about politics in the first place, more interested (f.ex. Norris, 2000). This is an unfinished debate. But it is important to bear in mind that any journalistic choice also implies leaving out something. It is likely that complex issues related to the international economy demand a certain amount of thematic coverage to be understood.¹¹

In the Panama Papers, the major focus was on the prominent individuals who had connections to Mossack Fonseca, as in Iceland, or alternatively the institutions with such connections. In the latter case, the individuals who represented these institutions were often brought to the foreground. This was the case in Norway.

Unlike Iceland, Norway had no national politicians involved in the scandal. Instead the Norwegian coverage very soon began to concentrate on Norway's major bank, DNB. DNB's Luxembourg branch had assisted customers with so-called discrete banking services. In 2007, the then finance minister requested that the bank cease doing so. In 2016, it turned out that DNB had been setting up mailbox companies in the Seychelles between 2006 and 2010, with strawmen from Panama as board members, and stayed in contact with Mossack Fonseca until 2015. As late as in 2012, the bank discussed whether they should extend their cooperation with the law firm. All this had taken place despite the fact that, almost ten years earlier, the bank had been publicly criticised for its practice.

11 There is not much research on how the public reacts to different media approaches to complex international affairs. Two recent contributions however tie a focus on so-called "self-serving elites" specifically to the question of tax havens. They indicate that this may result in reduced democratic participation and reduced "faith in the social contract and confidence in political institutions" (Kolstad & Wiig 2018: 12), especially among people in countries where power is less evenly distributed. In countries with a properly functioning democracy, voters were more likely to react with mobilisation (Kolstad and Wiig forthcoming).

The DNB case was promoted as a major part of the coverage from the very start. *Aftenposten* devoted four of its 21 full pages on the first day to DNB. DNB became more or less *the* main Panama Papers story in Norwegian media, with a strong focus on DNB's CEO, who appeared on front pages and in TV news headlines all throughout the period. How much had the CEO known, and was the bank's practice so grave that he should resign? Politicians, professors, lawyers and PR consultants scrambled over each other to condemn the bank and question the position of the CEO. Even the Norwegian prime minister expressed disappointment in learning about DNB's practice, and emphasised the necessity of identifying those responsible.¹² The minister of trade and industry sent the bank a letter allegedly so inquisitorial that one professor described it as posing "the kind of questions you use when you reprimand a child".¹³

It is important to note that DNB holds an important position in Norway – for many reasons. For one thing, it is to an extent a state-owned bank. Originally a merger of two major Norwegian banks, it was partly nationalised in the wake of the Scandinavian banking crisis around 1990 – an early 1990s' version of 'too big to fail'. During the financial crisis of 2008, DNB was furthermore one of many European and American banks that had to be saved by the authorities. When the bank only a few years later raised its mortgage interest rates, with the CEO claiming that the customers were part of a necessary 'Dutch treat', the bank – and the CEO – were widely criticised for being greedy.

This is important because it shows how the Panama Papers leak was immediately translated into a well-known national context with Norwegian actors in central positions. There is a close connection between the media being nationally situated and the tendency to personalise disclosures. Most scandals that survive for some time in the media are national (with a few exceptions, as when the person in question is president of the US). The DNB case illustrated this clearly: a national CEO who had not taken a request from the authorities seriously, overshadowed not only the

¹² *Aftenposten*, 9 April 2016.

¹³ *Aftenposten*, 14 April 2016.

broader, international question, but even the story about the neighbouring prime minister who was forced to resign.

There are, however, indications that the Norwegian media must have realised even at an early stage that the DNB case was a national scandal of limited scope. Even after the first week, *Aftenposten* wrote in a summary that a corruption case in the partly state-owned company Yara was the most severe case disclosed during the last week – “yet DNB stole the show”.¹⁴ The paper explained the focus on DNB through the bailout after the financial crisis, and the lesser focus on Yara by the fact that the case was already partly known.¹⁵

2) The perception of investigative journalism

If the DNB case was not very serious, but still ‘stole the show’ – what does that mean? At this stage, the little reader might start wondering. What was, then, the DNB case about? A personalised focus on those responsible is not the only typical form investigative journalism can take. Another, sometimes related, aspect is that investigative journalism is often understood as a practice that should be directed against violations of the law, or, alternatively, more or less hidden violations of strong social norms.

In the op-ed about investigative journalism cited above, *Aftenposten*’s editor expressed this interpretation exactly when he stated that investigative journalism is about “bringing into the open what someone wants kept in the dark”.¹⁶

However, this understanding of investigative journalism is disputed. A definition published by UNESCO is more comprehensive: “Investigative journalism means the unveiling of matters that are concealed either deliberately by someone in a position of power, or accidentally, behind a chaotic mass of facts and circumstances – and the analysis and exposure of all relevant facts to the public.”¹⁷ An even wider definition may

14 *Aftenposten*, 11 April 2016.

15 Ibid.

16 *Aftenposten*, 9 April 2016.

17 <http://www.unesco.org/new/en/communication-and-information/freedom-of-expression/investigative-journalism/>

entail brilliantly written feature stories that convey important facets of human life.

Many of the examples exposed by the Panama Papers leak were illegal, or at least shady, and in that way one can say that they satisfied the strictest understanding of investigative journalism. But many were also perfectly legal. As for the issues in the DNB case, it was technically not even an attempt to conceal their practice – information about the service in question had been available on DNB’s homepage for at least nine years when the Panama Papers story broke. To an extent one might even say that one reason it could be framed as a disclosure was that the press had not taken sufficient interest in the issue earlier.

What implication does, then, this relationship between the legal, the shady and the illegal have for journalism? To answer that question, it may be helpful to recall one of the classic contributions to sociological theory, Robert Merton’s distinction between *manifest* and *latent* functions. If we apply this to journalistic disclosures, we can say that their *manifest* function is quite clearly to make someone accountable. But when the press focuses on the breaking of laws or norms, this also has a *latent* function: it serves to uphold the illusion of journalistic objectivity.

Media research has contested – and for decades even rejected – the idea that it is possible for journalists to be ‘objective’ (f.ex. Tuchman, 1972; Schudson, 1978). An important part of empirical journalism studies has furthermore shown how framing, rhetorical devices, the choice of sources, etc. combine into patterns of underlying – often unconscious – values. Ettema and Glasser’s seminal study of American investigative journalism from 1998 displays the paradox this entails: Modern investigative journalism constructs narratives that invite moral outrage, but the objectivity ideal demands that this moral outrage does not challenge the existing order. In a modern commercial press with a broad audience journalists are expected not to have political views. But as they cannot do without views at all, they must play within the spectrum of ‘dominant values’.

These dominant values are either enshrined in the law, or they are strong norms on which there is widespread agreement – and there is normally also a close relationship between norms and laws. The *status quo*

may thus be regarded as 'apolitical', and in that way the press can retain its image of being objective.

However sometimes the law differs too much from widely accepted norms. At other times, new norms emerge. In such cases, the 'objective' press may remove its value-free armour and, suddenly conscious of its role as a powerful actor in society, attempt to reconcile the two by speaking its mind – not only in editorials, but also in news. This is not done by mixing facts and opinions (at least not consciously), but rather the mere scope of an issue's coverage can carry a strong message about which side the press has chosen. The recent coverage of #metoo is a good example of this. It is quite unlikely that #metoo would have had anything like the scope it had in the 1950s, even if the internet had existed at the time.

Another way one can see what side the press takes, in particular in a situation where new norms are emerging and have not yet been fully established, is how far exposing actors who have *not* broken the law is taken. In #metoo several of the exposed power people had violated moral norms on harassment and gender equality – but not necessarily any laws. #Metoo was a strong message that sexual harassment is not acceptable, also when not covered by the law.

In the coverage of the Panama Papers it is also evident that someone, at some stage, must have decided to include on a large scale people or institutions who had not broken the law. This choice is reflected in comments and editorials: *Aftenposten* for example made it clear from the very start that there were no indications that all those exposed had done anything illegal,¹⁸ and repeated this moral aspect on later occasions. One commentator wrote that "we now need a lively debate on business morals and societal morals," a stance also echoed in editorials.¹⁹ In the op-ed on 9 April, which also functioned as a summary of the first week, *Aftenposten's* editor wrote that "(i)nterestingly enough, it is [...] not those cases where law violations have been exposed that have attracted the most attention, but those that focus on morals." The editor exemplified this with both the Icelandic PM and DNB.

¹⁸ *Aftenposten*, 4 April 2016.

¹⁹ Op-ed, 6 April, e.g. editorial, 5 April 2016.

Other parts of the Norwegian press seemed to agree with this focus. This is also obvious from a case handled by the Norwegian Press Council (PFU) later the same year. A Norwegian shipowner family with holdings administered by Mossack Fonseca filed a complaint with the PFU. The complaint was turned down, on the grounds that although the family had not done anything illegal, the scope of and the problems posed by the tax havens as such justified publication.²⁰

This means that we can regard the Panama Papers not only as an investigation, but as a campaign. As follows from the above, it is however quite rare that a major journalistic campaign of this sort takes place unless there is a clear sense that society is ready for it. Some op-eds and commentaries even referred openly to what we could understand as the worry of the little reader – one *Aftenposten* commentator for example pointed to the fact that the ‘others’ – all the ordinary taxpayers – were about to “turn sour” on the ways elites had served themselves both before and after the financial crisis, and the commentator also used the word “rage”.²¹ The Panama Papers can therefore be seen too as a manifestation of emerging societal norms, both nationally and internationally.

But with the spotlight turned on those who follow the law, and simply exploit it, we are again brought back to the question of structure. There will always be people who break or exploit the law. The question is how easy this breaking, and in particular, this exploiting, should be.

3) On the frontlines

As said, one reason why the focus could be so strong on the DNB CEO, was that in Norway no politicians had been involved. But even where politicians are concerned, focussing on those who exploit or break the law may take the focus away from those who make the law.

That there were aspects of tax haven use that were legal, but still immoral, might confuse the little reader, but also make her more interested. For when something is legal, but illegitimate, it normally means

²⁰ <http://presse.no/pfu-sak/15516/>

²¹ *Aftenposten*, 5 April 2016.

there are loopholes in the law – and again, that means the law is not good enough. So why had the authorities not eliminated these loopholes?

In the lead of the first DNB story *Aftenposten* stated that “Norwegian authorities (had) for many years fought the use of tax havens”. Further down in the article this point was repeated and reenforced – the authorities had been “on the frontlines of the fight against closed tax havens that facilitated money laundering and tax evasion”.²² The wording highlighted the contrast between DNB’s more dubious activities and the important work of the authorities.

The reader was now eager to find out what the authorities had actually done. One question, however, that complicated this issue, was how much power politicians have in an internationalised world. A reference to ‘structure’ was not entirely non-existent. In some cases the workings of global markets were portrayed as some kind of *force majeure* – a natural law, something outside human control.²³ But the activities of the politicians were also mentioned, and as a relatively informed citizen the reader also knew that nation states and politicians were still important actors. She might for example have noticed, during the Lux Leaks of 2014, the allegations that the president of the EU Commission, Jean-Claude Juncker, almost single-handedly created a tax haven out of Luxembourg when he was prime minister there.²⁴ She might also know that a country well-known to Norwegians, the UK (around the time of the Panama Papers about to vote on their membership in the EU) was almost a full-blown tax haven,²⁵ or that many states in the country that still in many respects is regarded as a global hegemon, the US, were strongly involved in tax arranging as well. She could also have noticed the point made by the American media that was even cited in an article in *Dagens Næringsliv* in the middle of the Panama Papers leak: “In some states (in the US)

22 *Aftenposten*, 4 April 2016.

23 E.g. *Aftenposten*, 5 April 2016.

24 E.g. *Dagens Næringsliv*, 7 November 2014; NTB and *Adresseavisen*, 8 November 2014; *Nationen*, 11 November 2014; *Aftenposten*, 13 November 2014. Also mentioned in *Aftenposten* during the Panama Papers leak.

25 www.foreignpolicy.com/2016/04/04/britains-empire-of-tax-evasion-panama-papers-mos-sack-fonseca/. For further information about Britain as a tax haven, see also Brooks 2016.

it is more difficult to get a library card than to set up a company with anonymous owners.”²⁶

In Norway during the leak, politicians prided themselves on how much progress they had achieved with this system within the confines of the OECD – which in itself implies that ‘the structure’ was something nation states had at least some control over. The Norwegian finance minister, with tax issues her particular responsibility, appeared in altogether five *Aftenposten* articles during the two weeks after the leak broke, one of them a debate article. In all articles she held forth the substantial effort of the Norwegian authorities in order to enforce the principle of openness around tax havens.²⁷ The finance minister also published a debate article in *Klassekampen* and was interviewed in *Dagens Næringsliv*,²⁸ and stated that the opportunities for tax evasion would be dramatically reduced from 2017. A prominent member of the major government coalition party and a later member of parliament even stated in a debate article that all tax haven problems would be history by 2017. She denounced the current public and media sentiment surrounding the Panama Papers leak as “Panama Papers populism”.²⁹

On the other hand, there were several other participants in the debate who alleged that neither Norwegian nor other authorities had done enough to curb the use of tax havens, or to put an end to creative tax arrangements by multinational companies. Some debaters and interviewees claimed that all use of tax havens contributes to upholding devastating imbalances in the world economy – in other words, that the system needs a profound overhaul. Some criticised the Norwegian authorities directly for not exerting enough effort to end this problem.³⁰ The leader of the International Monetary Fund, Christine Lagarde, even said that the achievements within the OECD were far from sufficient.³¹

26 *Dagens Næringsliv*, 11 April 2016.

27 *Aftenposten*, 5, 6, 14 and 17 April 2016.

28 *Klassekampen*, 14 April; *Dagens Næringsliv*, 15 April 2016.

29 *Aftenposten*, 15 April 2016.

30 E.g. *Aftenposten*, 5 and 6 April; *Dagens Næringsliv*, 6, 8 and 12 April; *Klassekampen*, 8, 11 and 12 April 2016.

31 *Aftenposten*, 14 April. In a debate article in *Aftenposten* on 15 April, a professor of political science furthermore referred to a major research project which showed that it was easier to set up anonymous bank accounts and establish shell companies in the US and the OECD than the most well-known tax havens. The project is available on www.globalshellgames.com.

What the reader could not find were articles that attempted to explain in more detail what really had been done, nationally or within the framework of the OECD, in a language she could understand and related to things she could understand.

The most informative articles did in fact come from the authorities themselves, in the debate articles by the finance minister (one of them co-signed by Norway's foreign minister), almost two weeks into the leak period.³² The point that Norway had contributed heavily to the progress in the OECD was repeated several times, but the claims were difficult to assess, both since the use of technical language implied a lot of background knowledge the ordinary reader would not necessarily have, and because it was difficult to know to what these achievements were related to. Where was the starting point, where was the end? What was the context for all this information? The notion 'on the frontlines' meant little as long as one did not know where the 'front' was.

The reader would also have noted that there were few critical questions directed at the authorities. Of course one country could not solve this problem alone. But as it was implied from the very beginning that the Norwegian government had played an important role in international work against tax havens, it would be useful to know exactly what the nature of that work was. This could also provide an important insight into how international bodies handle an issue like this.

4) The media and the experts

There was, however, an interesting simultaneous development focused on the Norwegian government.

The fact that some Norwegian state companies use tax havens, or at least have business associates that are associated with disputed tax issues, is information that has appeared in regular intervals in the news over the years. During the first two weeks of the leak, new independent stories (not stemming from the Panama Papers leak) on this same issue appeared. One was about the state company Argentum, a company that

³² *Aftenposten* and *Klassekampen*, 14 April 2016.

invests in private equity and that according to *Klassekampen* had doubled its investments in tax havens during the last five years.³³ Another piquant story was about the consulting agency PWC, whose name had played an important role in the LuxLeak. It turned out that this company had not only assisted DNB in their tax planning, but had recently also been employed by the authorities to ensure openness in the Norwegian public sector.³⁴

However, the main question in relation to the Norwegian state and tax havens concerns the activities of the Norwegian Oil Fund. The Oil Fund is a huge international investor owning shares, obligations and real estate registered to companies in tax havens – according to *Klassekampen* the Fund had invested almost 200 billion kroner in tax havens at the time of the Panama Papers leak.³⁵

What kind of investments does the Oil Fund have? It would be obvious to the reader that a Fund managed by the Norwegian authorities would not in any way be illegal, but the companies involved would contribute to eroding other countries' tax bases, so might some of the Fund's investments be seen as immoral? The reader could not know much about this, but the press stated that it also wanted to illuminate immoral practices, *and* the Oil Fund was now entering the spotlight. Our reader might therefore have a feeling that at least some of the Fund's investments might not pass the test of public opinion that was now about to emerge.³⁶

The year before, in the summer of 2015, three of the minor parties in the Norwegian parliament proposed that the Oil Fund withdraw its investments from tax havens. The parliamentary majority was against this, but the ensuing media coverage was paltry to say the least – I could only find four stories about it in all the Norwegian news media.³⁷ This is not surprising. When looking back on coverage of the Oil Fund in general, one

33 *Klassekampen*, 9 April 2016.

34 *Klassekampen*, 8 April 2016.

35 *Klassekampen*, 5 April 2016.

36 The argument about public opinion with specific reference to the Oil Fund was also brought up in a convincing way in a report published in the immediate wake of the Panama Papers, Kapoor and Zeilina 2016.

37 *Aftenposten*, 9 June; *Dagsavisen*, *Nationen* and *Rogalands Avis*, 10 June 2015. In addition, Retriever contains two references to it in trade union magazines. *Dagens Næringsliv* had withdrawn from Retriever at the time of this search.

sees that criticising the ethics of the Fund's investments, or (more rarely) its contact with tax havens, takes the form of a ritual. The media, NGOs or minor parties bring it up, there is a debate, and then the issue disappears from the public agenda again.

On one of the first days of the Panama Papers leak, the question was however brought up again, by two more opposition parties. This could have been a game changer. With two more parties (one of them even a major one), the situation was thus suddenly turned on its head. The parties that now signalled a desire to reconsider the Fund's portfolio were suddenly a parliamentary majority. Already on one of the first days of the leak, *Aftenposten* noted the contradiction between the way Norwegian politicians criticised DNB's practice, and the way they had so far accepted the practice of the Oil Fund.³⁸ *Klassekampen* even wrote on its front page that the Fund now might be forced to withdraw from tax havens.³⁹

There was a discernible difference between the three outlets in this study in relation to the Oil Fund. Most of the articles that cited the connection between the Fund and tax havens in *Aftenposten* were signed by external debaters. *Klassekampen* reported heavily on Norwegian political practice. Five of its frontpage stories during these two weeks focused on tax issues relating to Norwegian state companies or the Fund,⁴⁰ and the coverage was otherwise also broad. *Dagens Næringsliv* also played an active part in scrutinising the role of the state as such, for example, with a three-page feature story on 11 April about what they called the most important tax haven in the world – Delaware in the US (including the ease with which tax avoidance could be facilitated in other American states mentioned above). A main point was that Norwegian state companies, among them Oil Fund subsidiaries, were present in Delaware.⁴¹ Questions concerning the Fund and tax havens also spread to other outlets, in particular through the Norwegian News Agency NTB, which supplies other outlets with news.

But then the *experts* were brought in. Not to discuss what seemed to be a single episodic practice in DNB, but rather the whole underlying

38 *Aftenposten*, 5 April 2016.

39 *Klassekampen*, 5 April 2016.

40 *Klassekampen*, 5 April, 6 April, 8 April, 9 April, 13 April 2016.

41 *Dagens Næringsliv*, 11 April 2016.

Norwegian question of the Oil Fund. Six days after a sudden parliamentary majority suggested a willingness to reconsider the investments of the Oil Fund, *Dagens Næringsliv* published a two-page article about the Fund, and the question of withdrawal from tax havens.⁴² It turned out that the experts deemed a withdrawal to be difficult, on the verge of being impossible, because the Oil Fund's mandate was to invest broadly ("to have well diversified investments" as the Fund's own webpage reads). This point circulated quickly and was repeated by other outlets, among them NTB, other financial news sites, and tv stations.⁴³ One frequently-cited professor of economics even argued that one had to differentiate between different kinds of tax havens. One should for example not define Delaware – on three pages in the same issue of *Dagens Næringsliv* portrayed as the world's most important tax haven – as a tax haven. Why? Because if one did, it would be difficult for the Oil Fund to invest there.⁴⁴

"Moral indignation," the same professor continued, "must be directed primarily against countries that contribute to corruption and to hiding money."⁴⁵

After the experts had their say, and their analysis of the situation had made the rounds in the media, interest in the Oil Fund seemed to implode. It seems the global tax haven problem was not that huge after all, at least not when the state was involved. After all, the only real problems seemed to be the illegal ones – corruption and money hidden from taxation (and of course DNB). It was not that the press was unaware of the problem of Norway's use of tax havens. *Dagens Næringsliv* for example used the phrase 'double standard' about the Oil Fund in its editorial.⁴⁶ But the question of the demarcation lines between legal and illegal, moral and immoral remained unsolved. This may be another important reason why the focus on DNB and its CEO became so heavy – it was the only tangible solution.

42 *Dagens Næringsliv*, 11 April 2016.

43 E.g. <https://e24.no/boers-og-finans/oljefondet/eksperter-vanskelig-aa-trekke-oljefondet-helt-ut-av-skatteparadiser/23656546>; <https://www.tv2.no/a/8212411/>

44 *Dagens Næringsliv*, 11 April 2016.

45 Ibid.

46 Ibid.

The outcome of the attempts to discuss the activities of the Oil Fund illustrates a recurring problem not only with Norway's dependency on the Fund, but with economic journalism as such. Journalism is a trade where the actors are normally very dependent on their sources. This dependency increases with the complexity and international character of the issue. The more complex the issue, the more difficult it is for the journalist to question the authority of the 'experts', and economic journalism is in a special league being both extremely complex *and* internationalised (Bjerke et al., 2016). In this particular case, a few other debaters questioned the experts' conclusions, but there is also often a hierarchy of sources, and the opinions of mainstream economists have a tendency to override the opinions of other voices. In economic journalism we see that the same people are often interviewed again and again (ibid.).

It is of course quite unlikely that for the little reader everything then fell into place. The media, politicians and debaters alike had implied that the use of tax havens could be wrong even though it was not illegal. The major question in the Norwegian media, in relation to DNB, illustrates this clearly. The spotlight was then turned onto the practice of the Norwegian state, with 7 trillion Norwegian kroner invested in the global economy. During the peak days of the coverage, the reader learned that politicians had made considerable progress in the fight against tax havens (but she still did not know in relation to what). Suddenly there was a parliamentary majority ready to reconsider the practices of the Norwegian Oil Fund. But according to the experts it turned out that there was no such thing as simultaneously legal and immoral. Moral outrage had to be directed towards corruption and attempts at hiding money. In other words, the most prominent feature of immorality was that it was illegal. No wonder the little reader felt she was back at square one, and that a number of things still remained in the dark.

Epilogue

One and a half years after the Panama Papers a new leak broke, now called Paradise Papers. This was a much smaller leak, but one in which the major news was that companies like Apple were avoiding paying

taxes around the world. This was also hardly new information, but again it brought attention to the problem not only of global tax base erosion, but also to the law. Apple's practice was not at all illegal, but still drained national treasuries. Again *Aftenposten* and other media criticised tax arrangements that were legal.⁴⁷

Despite the massive media attention, it also eventually turned out there was not sufficient reason for the CEO of DNB to resign. By then the DNB case had more or less disappeared from the news.

Two years on, the OECD still reports progress in its work against tax base erosion, but no breakthroughs. The Norwegian Oil Fund still writes on its homepage that withdrawal is difficult, but that it has "long-term" expectations that the OECD work will be effective. After all, the decision is not for the Oil Fund to make, its managers write – this power lies with the authorities.⁴⁸

Conclusion

In many ways, the Panama Papers leak was a success – and a huge boost to journalism, a trade that is currently often described as "in crisis". It is also often implied that the solution is more international cooperation. In this article, I have nonetheless tried to show that cross-border cooperation may be a necessary, but not a sufficient factor for the success of coverage of complex international issues. There are considerable challenges to journalism if it wants to understand, cover and explain the complexity of global issues. Through a study of three important Norwegian outlets during the leak's first two weeks, I have pointed out a few problems that have to do partly with journalistic self-understanding, partly with the need to make journalism relevant to its (still often national) public, and partly with the strong dependency on journalism's sources.

The interesting question is the long-term impact on democracy and the public's understanding of how to deal with the problems. A main issue in the Panama Papers was to track down individuals and institutions with

⁴⁷ *Aftenposten*, 18 November 2017.

⁴⁸ <https://www.nbim.no/no/apenhet/brev-til-finansdepartementet/2018/forventningsdokument-om-skatt-og-apenhet/>

a connection to Mossack Fonseca. The major Norwegian story that could be framed as a disclosure, was however the DNB case. That DNB had carried on with this strategy for so many years was in itself no small issue. But when the hunt for an individual to be made accountable failed, and when the Norwegian state's own investments disappeared from the news as quickly as they appeared, the impact on democracy and the public's understanding of how to deal with these problems can be meager.

Leaks are valuable journalistic tools, and international cooperation in deciphering the contents of the leaks is invaluable. But leaks are not enough. Issues that have to do with the global economy must be contextualised and explained. Great journalism cannot rely on politicians and experts. To make the system transparent, journalists have to monitor law-making and international cooperation (and the lack of such) also in between 'the great leaks'. Global tax issues are complex, but there has also never before existed more open information: in the form of a huge landscape of national and international law, reports from international bodies, national databases, reports from international organisations and NGOs, university research, corporate websites, etc. They do not always expose individual wrongdoers, but they contain information that is at the very core of these problems.

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