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Anatomy of a Global Investigation: Collaborative, Data-Driven, Without Borders

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Author's Note

This is the story of a series of international investigations that made history—the largest journalistic collaborations on record and how they were created. Why are these so necessary now? Globalization requires a cross-border journalistic response. Journalism has fallen behind the way the world is organized. We live in a more globalized society than ever before. Goods and services are increasingly global. So are environmental consequences, businesses and financial infractions; crooks and hackers are all cross-border. We need to create a scale of journalism to fit the crime.

However, today's global news is covered mostly by nation-state-based journalists, along with wire services, and a few thousand foreign correspondents spread thinly around the planet's news centers and hot spots. They cannot provide the necessary robust investigative clout needed to see today's borderless world in hundreds of places and thousands of ways simultaneously. A global vision, using the latest technologies, is needed to make better sense of our cross-border world and to report on it for citizens everywhere. Otherwise, the press will remain outmatched and outgunned, as well as underinvested, just when a stronger global watchdog is critically needed.

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Introduction

Serge Michel, an editor at *Le Monde*, France's leading newspaper, knew he had a problem.¹ *Le Monde* had just received a second leaked dataset from inside the French government. It was the end of January 2014. The newspaper had already published several articles based on the first leak, which contained a secret list naming French account holders at a private Swiss bank.

Then *Le Monde* got the second leak of Swiss accounts² – the largest banking data leak ever. It included more than 100,000 clients of HSBC's Swiss Private Bank from more than 200 countries. Their accounts held more than \$100 billion.

"*Le Monde* can deal with 3,000 French names," Michel later told *60 Minutes*, "but it cannot deal with 120,000 names all around the world."³ In addition to French account holders, there were current and former politicians from Britain, Russia, Ukraine, Georgia, Kenya, Romania, India, Liechtenstein, Mexico, Tunisia, Congo, Paraguay, Senegal, the Philippines and many others.

There were people on the current U.S. sanctions list, such as Salim Alguadis, a Turkish businessman alleged to have supplied Libya's secret nuclear weapons program. They also found Gennady Timchenko, a billionaire associate of Russian President Vladimir Putin, and one of the main targets of Russian sanctions imposed because of the Crimea annexation.⁴

The problem Michel faced was that no single journalistic entity could do the necessary shoe-leather reporting to track down and confirm so much material. What was needed to decipher the overwhelming mountain of information was a data-savvy global investigation. "We understood it's too big for us and we can't have *Le Monde* reporters working on Italian, Greek, Chinese, American names."⁵

Michel said it took three months and a lot of internal lobbying at *Le Monde* "for my bosses to understand that it was best to share that second list. We did so in May, 2014."⁶

Le Monde's leak was based on documents stolen in 2006 and 2007 by a computer technician then working for the HSBC Swiss private bank in Geneva. Hervé Falciani has since been charged with theft by Swiss authorities but, after

handing over his data to the French government in 2008, is widely regarded as a whistleblower.

Le Monde had previously collaborated on cross-border investigations with the International Consortium of Investigative Journalists, or ICIJ, which is now made up of 190 journalists in 65 countries and is based in Washington, D.C.⁷ The newspaper again turned to ICIJ to share its vast trove of Swiss data. In exchange, ICIJ agreed to lead a multinational team of reporters to sift through it from as many angles as possible.⁸

The result was ICIJ's "Swiss Leaks"⁹ investigation of HSBC's Swiss private bank, conducted by the largest journalistic collaboration the world has seen. As many as 170 reporters working for 65 media organizations¹⁰ shared and investigated *Le Monde*'s giant cache of leaked data, publishing their results nearly simultaneously in 56 countries starting in February 2015.

Country by country, the investigation showed how HSBC profited from laundering money for drug cartels and blood diamond dealers, how it did business with tax dodgers and criminals, how it transferred funds for Iran and other blacklisted countries. The details in the data made clear that the bank was aware of who its clients were.¹¹

HSBC is a 150-year-old global financial giant with \$2.6 trillion in assets and pre-tax profits of \$18.7 billion in 2014.¹² It is the largest bank in Europe and second largest in the world. HSBC is headquartered in London, with 6,100 offices in 73 countries on six continents, and 51 million customers.¹³ The British bank's name comes from when it first opened its doors in 1865 as the [Hong Kong and Shanghai Bank Corporation](#)¹⁴ to finance trade between Europe and Asia.

In 2012, HSBC paid [\\$1.9 billion to the U.S. government](#)¹⁵ in penalties because of money laundering for Mexican drug cartels and other admitted offenses—the largest fine ever paid by a financial institution at the time.¹⁶ The penalty was part of a five-year deferred prosecution agreement with the U.S. Justice Department.

The bank and its executives could still be criminally prosecuted for helping clients conceal billions of dollars in undeclared assets and thereby enabling tax

evasion, according to the new U.S. Attorney General Loretta Lynch who negotiated the original agreement.¹⁷

The world's largest collaborative reporting project resulted in hundreds of stories worldwide about HSBC. The investigative project reverberated around the globe, changed laws, prompted prosecutions in multiple countries, and shook the foundations of the mega bank. More than 400 media organizations have now contacted ICIJ to join in its Swiss Leaks project, seeking to investigate even further using the same shared dataset.¹⁸

The 18-year-old ICIJ can be said to have broken the mold of foreign reporting as we have known it, creating a new type of global reporting at scale.

“Our stories on tax havens helped change laws in 52 countries, and more changes are promised,” said ICIJ Director Gerard Ryle. “They led to multiple inquiries in dozens of countries, some of which are ongoing. Hundreds of people all over the world began receiving ‘please explain’ letters from [tax] authorities and tens of millions of dollars in unpaid taxes have been recovered already.”¹⁹

In just three countries, the U.K., France and Spain, tax authorities have recovered more than \$825 million from taxpayers who had not declared their assets in Geneva.²⁰ The IRS was unable to provide information about how much had been recovered in the U.S.

Consortium Conceived

Big global collaborations are nothing new for ICIJ, which was created in 1997. The aim was to make it possible for journalists from all over the world to join together on a significant project, share information and publish their articles or air their radio or TV programs almost simultaneously in as many countries as possible.²¹ Advances since then – including huge leaked datasets, open source sharing technologies, and a global mindset – have made this the moment for ICIJ-style collaborations. It's no wonder that Swiss Leaks is ICIJ's biggest project yet.

ICIJ sprang from the fertile mind of Charles Lewis, founder of the nonprofit Center for Public Integrity and the spark for its brand of deep watchdog-style investigative reporting on a national scale.²² Lewis wanted to extend this

reporting internationally.²³ ICIJ became a project of the Center for Public Integrity and remains so.

Lewis was an accomplished *60 Minutes* producer who abruptly quit CBS in 1988 after nearly five years “as a matter of principle.”²⁴ As he later wrote, “I had been pressured by my superiors to take specific information out of the script for reasons entirely unrelated to journalism.” He started the Center for Public Integrity soon after. “My dream was a kind of journalistic utopia,” he said, vowing that no one would ever again tell him what he could and couldn’t investigate.²⁵

In the 15 years he directed the Center, Lewis fostered an exceptionally robust approach to every investigation, insisting on transparency and accountability for the rich and powerful. His favorite phrase was, “Don’t ever let the bastards get you down or intimidate you.”²⁶

Though tough in his meticulous methods and completely dedicated to uncovering the truth no matter what, his leadership was genial and his personality seemingly mild-mannered. The old joke at the Center was that Lewis had “the face of an angel and the heart of an assassin.” For his leadership of the Center he was awarded a MacArthur Foundation Fellowship, or “genius” grant.

In the summer of 1997, Lewis hired Maud Beelman, a veteran Associated Press war correspondent and editor who was just back from six years in Germany, Austria, Bosnia and the Middle East. She was to be ICIJ’s first director and first employee. For the next six years, working with Lewis, Beelman built ICIJ from scratch.²⁷

“We live in an era where multinational corporations have more power than a lot of governments,” she explained, “and big stories don’t stop at national borders. And the only way that you can really tell these big stories is working collaboratively, but we need a mechanism by which we can do this collaborative work.”²⁸ Beelman believed, along with Lewis, that ICIJ could be that needed mechanism.

She remembers that it was Bill Kovach, then the Nieman curator at Harvard, who suggested that prospective ICIJ members could be identified from former

international Nieman Fellows; they had already been through a selection process. Lewis and Beelman agreed. The first ICIJ members she approached were drawn from the previous 10 years of Nieman Fellows who were also investigative reporters. Soon after, Jim Risser, then the curator of the Knight Fellows program at Stanford University, also suggested international fellows as candidates.²⁹

From then on, Beelman said, it was a daisy-chain; she started asking core ICIJ members whom they recommended, and the list of top investigative reporters around the world kept growing. She also started looking for journalists who had won their own country's equivalent of the Pulitzer Prize.

In September of 1997, ICIJ launched with about two dozen international members. It would be the world's first working network made up of carefully vetted and invited investigative journalists, or what Lewis liked to call "the Jedi Knights" of the profession from around the world. They normally worked as employees of other news organizations, or as freelancers. ICIJ would attempt, Lewis said, "to enlist the world's most respected reporters to do systematic investigative journalism across nation-state borders."³⁰

For Lewis, ICIJ was a natural outgrowth of the Center for Public Integrity. "For years, we have recognized that no circumstance or investigative situation exists in a vacuum defined by nation-state boundaries," Lewis wrote about ICIJ in 2000.³¹ "We are reminded daily of our global interconnectedness and interdependence. Fortunately, the capacity for gathering information has increased exponentially because of new technologies." At the time he wrote that, ICIJ had grown to 75 premier reporters based in 39 countries.³²

ICIJ could not have been born without the then-young Internet. But it also could not have happened without several key face-to-face gatherings, Beelman said. The meetings were needed to build a level of trust among investigative reporters, who tend to operate as lone wolves. The first such ICIJ meeting was held at Harvard in the fall of 1998. "Nobody knew exactly what we were," she said about that first meeting, which brought together investigative reporters from a few dozen countries.

“I’ll never forget it,” she said. “We’re looking at them and they are all looking at us with varying degrees of skepticism and hostility, like ‘who are you really’ and ‘why are we here?’”

With Lewis and Beelman at the front of the room, she said, “We just started talking about the vision and what we hoped to accomplish. And slowly you could see their defenses coming down, and you could see them starting to engage with the idea. And by the end of the conference, which was just two days, it was as if we were long-lost brothers.

“It was because we were trying to do something that nobody had done before, but it was something that everyone in that room recognized was desperately needed. . . . They all were trying in different ways to do cross-border [investigative] reporting without a mechanism, and it was hard and it was frustrating and it took too long.”³³

ICIJ’s very first project proved the new approach had powerful impact: Big tobacco companies agreed to end their involvement in cigarette smuggling, which had been extremely lucrative to them at the expense of national taxing authorities, mostly in poor countries. At the time, trade documents showed that as much as one-third of all tobacco exports disappeared into black markets worldwide.³⁴

Two British ICIJ members, David Leigh and Duncan Campbell, helped set up a project to comb through 11,000 internal British American Tobacco documents which had been made public in a lawsuit. They then farmed them out to reporters in England, Colombia, Australia and the United States. ICIJ members produced 40 stories in 10 countries, resulting in investigations by the U.S., the U.K. and the European Union – and big tobacco’s settlement.

Beelman remembers that the tobacco story covered the front page of *The Guardian*, and a feature inside introduced ICIJ to *Guardian* readers. “As you can imagine, that was a huge coming-out party for ICIJ and did much to establish our credibility abroad.”³⁵

From 1997 to 2003, Beelman launched the first six major ICIJ investigative projects.³⁶ ICIJ has now produced some 24 major projects and hundreds of follow

up stories and blogs, spurring tens of thousands of other media reports worldwide, all topped by the massive Swiss Leaks project.

New Director, New Data

The recent growth and success of ICIJ is due in large part to its core staff and the latest director, Gerard Ryle, an Irish/Australian journalist. Ryle became ICIJ's first non-American director when he moved to Washington from Canberra in September 2011.³⁷

For two decades Ryle had been an investigative reporter and editor working for the *Sydney Morning Herald*, and *The Age* in Melbourne and *The Canberra Times* newspapers. He was credited with uncovering some of Australia's biggest financial corruption stories and had won that country's highest journalism award, [The Walkley](#),³⁸ four times.

Tall, with close-cropped newly gray hair and a soft Irish accent, Ryle brought fresh thinking to ICIJ. His goal was to create "The World's Best Cross-Border Investigative Team."³⁹ The key for Ryle was picking juicy investigative projects to which those "Jedi" journalists around the world couldn't say no. Ryle's project criteria are embodied in three simple questions:⁴⁰

- Is this an issue of global concern?
- Are the systems designed to protect people broken?
- Are we likely to get a result?

In other words, is there a systemic problem that ICIJ's global reporting can lead to fixing?

Ryle added dozens of new members to the ICIJ network, including partnerships with other media organizations, and re-energized it. His ability to partner with more media organizations brought in new reporting resources and publishing platforms, strengthening ICIJ's work and extending its reach.

ICIJ needed Ryle's leadership and Ryle needed ICIJ to launch what would become a series of sweeping data-driven investigative projects. "Secrecy for Sale: Inside the Global Offshore Money Maze," was the first project's headline, but it

came to be better known by the Twitter-sphere's simpler hashtag: "#Offshoreleaks."

Ryle's initial ICIJ project was based on the contents of a mysterious hard drive that had arrived anonymously in the mail one day at his Australian office. The hard drive was a massive jumble of 2.5 million files. The data it contained lifted the veil on the explosive growth of tax havens – and on hidden ownership behind tens of thousands of offshore accounts.

The hard drive had been sent to Ryle presumably because of his previous work. For three years he had investigated Australia's "Firepower Scandal." His reporting revealed a financial fraud that was then bilking Australian investors in part by making use of secret offshore accounts. Without financial transparency, the company could produce phony numbers to show booming sales of a non-existent pill that was supposed to increase gas mileage when dropped in a car's tank.⁴¹

The hard drive contained secret files from 10 offshore tax havens, the biggest being the British Virgin Islands, or BVI. It was difficult to decipher – packed with unstructured corporate data and personal client information, including two million emails. Buried in the data was detail on more than 120,000 offshore companies and trusts and nearly 130,000 individuals and agents in more than 170 countries. This was 260 gigabytes of data, about 160 times bigger than the original WikiLeaks diplomatic cables project.

With critical help from a potent computer team in Costa Rica, under the direction of ICIJ member Giannina Segnini at *La Nacion* newspaper, Ryle and his deputy, Marina Walker Guevara, began to pull together the project and the team to work on it. It took almost a year to unpack the data, build an algorithm to identify and verify the accounts, and then create platforms to allow ICIJ reporters to search and share the data on a country-by-country basis. Then, with "data mining software and old fashioned shoe-leather reporting," ICIJ reporters and editors were able to "unveil the previously hidden but thriving world of fraud, tax dodging and political corruption."⁴²

The stage was set for what would become the first of four global reporting projects that arose from vast leaked datasets, the largest and most complex cross-border investigative projects in journalism history. So far the reporting has shined harsh light on wealthy individuals, government officials, arms and drug traffickers, transnational corporations, and major banks and accounting firms. And Ryle and his team are far from finished.

Today, ICIJ is led by a core staff of 10 people, international journalists and computer developers, based in a spare, five-room office suite in Washington, D.C. The office is in an old law office building a few blocks from the White House, five floors below the Center for Public Integrity itself. When visiting for the first time, ICIJ members from abroad are often surprised by the small and simple space for what they consider to be a powerful organization of journalists with a global reach.

As the hub for an entire project, ICIJ's data team deciphers enormous unstructured datasets, making them searchable on the basis of individual names, companies, or countries. The data team also builds encrypted platforms to share the data with partnering organizations or member-reporters. A separate encrypted platform is used for network members to communicate with each other, ask questions, and share information they are uncovering.

ICIJ members can opt in if they want to join a cross-border collaboration, usually being paid by their own news organizations, ranging from *The Guardian* and the BBC in the U.K. to *Asahi Shimbun* in Japan, and from *Suddeutsche Zeitung* in Germany to *The Indian Express* in India. Freelancers receive a small fee.

Each participating news organization is free to do its own work, including editing and fact-checking, and each is then responsible for what it publishes or broadcasts.⁴³ Meanwhile, in addition to the data, ICIJ produces overall global stories that any member can also publish or use, drawing on examples from the work of other collaborators. These overall ICIJ reports are edited, fact-checked and given a careful pre-publication legal review.

There are clear requirements and agreements for crediting the ICIJ network and for keeping an investigative project under wraps for months until an agreed-upon time and date when it is to be published in many countries.

This manner and means of working allows collaborating partners a certain freedom from central control. This is a calculated risk, but success after success illustrates how ICIJ's working relationship with its members and partners, along with ICIJ's central decision-making, helps keep the collaboration focused on a mutual journalistic goal, based on shared professional values. With training and careful communiques, the network of collaborators becomes a trusted team of people. Instead of competing, lone-wolf style, they tend to share their conclusions and insights as an investigation unfolds.

Offshore Leaks

Offshore Leaks began with Gerard Ryle, but the road from raw data to massive collaboration and hundreds of reports worldwide required a number of key investigative project leaders. Each played an important role in unlocking the mysteries in the data and quietly spreading that information to more than 100 investigative journalists around the world.

Giannina Segnini built an unusual investigative unit at *La Nacion* newspaper in Costa Rica starting in the 1990s. It was unlike any other in journalism at the time. Segnini is a believer in CAR—Computer Assisted Reporting, something she has practiced and taught. Her use of public databases contributed to the prosecution in some 50 criminal cases involving politicians, businessmen and public officials in Costa Rica and four other countries.⁴⁴

Segnini is currently the James Madison Visiting Professor on First Amendment Issues at Columbia University's School of Journalism. It was her early insight at *La Nacion* that CAR investigative work needed top-level computer engineers as an integral part of the CAR team. It took her a year and a half to convince her editors, board of directors and the turf-conscious IT department at *La Nacion* that this made sense.

With their approval, she was able to create one of the first multi-disciplinary investigative data journalism units ever, made up of both journalists and highly skilled computer engineers. “It was a generational clash of dinosaurs and geeks,” she said, “but it ended up great.”⁴⁵

Segnini was able to recruit Web applications developer Matthew Caruana Galizia from the *Financial Times* in London. A data analyst, Rigoberto Carvajal, was working for a Costa Rican software company when she hired him. Another interactive designer, Mariana Santos, was hired from *The Guardian*.⁴⁶ Her team was in place when ICIJ first approached her in 2012 with the original Offshore Leaks hard drive and its 2.5 million files of difficult data.

Without an index or a map to guide them, Segnini’s team spent the next eight months doing digital forensics full time, trying to make sense of the data and essentially figure out how to reverse engineer the hard drive. The engineers were able to build an algorithm to decipher the data, and then reconstruct the relationships of the tens of thousands of names it contained – all this before a single journalist could begin normal shoe-leather investigative work. “This is the best example of how a technical data unit can empower the stories,” Segnini said.⁴⁷

The *La Nacion* team was able to build interactive Web applications so the journalists could explore the complex and secretive networks and connections in the offshore world. When their articles were published, this application was opened to the public all over the globe.⁴⁸

After about a year, data analyst Carvajal and Web apps developer Caruana Galizia joined the ICIJ staff full time, still working out of Costa Rica. Since then, they have been instrumental in each of ICIJ’s three subsequent data investigative projects.

British ICIJ member Duncan Campbell, one of the earliest journalists to join the group, worked on Offshore Leaks data from London with Segnini’s team in Costa Rica. With this much data, Duncan recalled, “relevant information and good stories cannot be found just [by] ‘going and looking.’”⁴⁹

The team needed special software systems, something more commonly used by intelligence services, not journalists.⁵⁰ An Australian company, NUIX, donated tens of thousands of dollars of free software to ICIJ. The donation to the non-profit ICIJ was made without NUIX knowing exactly what it would be used for. But after the investigation was published, the company was proud of its contribution and connection and wrote about it, in effect as a marketing success.⁵¹

The software helped to extract and cross-reference names, companies, sums of money and other personal information to reveal the connections across multiple files. ICIJ also had to create an online platform for journalists to search the leaked files remotely.

Working with additional ICIJ members and programmers in Germany and New Zealand, according to Campbell, it took time to figure out who actually benefitted from the tax haven accounts. In the data, the reporters found schemes specifically set up to keep the beneficial owners secret. Finally, by May 2012, they had a searchable database including the owners of more than 100,000 offshore companies, trusts and funds.

Mar Cabra, based in Spain, is an exceptionally energetic multi-media investigative journalist, and ICIJ's data editor and former research manager. She heads a five-person data and research unit that makes up half of the core ICIJ staff. A former Fulbright Scholar at Columbia University, Cabra has worked for the BBC, CNN and La Sexta Noticias, a Spanish television news program.⁵²

It was Cabra's job to get the processed data to each individual reporting partner so they could turn their nation's list of names of offshore accounts into stories. She was also instrumental in signing up new partnering news organizations, such as Spanish newspapers *El Mundo* and *El Confidencial*, and to get TV and print outlets to collaborate with each other.

ICIJ Reporter and editor Michael Hudson is based in New York and spent 14 months working full time on *Secrecy for Sale*. He says he spent that time "pouring over names of offshore company owners and trying to figure out who they were and what they used their companies for."⁵³ Hudson is a former reporter for the

Wall Street Journal, and an investigator for the Center for Responsible Lending. He has spent two decades reporting on financial fraud.⁵⁴

Marina Walker Guevara, ICIJ's Argentina-born deputy director and longest serving staff member, has been coordinating cross-border investigations for ICIJ for more than a decade. Walker has been project manager or co-manager for all of ICIJ's big data investigative work, in other words, the super glue that holds together many dozens of individual journalists from more than 50 countries.

"Sometimes we go to our members with an idea for a project and sometimes our members come to us with their own ideas or data," Walker has written.⁵⁵ "We sometimes work with journalists and media organizations that are not part of our network, for example in countries where we haven't done work before. We vet those new partners thoroughly.

"What do we seek in our partners?" she asks.⁵⁶ "1) Journalists with a proven record in investigative reporting; 2) Media organizations that support 'slow, deep-dive investigations'; 3) journalists who are team players and are willing to share their work with other colleagues around the world; 4) Generally nice people (Life is short!)." ⁵⁷

ICIJ's collaborative approach has worked much better in Europe so far than in the United States. Walker believes the Europeans are better at collaborating and sharing information. In a nationally competitive marketplace, American news organizations tend to want exclusive investigations and are less interested in sharing their information than their European counterparts. In Europe, most news organizations publish in their own language, so they don't compete head to head the same way American news organizations do.

"I think there is a culture of collaboration abroad that just doesn't exist in the United States," and it has been that way since the beginning of ICIJ, said Beelman, ICIJ's first director. "Certainly in Europe and the Middle East, everybody is in such close proximity to each other and crossing borders is a natural thing; whereas in the United States, not a lot of reporters cross borders.

“And I think that reporters in the United States for a long time didn’t need to collaborate—now that is changing.” Financial pressures may induce more American news organizations to fully collaborate with ICIJ.

For Offshore Leaks, published in April 2013, *The Washington Post* was the primary U.S. partner. The *Post* published [its tax haven story](#)⁵⁸ a few days after it had already broken in Europe, waiting for its Sunday front page and more room inside the paper, but missing the news peg when other ICIJ members published their own stories. Later, *60 Minutes* was a partner for Swiss Leaks. Other U.S. news organizations, most notably *The New York Times* and *The Wall Street Journal*, have often declined to collaborate, seeking exclusivity, or preferring to write their own stories about ICIJ’s results, after the fact, rather than join in the long, slow collaborative process leading up to publishing at an agreed-upon time and date.

The view from the U.K. is different. British ICIJ member David Leigh has been the long-time investigations editor at *The Guardian* and is currently the Anthony Sampson Professor of Reporting at London’s City University. Leigh was his paper’s project leader for what he classifies as three of the world’s biggest and most significant data-driven investigations of the digital age:

- The Wikileaks release of diplomatic cables;
- Edward Snowden’s release of NSA spying information;
- Offshore Leaks with ICIJ.

On Wikileaks, Leigh said, “We learned how to process massive datasets of leaked material, both to be searchable by us for journalistic purposes, and then to be searchable by our audience for whatever they were interested in.”⁵⁹

In an interview, Leigh said the thing that struck him about Wikileaks was not Julian Assange, who started it;⁶⁰ rather it was that “vast databases were being compiled and then they could be leaked.”⁶¹ He instinctively saw this as how journalism would need to operate in the digital age.

“I think collaboration between like-minded investigators is more interesting than mindless competition,” Leigh said. “Serious investigative journalism is

valuable to democracy, but we are becoming to some extent an endangered species.⁶²

“We were pioneers in this,” he said, referring to his work on all three big data collaborations. And each one, he added, takes strong project management, along with skilled data work, extensive reporting, careful editing and fact checking as well as pre-publication libel review.

“Collaborations succeed in getting traction,” Leigh said, “because with simultaneous publication they rise above the noise. In a way, journalism is just beginning to catch up to what others have been doing for a long time, global activities, global corporations, global systems of eavesdropping.”⁶³

Widespread Impact

As ICIJ wrote, “When Bernard Madoff built his \$65 billion house of cards...and when Apple and Google and other American companies set up structures to channel their profits through Ireland [or Luxembourg] – they all used tax havens.”⁶⁴

What the ICIJ team found and made public in Offshore Leaks were the names of account holders—the so-called beneficial owners who are otherwise kept secret. The consortium found in particular that government officials and their families and associates in China, Azerbaijan, Russia, Canada, Pakistan, and the Philippines, Thailand, Mongolia and other countries have embraced the use of covert companies and bank accounts in tax havens such as the British Virgin Islands. Among the many dozens of headlines that followed were these:⁶⁵

- “Ferdinand Marcos’ Daughter Tied to Offshore Trust in Caribbean”
- “Francois Hollande’s Campaign Treasurer’s investments in the Cayman Islands”
- “Top Malaysian Politicians use Offshore Secrecy”
- “Son of Leading Pakistani Politician Tied to Secret Caribbean Company”
- “U.S. Tax Authorities Target Caribbean Bank”

- “Sun and Shadows: How an Island Paradise Became a Haven for Dirty Money”
- “Son of Former South Korean President Obtained Secret Offshore Company Amid Family’s Tax Evasion Scandal”

In the last case, Chun Jae-kook, eldest son of South Korea’s former President Chun Doo-Hwan, had to return more than \$60 million to the Korean treasury, after the Korean Center for Investigative Journalism used ICIJ’s data to show that he had a secret offshore company allegedly linked with his father’s bribery-fed slush fund.⁶⁶

And one of Austria’s and Europe’s most powerful bankers, Herbert Stepic, resigned from Raiffeisen Bank after media reports, based on ICIJ data, showed that he secretly owned offshore companies in the Caribbean and Asia.⁶⁷

The Offshore Leaks files, according to ICIJ reporting, “illustrate how offshore financial secrecy has spread aggressively around the globe, allowing the wealthy to avoid taxes, fueling corruption and economic woes in rich and poor nations.”⁶⁸ The global impact of ICIJ’s reporting also illustrates this in an array of ways, starting with 52 countries responding with changes in their laws.

“ICIJ’s reporting on tax havens continues to use methods never before attempted,” Ryle wrote in explaining ICIJ’s efforts to the Center for Public Integrity Board of Directors.⁶⁹ “To take on a secret global phenomenon, ICIJ created an innovative global world—a multinational network of investigative reporters. It turned its limited resources into a reporting juggernaut. . . .” Hundreds of stories were published around the world over the next two years.

The project was hardly a “data dump”—the posting online of an immense amount of raw data, according to Ryle.⁷⁰ “Rather, it was a careful release of basic corporate information. ICIJ will not release personal data en masse, and has intentionally withheld records of bank accounts and financial transactions, emails and other correspondence, passports and telephone numbers.”⁷¹

“The mega-rich use complex offshore structures to own mansions, yachts, art masterpieces and other assets, gaining tax advantages and anonymity not available to average people,”⁷² ICIJ reported. For the most part, using an offshore account is perfectly legal as long as these assets are declared to tax authorities. But with something on the order of \$21 trillion-\$32 trillion⁷³ in private wealth stashed in the offshore world, it is also becoming more and more of a nightmare for tax authorities.

Extreme secrecy, ICIJ concluded in its first tax haven investigation, allows “anonymous entities to commit crimes, evade taxes, hide assets from creditors and avoid regulators. This secrecy can ultimately undermine democracy by granting a certain class of individuals the ability to play by a different set of rules.”⁷⁴

ICIJ sought “to strip away the biggest mystery associated with tax havens: the owners of anonymous companies.”⁷⁵ By being able to look at the beneficial owners of nearly every secret account in the Offshore Leaks dataset, ICIJ and its partners could see “inside the offshore world in a way that has never before been possible.”⁷⁶

They also found and reported on the system that made it all possible—“the well-paid industry of accountants, middlemen and other operatives helping offshore patrons shroud their identities and business interests, providing shelter in many cases to money laundering or other misconduct.”⁷⁷

They could also see that some of the world’s largest banks “have aggressively worked to provide their customers with secrecy-cloaked companies in the British Virgin Islands and other offshore hideaways.”⁷⁸ And they saw that “Ponzi schemes and other large-scale fraudsters routinely use offshore havens to pull off their shell games and move their ill-gotten gains.”⁷⁹

Offshore Leaks was called “a landmark series on offshore tax havens that has law enforcement scrambling and scofflaws sweating from Mongolia to Germany, Greece to the U.S,” according to *Columbia Journalism Review*.⁸⁰

And the EU Commissioner Algirdas Semeta said ICIJ’s Offshore Leaks investigation has “transformed tax politics” and amplified political will to tackle

the problem of tax evasion, knocking down what he called a “wall of apathy” in Europe that had thwarted previous attempts to attack offshore secrecy.⁸¹ The need for tax transparency, he said, overrides the principle of data privacy.

“I personally think Offshore Leaks could be identified as the most significant trigger behind these developments. . . . It has created visibility of the issues and it has triggered political recognition of the amplitude of the problem,” Semeta said.⁸²

One reaction to Offshore Leaks occurred immediately after the material was published. Federal agents from the IRS showed up at the Center for Public Integrity offices asking for the original dataset that had been the basis of the reporting.

ICIJ declined to provide any materials that had not already been made public. The agents made it clear they were asking politely this time, but other agencies would soon follow with subpoenas. The journalists suggested that the U.S. government should look in its own files, since ICIJ’s Gerard Ryle was aware that several governments had been given much the same data or even more of it, a year or two before it was leaked to journalists. Until then, it appears the various governments had done little with it.⁸³

About a month after ICIJ published its stories and 100,000 names in a database, coordinated press releases were issued by tax authorities in the U.K., the U.S. and Australia announcing they were working together on undeclared accounts held in offshore locations “based on a substantial amount of data revealing extensive use of such entities [tax havens] organized in a number of jurisdictions.”⁸⁴

Steven T. Miller, acting IRS Commissioner at the time, said this was part of a wider effort to pursue international tax evasion. “Our cooperative work with the United Kingdom and Australia reflects a bigger goal of leaving no safe haven for people trying to illegally evade taxes.”⁸⁵

Clearly, ICIJ’s investigation and release of a vast amount of information spurred the three governments to act with data already in their possession.

It wouldn't be until almost a year later that ICIJ published a second set of articles, called China Leaks, which spurred a reaction in China – but of a very different nature. The huge dataset included some 37,000 names from China, Taiwan and Hong Kong. The delay resulted from their complexity and search challenges with Chinese characters.

But the extra work, with the reporters taking care to avoid detection by the secretive and authoritarian Chinese government, yielded dramatic findings – and drama.

Dangerous Territory

The Asia reporting got underway in the summer of 2013, with an under-the-radar gathering of investigative journalists in Hong Kong. Working together for the first time were collaborators from mainland China and Taiwan (Beijing and Taipei), as well as Hong Kong, Berkeley, New York, Madrid and Munich. As Deputy ICIJ Director Walker wrote later, “a veteran Chinese journalist greeted the group and talked about the ‘historic’ nature of the meeting: journalists from greater China coming together to work on a highly sensitive investigation alongside colleagues from Europe and the U.S.”⁸⁶

Together, the group began sifting through the thousands of secret account records, identifying leaders and their family members with code names to be used in later long-distance communications. They adopted an encrypted email system and an encrypted online forum to share their findings and tips without detection.

They were able to cross-reference lists of notable Chinese elites—Politburo members, military commanders, billionaires, and children of current or former Communist Party leaders often called “princelings”—with names from the tax haven client database. Addresses and ID numbers helped confirm names that had multiple spellings in both Chinese and English.

“The small team juggled their extensive research,” Walker wrote, “reporting and editing [for] hours on email, phone and Skype, working in multiple time zones and coordinating interviews in English and Mandarin.”⁸⁷

They traced links to some of China’s most powerful men and women – “including at least 15 of China’s richest members of the National People’s Congress and executives from state-owned companies entangled in corruption scandals.”⁸⁸

ICIJ discovered that “close relatives of China’s top leaders have held secretive offshore companies in tax havens that helped hide the Communist elite’s wealth.”⁸⁹ For example, the data found a real estate company co-owned by current Chinese President Xi Jinping’s brother-in-law as well as companies in the British Virgin Islands set up by former Premier Wen Jiabao’s son and also by his son-in-law.

“Every corner” of China’s economy appeared in the data, from oil to green energy, from mining to arms trading.⁹⁰ China is a country without significant transparency and officials are not required to disclose their assets publicly. ICIJ estimated that \$1 trillion to \$4 trillion in untraced assets have left the country since 2000.

In November, Walker said, there was “disturbing news” in the form of a short, encrypted message from an editor in Beijing.⁹¹ “The note said that the reporters had been warned by government officials to discontinue their work in the offshore project. They had to pull out immediately from the reporting partnership.”⁹² They instantly quit collaborating. The Chinese partners have never been publicly named in order to protect their identities and prevent retaliation. And so far, they have not been arrested by Chinese authorities after pulling out of the project.

The [Committee to Protect Journalists](#)⁹³ lists China as the world’s worst offender when it comes to imprisoning journalists.⁹⁴ There were 44 reporters in jail in China at the end of 2014, up from 32 in 2013. Most were being held under vague anti-state charges, some for as long as 10 years.

The other ICIJ collaborators on Asia moved ahead, sending letters to each of the government officials and wealthy individuals identified in the reporting, as is standard practice by ICIJ. Almost none responded. On January 23, the China Leaks project was published on the Web and around the world, including in the

English-language daily *Ming Pao* in Hong Kong, the Taiwanese magazine *Commonwealth* and the German newspaper *Suddeutsche Zeitung*, as well as *The Guardian*.

China immediately sought to block the websites of ICIJ and any other partner publication that had picked up the China Leaks information, including those named above and *Le Monde*, *Le Matin* in Switzerland, *Le Soir* in Belgium, *Trouw* in the Netherlands, the Korea Center for Investigative Journalism, and *El Pais* in Spain. In the end, dozens of foreign news websites were blocked in one of the largest such cases of Internet censorship. With so many publications, however, blocking all of them took several days to accomplish. In the meantime, the China stories were circulated widely on email as PDFs in Mandarin.

The English and Chinese-language websites of *The New York Times* had been blocked in 2012 after they [published information](#)⁹⁵ that the prime minister's relatives controlled assets worth at least \$2.7 billion. And the *Times* subsequently had a hard time getting Chinese visas for its reporters. Bloomberg News has also had difficulties with its journalist visas because of critical reporting.

After China Leaks was published, the *Ming Pao* chief editor, Kevin Lau, was fired and replaced with a more pro-Beijing editor. Then, just over a month later, Lau was brutally attacked from behind and stabbed six times by two men while he was on his way to breakfast. He very nearly died, according to his doctors, who said only his pelvic bone stopped the knife or meat cleaver from damaging vital organs. Lau still faces a long recovery.

No motive has been established for the attack, although Chinese authorities detained two suspects who Hong Kong police suggested had been hired because of their links to organized Chinese criminal gangs. Other speculation about why Lau was attacked has centered on *Ming Pao*'s partnership with ICIJ and its China Leaks project.⁹⁶ The attack on Lau and other threats to press freedom in Hong Kong have led to numerous protest marches in the former British colony.

ICIJ issued a statement denouncing the attack, saying the collaboration was horrified to learn of it. "There is simply no justification for such an attack and it should provoke outrage in all fair-minded citizens," the statement said. "We were

proud to work with such a brave newspaper editor on such an important reporting project.”⁹⁷

Luxembourg Leaks

Data-driven investigations often attract more leaked data, and that leads in turn to more investigations. Soon after Offshore Leaks and China Leaks, another document leak came ICIJ’s way, encouraged by Gerard Ryle’s frequent trips to Europe and his conversations with numerous sources. This time, the leak concerned the Grand Duchy of tiny Luxembourg – and it concerned not the individuals who were the focus of Offshore Leaks and China Leaks but the corporate tax activities of auditing company Price Waterhouse Coopers, one of the Big Four international accounting firms.

According to the documents, PwC’s aggressive tax-reduction strategies had helped more than 300 global companies obtain confidential tax rulings from authorities in Luxembourg over a 10-year period. This allowed Amazon, FedEx, Pepsi, Ikea, Deutsche Bank, Abbot Laboratories and insurance giant AIG,⁹⁸ along with many others, to drastically shrink their tax bills at the expense of national treasuries around the world.⁹⁹

With Luxembourg’s official blessing, the companies slashed their corporate taxes—sometimes paying at rates under 1 percent. They were able to do that by booking their revenue in Luxembourg under the guise of complex tax-reducing financial structures set up by PwC and stamped with approval by the Luxembourg government. In most cases, according to the documents, ICIJ found that the companies had little or no actual presence or activity in the country. One well-worn address was home to some 1,600 global companies that operated with only a mailbox. Another address had 1,450 companies, and a third 1,300 companies.

Taking their cues from PwC and the other Big Four global auditors – Deloitte, Ernst and Young, and KPMG – client companies shuffled billions of dollars through Luxembourg and realized tax savings worth many tens of millions of dollars. ICIJ published 550 of the officially stamped but confidential “comfort

letters” from the Luxembourg government¹⁰⁰ that effectively confirmed the practice of corporate tax avoidance.

“The corporate tax structures involving Luxembourg can seem nightmarishly convoluted, but in essence they are quite simple,” according to a clear summary in *The Irish Times*, one of ICIJ’s partners. “They save groups of companies tax by creating contrived ‘costs’ that can be used to reduce the group’s taxable profits, but have little or no effect on its real profits.”¹⁰¹

For “Lux Leaks,” ICIJ was able to lead a relatively quick six-month investigation through a collaboration of 80 journalists in 26 countries who deciphered 28,000 pages of leaked documents.

News organizations that participated again included ICIJ regulars, *The Guardian*, *Suddeutsche Zeitung* and NDR/WDR in Germany, the Canadian Broadcasting Corporation, *Le Monde*, Japan’s *Asahi Shimbun*, CNBC, Denmark’s *Politken*, Brazil’s *Folha de S. Paulo* and many others.

Soon there were more leaks, pointing to the same activities by the other auditing giants. Some 33 additional firms, including Koch Industries and Disney, were also named for using Luxembourg for their own vast tax-saving maneuvers. The resulting stories and secret tax rulings themselves were published in November and December of 2014, igniting widespread criticism of Luxembourg’s practices and of its former president, Jean-Claude Juncker, who had just become head of the European Commission.¹⁰²

Juncker survived a vote of no confidence in the European Parliament after the stories ran, and he has continued to deny that Luxembourg is a tax haven. He insists that it operates in full compliance with European law.¹⁰³ But, Juncker admitted, “Objectively speaking, I was weakened because the Lux Leaks suggests that I would have participated in schemes which infringe elementary rules of ethics and morality.”¹⁰⁴

For their part, the companies involved say that their so-called tax optimization policies are legal in Luxembourg, and that they have done nothing wrong. PwC, for example, told ICIJ in a statement that it rejects “any suggestion that there is anything improper about the firm’s work.”¹⁰⁵

In March, EU countries proposed new rules that will require European countries to make public their tax agreements signed with corporations. The European Commission acknowledged that Lux Leaks was a major factor in the commission's decision to act on corporate tax avoidance.

“Where in the past unilateral tax rulings appear to have been accepted as characteristic of tax competition, not least the Lux Leaks have made public that the lack of transparency in this area foster(s) aggressive tax planning on a grand scale,”¹⁰⁶ the commission statement said.

“The economic crisis and the Lux Leaks discussion have prepared the ground for a fundamental change in positions of Member States.”¹⁰⁷

EU Tax Commissioner Pierre Moscovici also said, “Tolerance has reached rock-bottom for companies that avoid paying their fair share of taxes, and for regimes that enable them to do this.”¹⁰⁸ But critics consistently say proposed reforms seldom go far enough and only address a fraction of the problem of corporate tax avoidance.¹⁰⁹

French television journalist Edouard Perrin, a relatively new ICIJ member, had been investigating such tax ruling documents for three years. He welcomed the robust ICIJ collaborative approach with dozens of journalists, new technologies, and multi-media reporting. “This story is global,” Perrin said. “It can only be told with a global eye.”¹¹⁰

Luxembourg prosecutors have since charged Perrin over the Lux Leaks documents from PwC. In a statement, the prosecutor stated the French journalist “is suspected of being the co-author, if not an accomplice, in the infractions committed by a former PwC employee.”¹¹¹ Perrin is the third person, and the first journalist, to be charged in relation to the PwC leak, along with two others who are former PwC employees. Both ICIJ and Reporters Without Borders have condemned the charging of a journalist as an affront to freedom of the press and public accountability.

Several members of the European Parliament have also voiced support for journalist Perrin and praised ICIJ for their Luxembourg Leaks project. ICIJ members were invited to testify before the EU Parliament's Special Tax Rulings

Committee in early May. “Your contribution is essential for our work,” said Elisa Ferreira, a Portuguese member of Parliament. German member Michael Theurer called ICIJ’s work “courageous journalism.”¹¹²

Attacks, as in the Kevin Lau case, and legal actions of many types, including libel suits and legal threats or charges against ICIJ and its members are sometimes the cost of doing significant investigative work.

The Center for Public Integrity (and in some cases ICIJ itself) has been named in at least five separate libel lawsuits over its 25-year history. So far, the investigative news organization has won each case, although two are as yet unresolved. Every legal action can be expensive to fight. In addition to libel insurance, five major law firms have offered to consider stepping in to support the Center pro bono on a case-by-case basis.¹¹³

Lagarde List, Worldwide

By early 2014, Gerard Ryle and many other journalists knew about the leaked banking data that whistleblower Hervé Falciani had given to French authorities back in 2008. Many wanted that data, sometimes known as the “Lagarde List” and named for former French finance minister Christine Lagarde, now chief of the International Monetary Fund.

The Lagarde list, in reality only a small part of what Falciani had stolen from HSBC, was a spreadsheet with nearly 2,000 names of potential tax evaders given to Greek officials for a possible crackdown in Greece. That list was later published in Greece by a magazine called *Hot Doc* after the government at first failed to investigate.¹¹⁴

Le Monde had been given much more than the Lagarde list—not just Greece but the world—more than 100,000 banking clients from some 200 countries. It was that huge dataset *Le Monde* shared with Ryle so ICIJ members working together could produce another major financial project with global impact. The *Le Monde*-ICIJ deal was struck in the spring of 2014.

Building on the previous investigative projects, Ryle planned to provide leaked data to a potential partner in as many countries as possible, often urging a

newspaper and a TV newsroom to work together, such as the BBC and *The Guardian*. Once the data work was well underway, Ryle and his team began contacting ICIJ members and news organizations such as *Le Soir* in Belgium, *The Indian Express*, *l'Espresso* in Italy, *Asahi Shimbun*, *Suddeutsche Zeitung*, and others, asking if they wanted to jump in.

ICIJ staffer Hamish Boland-Ruder later recalled the conversations this way: “I can’t say much at the moment, but do you remember the Lagarde List that got leaked in Greece a couple of years ago? Well, we might have a story you could be interested in.”¹¹⁵

News organizations that opted in would in turn assign their own team of correspondents to the ICIJ project, providing reporters and resources well beyond the roster of ICIJ members. *The Guardian*, for example, assigned four of its reporters to the project along with former investigations editor David Leigh, who was re-called to the newspaper to lead the project. It was clear there was huge potential for a global scoop with major impact thanks to widespread simultaneous publishing.

The cost of such a major project is mainly borne by the news organizations involved. Under ICIJ’s operating formula, money does not change hands. News organizations cover their own expenses and staff. ICIJ’s core staff, and any freelancers hired to work on the project, are paid, of course. This keeps the overall costs manageable for such a months-long project.

ICIJ itself has an annual budget of about \$1 million to \$2 million. Almost all of ICIJ’s funding come from two sources: foundations, including many international foundations, and individual supporters,¹¹⁶ all of whose names are disclosed on the Center for Public Integrity website.

It took the next nine months of investigative work before ICIJ began publishing under the headline [“Banking Giant HSBC Sheltered Murky Cash Linked to Dictators and Arms Dealers.”](#)¹¹⁷ As ICIJ reported in its lead story, the secret HSBC documents revealed that the banking giant “profited from doing business with arms dealers who channeled mortar bombs to child soldiers in Africa, bag men for Third World dictators, traffickers in blood diamonds and

other international outlaws.... They provide a rare glimpse inside the super-secret Swiss banking system—one the public has never seen before.”¹¹⁸

ICIJ data and research manager Mar Cabra in Spain said that she knew Swiss Leaks would be bigger than any ICIJ collaboration up until then because it was building on previous relationships and the knowledge the collaborators had gained working together. “The Falciani story in Europe was already well known,” Cabra said.¹¹⁹ “Many reporters had met him and wanted to get the data from him.” She added, “Everyone knew that Switzerland is where people hide their money” so the story “caught fire” and has been big news in Europe for a long time.¹²⁰

“The biggest challenge was to bring the data to life, to find the connections, not just the money,” Cabra said.¹²¹ They needed to process the vast dataset so reporters could analyze it and identify the names and networks of people in each of their countries. Cabra would be in charge of getting that information to the reporting teams in every country.

By September, it was time for a face-to-face meeting to bring together the journalists who were already on board and willing to work on what would become Swiss Leaks. About 40 investigative reporters gathered in a conference room at *Le Monde* headquarters in Paris. Gerard Ryle gave an overview of the project and the *Le Monde* reporters told their story about working with the data.

“I gave a talk on how to understand the data and how to use our collaborative tools to search the documents,” Cabra said.¹²² The meeting was, in effect, part ICIJ training program, part trust-building activity.

Boland-Rudder of ICIJ said the reporters were taken on a tour of the data and had a chance to ask questions of ICIJ and the *Le Monde* reporters who obtained the leak. “We unveiled the tools we would use to collaborate,” he said, “and then tackled the big editorial questions together.”¹²³ That meeting, like the very first ICIJ gathering, built trust within the group, in effect getting buy-in for the unfolding investigation over the next five months.

ICIJ’s Swiss Leaks project “really took off this time,” more than any other ICIJ work, according to Sheila Coronel, a long-time ICIJ member originally from the

Philippines and now dean of academic affairs for Columbia University's journalism school. "This is a wonderful moment for global collaborations all around the world."¹²⁴

As head of the Philippine Center for Investigative Journalism, her work in 2001 exposing high-level corruption contributed to the impeachment and ouster of then Philippine President Joseph Estrada.

Asked why it is ICIJ's time now, Coronel said, "There is a lot of concern about offshore secrecy, both in government and civil society.... Banking secrecy has come to be challenged in the U.N. and other bodies. There is an emerging global narrative about these matters and ICIJ came along at just the right moment, calling attention to them."¹²⁵

Not only that, Coronel said, but new technological tools are available to ICIJ to help organize the data and make it searchable and shareable with reporters everywhere, both cheaply and safely.

"We live in a globalized world," she said, "and stories are no longer confined to one country."¹²⁶

HSBC's About-Face

Well before the Swiss Leaks project was to be published worldwide in February 2015, ICIJ asked HSBC to comment on what investigative reporters were uncovering in the data. The bank's initial reaction did not respond to any of the allegations that the bank had been dealing with clients engaged in a spectrum of illegal behavior, from money laundering to hiding hundreds of millions of dollars from tax authorities.

Instead, HSBC sought to intimidate the journalists by having its lawyer send a two-page letter calling on ICIJ to destroy the leaked data, which the bank referred to as "stolen property."¹²⁷

"The bank, and by extension its account holders, were the victims of a theft of client data and information stored on the Bank's computer in Switzerland," the letter said.¹²⁸

“HSBC does not consent to your possession, review, copying, dissemination, publication, uploading, downloading, or making any use of the stolen data and information and to request your cooperation in destroying [it]. The receipt, possession, and control of stolen property is [sic] a criminal offense,” the bank said, adding a citation to the D.C. criminal code.¹²⁹

From ICIJ’s standpoint, the data in their possession was given to them by *Le Monde* and previously leaked from the French tax authority. “ICIJ does not possess the allegedly stolen document set referenced in your letter,” the lawyer representing ICIJ wrote in response.¹³⁰

After *The Guardian* contacted HSBC with its own request for a response, the bank began to seek an injunction against the newspaper to prevent it from publishing anything related to what it continued to call stolen property. Although largely unattainable in the United States, such pre-publication injunctions are legal in the U.K.

After its initial stonewalling and legal warnings the bank soon changed its approach. HSBC was being asked for comment from all over Europe and elsewhere, from dozens of countries where ICIJ reporters had been preparing their reports based on the shared data. It appears that HSBC soon realized that it needed at least a better public relations tactic, if nothing else, for a worldwide publishing event that could not be blocked in every country.

The bank dropped its request for an injunction against *The Guardian*. And, in a four-page letter to ICIJ and its partners, HSBC now adopted a more conciliatory tone. While not commenting on specific clients, the letter said that “we acknowledge that the compliance culture and standards of due diligence in HSBC’s Swiss private bank...were significantly lower than they are today.”¹³¹ The bank further said that it “has undergone a radical transformation in recent years. HSBC has implemented numerous initiatives designed to prevent its banking services being used to evade taxes or launder money.”¹³²

This was as close as the bank would come to admitting that what ICIJ reporters were finding in the data was in fact true. The bank said it had implemented numerous reforms and is now dedicated to “tax transparency” and sharing its

previously secret account information with relevant national tax authorities, something Swiss-based banks had been loath to do.

One week after ICIJ's reports on HSBC began appearing in more than 50 publications and TV and radio programs around the world, the British bank took out full-page advertisements in various U.K. Sunday newspapers to "offer our sincerest apologies" for its past behavior.¹³³

The ads featured an open letter addressed to customers and staff from HSBC chief executive Stuart Gulliver who described the recent ICIJ-led coverage as "a painful experience." He said HSBC's Swiss private bank unit had been "completely overhauled."¹³⁴

"We have absolutely no appetite to do business with clients who are evading their taxes or who fail to meet our financial crime compliance standards," Gulliver wrote, adding that many of the money launderers or tax evaders cited in the ICIJ reports were no longer HSBC clients.¹³⁵ The HSBC Swiss Private Bank says it has reduced its client base by almost 70 percent since 2007.

However, in a filing in U.S. District Court in Brooklyn in early April, federal prosecutors said the bank has been "too slow" to deliver on its promises to act in good faith and clean up its act in order to meet the requirements of its deferred prosecution agreement with the U.S. Justice Department.¹³⁶ According to the *New York Times*, the bank was faulted for weaknesses in identifying suspicious transactions, and for enabling a corporate culture resistant to change.¹³⁷ It may be worth noting that the Justice Department has taken a noticeably tougher line with HSBC in the wake of the worldwide Swiss Leaks revelation.

Collaborative Clout

"Game-changing work" is how Jack Blum sees ICIJ's banking and tax haven reporting from his lofty perch. Blum is a Washington, D.C. lawyer, former Senate staff attorney, and chair of the Tax Justice Network-USA, part of an international group opposed to tax havens.¹³⁸ He has been writing about tax evasion and money laundering since the 1960's. He has also been a consultant to the IRS, and now, at 73, he is considered an *éminence grise* on tax haven issues.

“It’s one thing to say that some people hide their money in Switzerland,” Blum said. “It is quite another to say this billionaire is doing that with this bank, naming names and facts. It makes people ask, how did he get away with that?”¹³⁹ He believes HSBC will have to alter its practices if it wants to stay in business.

Besides the work of ICIJ, Blum gives credit to *The Guardian* for being “way out there” and willing to publish bold stories despite legal threats and a possible injunction.¹⁴⁰

No one really knows how much global wealth is held offshore today, but it has been growing at a rapid rate. James S. Henry, senior advisor to the Tax Justice Network and former chief economist at McKinsey, estimates that as of 2010 there was \$21 trillion to \$32 trillion in private wealth held offshore and therefore beyond the reach of effective policing.¹⁴¹

“This money has been invested virtually tax free through the world’s still expanding black hole of more than 80 ‘offshore’ secrecy jurisdictions,” wrote Henry. “We believe this range to be conservative.”¹⁴² Tax Justice estimates that this level of offshore wealth represents a \$280 billion annual loss of tax revenue for national governments.

From Offshore Leaks to Swiss Leaks, ICIJ has generated the most sustained and extensive effort yet aimed at making the secret world of hidden private wealth more transparent. Besides the hundreds of stories ICIJ and its partners have now published, a searchable [public database](#)¹⁴³ is available with more than 100,000 names from more than 200 countries. Since Offshore Leaks was first published in 2013, some of the heaviest traffic out of the millions of visits and tens of millions of page views on ICIJ’s website has been to the searchable database.¹⁴⁴

The fallout from the Swiss Leaks project, along with impact from ICIJ’s other projects in the Secrecy for Sale series, has been extensive and continues to grow. The bank is under investigation in the U.S., U.K., France, Belgium and Argentina, along with other nations including Switzerland.

The Swiss prosecutor’s office, for the first time, raided HSBC’s Geneva headquarters soon after the ICIJ stories broke. The prosecutors say they have

opened a criminal investigation against HSBC, citing “recent public revelations.”¹⁴⁵

France has formally requested that the HSBC Swiss Private Bank face a criminal trial in France over tax evasion allegations. After turning down an offer to settle charges in France the bank has been forced to post bail of more than \$1 billion.¹⁴⁶

In April, the 73-year-old heir to the Nina Ricci perfume and fashion fortune, Arlette Ricci, was given a three-year sentence in France for failing to pay taxes on some \$22 million held offshore. This was the first conviction to come out of the leaked HSBC client details. According to French prosecutors, as many as 60 others may face criminal trials.¹⁴⁷

Because of Swiss Leaks, various governments are seeking return of national assets they claim were stolen by previous dictators. Tunisia has asked to join a money-laundering case in Geneva in a bid to reclaim funds allegedly stolen by former dictator Zine El Abidine Ben Ali. HSBC accounts linked to his brother-in-law surfaced during the investigation.

Swiss authorities have already moved to return to Nigeria some \$380 million confiscated from Swiss accounts belonging to former dictator Sani Abacha. They have also reportedly frozen \$400 million in accounts at 30 banks tied to allegations of corruption in Brazil.¹⁴⁸

In India, 120 cases have been filed in courts all over the country based on names found in the “HSBC black money list for non-disclosure of account details and tax evasion,” according to the Central Board of Direct Taxes.¹⁴⁹

In Venezuela, ICIJ reported that authorities would ask HSBC for a list of officials who hold Swiss accounts. This followed revelations that citizens of that country held some \$14 billion in Switzerland and were among the bank’s leading clients.¹⁵⁰

After years of resistance by the Swiss, meanwhile, Switzerland and the EU have agreed to begin automatic exchange of tax data by 2018.¹⁵¹ That agreement may still face a referendum in Switzerland before it is enacted.

The HSBC story has been big news in the U.K. for months, in part because the bank's former chief executive and board chair, Lord Stephen Green, is also a conservative politician and minister of state for trade and investment in the government of Prime Minister David Cameron. Green's tenure at the bank, before he was appointed to the government, coincided with the period of money-laundering and other illegal behavior reported by ICIJ and documented in a 334-page report on HSBC's compliance failures by the U.S. Senate's Permanent Subcommittee on Investigations.¹⁵²

As led by ICIJ, global investigative journalism is setting a new standard. Based on big data and extensive cross-border collaboration, this work is demonstrating an affordable path forward for an industry that has for too long been on the defensive and thinking small. It is time to imagine what kind of robust global investigative work is now possible if Swiss Leaks can be seen as the model for global reporting going forward.

Lessons Learned

Someday it may be commonplace for dozens or even hundreds of journalists and multiple news organizations to work together, sharing documents or massive datasets, in order to produce a series of investigative reports. Today, it is exceedingly rare. But the high impact of these mega-collaborations for relatively low cost means there will likely be others.

Media thinker Clay Shirky has written in his book *Here Comes Everybody* that the litmus test for collaborative productions is simple: "No one person can take credit for what gets created, but the project could not come into being without the participation of many."¹⁵³

"Collaborations are the new reality, whether we like it or not," ProPublica's Jeff Gerth has pointed out. "Like most hybrids, they have costs and benefits."¹⁵⁴

Indeed, the benefits, especially the impact, can be huge, but so can the difficulties in coordination with so many participants. ProPublica has partnered with some 120 different news organizations. But its president, Richard Tofel, says one reason Pro Publica prefers to partner with just one other news organization

at a time, or possibly two, is because in larger collaborations “the transaction costs are simply too high.”¹⁵⁵ Journalists, he suggested, tend not to want to spend their time “herding cats.”

The following checklist of essential requirements for collaboration is not aimed at small partnerships where one, a few or even several news organizations or journalists work together. There are many lists for what makes a good collaboration on that scale. Nor is this a list for distribution deals, where dozens or hundreds of news organization publish the original work of one or two.

This checklist is for the very largest collaborations, where a hundred or more journalists work together. Most likely their association will be virtual and online, whether around the country or the world. This checklist is derived from a number of documented reporter and editor experiences as well as the work done by the International Consortium of Investigative Journalists, or ICIJ. For its Swiss Leaks project, first published in February 2015, ICIJ made use of the largest collaboration on record: 170 journalists at 65 news organizations in 56 countries.

Here are the key lessons learned and some of the operational requirements for this scale of collaboration to work effectively:

1. All collaborations need an editorial core

Central leadership is essential. Central decision making means setting the agenda and serving as a communication hub, both necessary ingredients that can only come from a single center; this cannot be shared among many. Collaborations have fallen apart when there are two or three or more leadership nodes.

Successful collaborations, such as the leadership from the ICIJ hub, are neither anarchies nor democracies but something more akin to benign dictatorships.

They are not there to rule but to organize, instruct, coordinate, and be responsible for clean and shareable data and for timing of publication. An editorial core setting up systems, fielding questions, dispensing advice, offering assurance, maintaining calm, as well as a myriad of other operational, legal and strategic attributes, is critical for the work to flow.¹⁵⁶

2. It helps if there are datasets or documents to share

Overall, as ICIJ has learned, a good topic or subject is fundamental for a good collaboration. But one reason dozens of journalists might want to come together is often to gain something that they could not otherwise obtain. This includes combining forces to share a leaked dataset, or thousands of secret documents, or just being part of a global scoop. Creating a giant dataset from scratch, or building one from government data, can also drive collaboration. The data needs to be centrally cleaned and fact-checked and put into a format that makes them truly shareable and useful for multiple reporters in multiple locations. But whatever the source of the data or documents, these must be part of a significant and meaty topic. With an important theme, shareable and possibly secret information, reporters can more easily bond with the idea of a mega-collaboration and their part in it.

3. Collaborations work better with two platforms

New open source technologies make the practical orchestration of mega-collaborations possible if not easy. As the ICIJ team discovered, they needed two platforms to be effective, preferably encrypted: 1) for seeing, understanding and downloading the data as required for all participants, and 2) a platform for internal communications between the editorial core and the participants, and, even more important, among all participants. One of the great strengths of mega-collaborations is the exponentially greater opportunity to communicate across the network. Suggestions, questions, interviews, roadblocks, available video and breakthroughs can all be shared. This was a critical element in ICIJ's Swiss Leaks project. The size of the network can therefore be a big plus.¹⁵⁷

4. Money is best kept out of the equation

Collaborations are cost effective. It is far easier when most members bear their own costs and their own liabilities for their work. Yes, the central editorial core needs sufficient funds to hire its own small team, handle the data and the central website, and cover the costs of the software, web servers, overall legal expenses

and the like. But each collaborating reporter will need his or her own financial backing, most likely from the participating news organizations, which must buy into the project at the start. Some reporters may be under contract or working for a freelance fee in successful collaborations, as often happens in ICIJ projects. Hiring, say 50, independent reporters and paying each of them is a different matter,¹⁵⁸ in essence work for hire that is cumbersome, difficult and costly. This approach also involves a centralized editing function and thus has far higher “transaction costs.” Conversely, if money is not a big factor, the focus of the collaboration is almost all editorial, along with timing and technical requirements.

5. Have at least one face-to-face gathering

It may be counterintuitive in our virtual and highly connected world, but collaborations are a “high-touch enterprise”¹⁵⁹ and require face-to-face meetings. Such meetings still mean a great deal, again, as ICIJ has learned. Just as an online dating service can work well up to a point, an in-person meeting is eventually necessary and will tell a lot very quickly. For trust to start building within a major collaboration, it’s essential to size up the participating people, to see how they handle themselves and how they address the important issues at stake. Are they serious professionals and do you have a good feel for their strengths and weaknesses? Or is a reporter getting into something where the standards of journalism are not where they need to be and therefore the resulting project is not likely to measure up? There is no substitute (not even Skype) for a physical gathering where participants can look directly into the eyes of colleagues with whom he or she will be working, perhaps over many months. A core gathering can lay out the investigation and the evidence at hand, discuss the challenges and the payoffs, and perhaps provide training and expert analysis. Such a meeting will save time down the road when the work is hard and seemingly never ending.

6. Some loss of central control is inevitable

It would be extremely difficult for the editorial core of any mega-collaboration to be 100 percent responsible for every report from every collaborator. ICIJ learned this lesson after years of trying to edit and fact-check all ICIJ member material. However, the data itself must be centrally organized and fact-checked. The participating members need to be vetted and vouched for, making sure there is an acceptable level of quality within the group. But each news organization has to be responsible for its own reporting, editing, fact-checking and libel review in order for the collaboration to proceed on a timely basis and ultimately to succeed. This gives each participant the freedom and responsibility to do his or her own best work, based on the shared data or documents. But this freedom also means a necessary loss of tight central control, which makes some news organizations uncomfortable. They do not want to be associated with others over whom they have no editorial sway. This raises the critical issue of trust (see number seven below).

7. Trust is learned; shared values are critical

As Julia Stein, an ICIJ member and public broadcaster in Hamburg, Germany, said: “It was very unusual in the beginning to share everything with other journalists and not keep secrets anymore. Collaboration is a question of confidence and trust in others.”¹⁶⁰ Trust is best built over time. The beauty of ICIJ’s series of investigations of secret offshore dealings is that each project built on the previous one, often drawing in the same reporters and news organizations. By the end, many of the reporters had been working together for three years and were comfortable with ICIJ’s methods and the skill level of most team members. A sharing of basic journalistic values is fundamental. Although mostly accustomed to working on their own, reporters can learn to depend on others, to trust people in the collaboration and those leading it, even if there is some variation in the practice of journalism in the various participating countries.

8. Set aside competitive instincts and egos

Joining forces and trusting other journalists does not come naturally to independent-minded “lone wolf” investigative reporters. Harder still, sharing secret information and nuggets of fact gleaned by one’s own hard labors is not a normal practice. It is only through experience and repetition that collaborating journalists learn to see the success of the whole is as important as their own. Again and again, when one publication sees the impact of 50 or more news organizations publishing at the same time, then they tend to see that the group can have much greater impact—and that they are a vital part of something bigger than themselves that can redound to the benefit of all.

9. The group can help

Working in a complex team configuration over many months tends to help reporters see the value of the group. Having a closed communication platform just for members of the group (encrypted in the case of ICIJ), fosters insider knowledge, valuable information sharing, and trading of video and transcripts of interviews and the like. Turning to the group for help often produces better results more quickly than any other method. As noted earlier, the power of a network itself is tremendous. The Swiss Leaks collaboration, with some 170 reporters, had the potential for nearly 29,000 communication combinations in the unlikely event that everyone made use of every connection. But using even a fraction of that network power proved itself many times during the complex investigation.

10. Scale begets power

Joint publishing in dozens of countries around the world can expand the impact of the reporting in any one country. As in the case of Swiss Leaks, the HSBC bank’s reaction changed in direct proportion to the number of news outlets reporting on the bank’s internal data. HSBC could not shut off *The Guardian* from publication, as it first attempted, because so many others would also be publishing at the same time. The upper hand seems to be with the successful

collaboration that stretches around the world and does its reporting on a scale that finally matches the scale of the global enterprise.

11. A joint deadline is sacrosanct

One of the great strengths of any collaboration is joint publication on a single day or a single weekend. Dozens of news outlets in many countries begin telling a more or less single story; interviews and excerpts are then published and aired on hundreds of other news outlets over the following days. In a global collaboration, picking a single date and time is not an easy exercise. Every country seems to have a particular day of the week that is its preferred release time for big projects. Sunday is the big release day in the U.S., but Saturday is preferred in Germany; other nations want to avoid a weekend release altogether. The more concentrated an investigative project's release is, the bigger the potential impact. With dozens of news organizations involved there are always some that won't want to hold back from publishing their own work to wait for the group, and others that are just not ready to publish by the time the rest of the group is set to go. These matters take endless negotiation, hence the need for central decision making from an editorial core (see number one above).

12. Credits and awards are shareable commodities

Letting go and sharing credit do not come easily to most competitive news organizations or journalists. But these attributes are required in a big global collaboration. The work was been done by many so the credit needs to be shared. Just as each news organization does its own work, each is free to enter that work in its own country for as many awards and as much recognition by its peers as possible. And ICIJ members do win plenty of awards in their home countries. "I'm happy to tell you that I got the biggest journalism award in Finland," wrote Minna Knus-Galan, for example, a Finnish TV reporter and ICIJ member. She won recognition last March for her ICIJ cross-border investigative work, especially the Luxembourg Leaks project. She said the award gave her a chance to speak about the overall success of ICIJ.¹⁶¹ One requirement for each member is to give credit

to the editorial core, the place where they obtained their data and documents to begin with. This may seem simple, but sharing credit with dozens or even hundreds of others can be complicated in its details and execution.

Conclusion

Journalism has fallen behind the way the world is organized. We live in a globalized society. Goods and commodities come to us from all over. Environmental consequences clearly cross borders. Multinational businesses are organized globally, with financial transactions as well as infractions also global. Crooks and hackers are cross-border too, with the World Wide Web as their oyster of opportunity while nearly every person, home, business and community is hyper-connected. In Internet parlance, climate and crime are at scale; journalism has traditionally not been organized that way.

We get events-based coverage from seemingly everywhere an earthquake, a hurricane, or a public health disaster strikes. A number of national wire services and a few thousand foreign correspondents do important work, but they are spread thinly around mostly capital cities on six continents.

News of the world is covered mostly by nation-state-based journalism, along with wire services, but they cannot easily provide the necessary robust investigative clout needed to see today's borderless world in hundreds of places and thousands of ways simultaneously. It is difficult for any single reporter to follow secret transnational money flows, for example, or the adverse effects of global warming in every region. A global vision, using the latest technologies, is needed to make better sense of our cross-border world and to report it cogently for citizens wherever they may be on the planet. In short, the press is increasingly outmatched and outgunned, as well as underinvested, just when a bigger global watchdog is needed more than ever.

Globalization needs “a global journalistic response,” according to former *Le Monde* reporter Alexandre Léchenet’s white paper for the Reuters Institute for the Study of Journalism at Oxford University.¹⁶² In recent years, Léchenet says,

the most impressive investigations have all been as a result of global collaborations like those led by ICIJ.

He adds, however, “Even though there are examples of collaboration in journalism, it is not deeply rooted in the culture of traditional journalists. The common practice of ‘lone wolf’ reporters, the differences in work habits across the globe and the high competition in the industry are all obstacles.”¹⁶³

“I’m not a lone wolf, but part of a kind of journalistic pack,” says CBC national reporter and ICIJ member Frederic Salac in Canada.¹⁶⁴ He was happy to be involved with the ICIJ network, and to have people he can trust in Thailand or Korea that he can call to help with an investigation. And the reverse is also true—he has helped reporters in Scandinavia and elsewhere when they need information from Canada.

“We can work together, find targets and share information, and then zoom in all at the same time in a coordinated fashion to publish our results. The consequent impact is the biggest thing that has surprised me,” he said.¹⁶⁵

“In my experience, ICIJ has been extraordinary, actually...It is the wave of the future...It created a completely different way of doing global journalism.” Salac said participation in the ICIJ projects “has been a real plus for the CBC,” attracting more whistleblowers and more stories.¹⁶⁶

Interviews with a dozen ICIJ reporters around the world told a similar story, a sense that ICIJ has become more professional in terms of secure forums, and smoothly searchable data.

“Massive collaborations are a huge success for us. We gained a lot of attention from our readers and other media outlets, not to mention prizes and praise,” according to Bastian Obermayer, a reporter for *Suddeutsche Zeitung*, a leading German newspaper based in Munich.¹⁶⁷ From Offshore Leaks to Swiss Leaks, he said, “Our impact was huge every time and those of us at *Suddeutsche Zeitung* enjoy a better standing in Germany now than we did two years ago.”¹⁶⁸

In a way, “collaboration is the new competition,”¹⁶⁹ meaning news organizations that do not join in collaborating can feel left out and miss the

attention and audience gain that often follow the release of major investigative projects.

The Pew Research Center says their research shows there has indeed been a renewed interest in collaborations and partnerships in the last few years with news organizations teaming up in new ways.¹⁷⁰ What collaborations mean to the public, Pew's report says, is potentially "broader and deeper news coverage," available more widely. What they mean for news organizations is "a more diverse mix of content to offer, broader reach and more scalable reporting."¹⁷¹

Depleted staff at legacy media organizations, combined with digital start-ups eager for a new audience, mean collaborations may help lead the way to greater sustainability, according to the report. "This is the time when journalists need to huddle together for warmth," is the way Jim Brady put it in the report.¹⁷² Brady is a digital thinker, formerly at *The Washington Post* and Digital First, and past president of the Online News Association.

The fact is, American news organizations of all sizes could collaborate much more with other media organizations, including their competition, on local, state, regional or national enterprise or investigative stories. Many more collaborations are taking place today, but they are mostly small and too often regarded as troublesome. Meanwhile, a much deeper investigative push is possible when multiple newsrooms reach out and join forces.

The attitude that "we know best" and "we do it all ourselves" is an increasingly antiquated notion in the digital age when knowledgeable members of the public and colleagues at other news organizations could be brought into an effective journalistic process in new ways to become part of a more robust collaborative investigative effort.

Bill Kovach, former Nieman curator and the co-author of the classic *Elements of Journalism: What News People Should Know and the Public Should Expect*, believes collaborations of all kinds can be one of the best ways to preserve the journalism of verification, certainly as ICIJ has shown on a global scale. Newsrooms are shrinking around the world as advertising and subscription business models succumb to disruption. Kovach says global collaborations like

ICIJ can be “the bridge to take us to the next economic model to stabilize journalism,” in order to keep costly, in-depth investigations alive on a global scale.¹⁷³ These collaborations could also energize investigative journalism on a local, regional, state or national level.

The ICIJ offshore and banking projects were the culmination of nearly four years of capacity-building in global financial investigative reporting, building on the organization’s 18-year history. The work of ICIJ will stand as a testament to what can be done – and must be done – so global investigative journalism can survive and thrive at the scale at which it must now operate.

Endnotes

¹ Serge Michel, e-mail message to the author, March 16, 2015.

² Ibid. Michel said the first leak to *Le Monde* came from within the French Ministry of Justice; second much larger leak came from inside the French Tax Authority.

³ 60 Minutes, “The Swiss Leaks,” *CBS News* video, 12:53, February 8, 2015, <http://www.cbsnews.com/news/hsbc-swiss-leaks-investigation-60-minutes/>.

⁴ Gerard Ryle, Will Fitzgibbon, Mar Cabra, Rigoberto Carvajal, Marina Walker Guevara, Martha M. Hamilton and Tom Stites, “Banking Giant HSBC Sheltered Murky Cash Linked to Dictators and Arms Dealers,” February, 8 2015, <http://www.icij.org/project/swiss-leaks/banking-giant-hsbc-sheltered-murky-cash-linked-dictators-and-arms-dealers>.

⁵ Serge Michel, e-mail message to the author, March 16, 2015.

⁶ Ibid.

⁷ ICIJ is a project of the Center for Public Integrity co-located in the same downtown Washington building as ICIJ although five floors apart.

⁸ Based on information provided by Gerard Ryle, director of ICIJ, in conversations with the author in early 2015.

⁹ International Consortium of Investigative Journalists, “Swiss Leaks: Murky Cash Sheltered Bank Secrecy,” February 15, 2015. <http://www.icij.org/project/swiss-leaks>.

¹⁰ List of partner media organizations, February 5, 2015, <http://www.icij.org/node/1061>.

¹¹ Martha M. Hamilton, “How ICIJ Reminded Me Why I Became a Journalist,” International Consortium of Investigative Journalists, <http://www.icij.org/blog/2015/03/how-icij-reminded-me-why-i-became-journalist>.

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¹⁵ U.S. Department of the Treasury, News Release, Treasury Department Reaches Landmark Settlement with HSBC, November 11, 2012, <http://www.treasury.gov/press-center/press-releases/Pages/tg1799.aspx>.

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¹⁷ *The Guardian*, “HSBC could yet be prosecuted over tax-dodging scheme, warns Loretta Lynch,” February 10, 2015, <http://www.theguardian.com/news/2015/feb/10/hsbc-tax-files-loretta-lynch-prosecution>.

¹⁸ Gerard Ryle, conversations with the author in early 2015.

¹⁹ Gerard Ryle, e-mail to the author, April 20, 2015.

²⁰ *The Guardian*, “U.S. prosecutors weigh criminal charges against HSBC as Elizabeth Warren turns up the heat,” February 10, 2015, <http://www.theguardian.com/news/2015/feb/10/hsbc-us-prosecutors-criminal-charges-elizabeth-warren>.

²¹ International Consortium of Investigative Journalists, “About the ICIJ,” <http://www.icij.org/about>.

²² Lewis is currently Professor and Executive Editor of the Investigative Reporting Workshop, at the American University School of Communication, in Washington, DC.

²³ International Consortium of Investigative Journalists, “About the ICIJ,” <http://www.icij.org/about>.

²⁴ Charles Lewis, *935 Lies: The Future of Truth and the Decline of America’s Moral Integrity*, (New York: Public Affairs, 2014), 193 -198.

²⁵ Lewis, *935 Lies*, 199-200.

²⁶ This Lewis quote shows up in various memos, speeches and memorabilia, including an inscription on a Center mouse pad.

²⁷ ICIJ directors since Beelman include interim director Sonny Rawls, David Kaplan, interim director Bill Kovach, and currently Gerard Ryle.

²⁸ Maud Beelman, telephone interview with the author, April 21, 2015.

²⁹ Ibid.

³⁰ Charles Lewis, “Annual Report: Looking Back at the First 10 Years,” Center for Public Integrity, June 2000.

³¹ Ibid.

³² Ibid.

³³ Maud Beelman, telephone interview with the author, April 21, 2015.

³⁴ Duncan Campbell, “U.K. considering formal investigation into cigarette smuggling,” International Consortium of Investigative Journalists, June 15, 2000, <http://www.icij.org/node/460/uk-considering-formal-investigation-cigarette-smuggling>

³⁵ Maud Beelman, e-mail to the author, April 22, 2015.

³⁶ All ICIJ projects are listed here: <http://www.icij.org/projects>; Beelman’s six ICIJ projects included:

-Two Tobacco Smuggling projects, 2000 - 2001, How billions of cigarettes end up on the black market, <http://www.icij.org/project/big-tobacco-smuggling>;

-U.S. Aid in Latin America, 2001, How U.S. military aid is linked to human rights abuses, <http://www.icij.org/project/us-aid-latin-america>;

-Making a Killing, 2002, The business of war and how a handful of companies with connections to governments have profited from war commerce, <http://www.icij.org/projects/makingkilling> ;

-The Water Barons, 2003, How private companies became owners of the world’s water supplies; <http://www.icij.org/projects/waterbarons>;

-Windfalls of War, 2003, How 70 U.S. contractors and individuals won \$8 billion in contracts for post-war reconstruction in Iraq and Afghanistan; <http://www.icij.org/project/windfalls-war>;

³⁷ Full disclosure: I was executive director of the Center for Public Integrity (January 2007- January 2015), and the person who hired Gerard Ryle to lead ICIJ. Ryle had been recommended by a member of the Center's Board of Directors, Charles Eisendrath, director of the Knight-Wallace Fellowship at the University of Michigan. Ryle had been a fellow in the Michigan program. Ryle was contacted and flew to Washington to be interviewed by the author and Bill Kovach, who helped start ICIJ as the former Nieman curator. Kovach was also a *New York Times* editor, and a member of Center for Public Integrity Board of Directors. To both Kovach and the author, it was clear that Ryle was instantly the top candidate for the job, with outstanding qualifications, although to accept it he would have to take a major pay cut and move to Washington from Australia.

³⁸ The Walkley Foundation, <http://www.walkleys.com/>, and Walkley Awards, <http://www.walkleys.com/awards/>

³⁹ International Consortium of Investigative Journalists, "Gerard Ryle: Journalist Profile," Accessed April 9, 2015. <http://www.icij.org/journalists/gerard-ryle>.

⁴⁰ Gerard Ryle, e-mail to the author, March 20, 2015.

⁴¹ Gerard Ryle, conversations with the author, from September 2013 to January 2015.

⁴² International Consortium of Investigative Journalists, "ICIJ Lifts Veil on Offshore World," April 3, 2013. <http://www.icij.org/about/press-releases/icij-lifts-veil-offshore-world>.

⁴³ Information from conversation with various ICIJ Staff, including Gerard Ryle, Marina Walker Guevara, Mar Cabra among others, from January 2007-February 2015.

⁴⁴ Profile, Giannina Segnini, James Madison Visiting Professor on First Amendment Issues, Columbia University, <http://www.journalism.columbia.edu/profile/523-giannina-segnini/10>.

⁴⁵ Giannina Segnini, phone interview by William Buzenberg, March 26, 2015.

⁴⁶ Giannina Segnini, e-mail message to the author, April 20, 2015.

⁴⁷ Ibid.

⁴⁸ ICIJ Offshore Leaks Database, June 14, 2013, <http://offshoreleaks.icij.org/>.

⁴⁹ Duncan Campbell, "How ICIJ's Project Team Analyzed the Offshore Files," International Consortium of Investigative Journalists, April 3, 2013. <http://www.icij.org/offshore/how-icijs-project-team-analyzed-offshore-files>.

⁵⁰ Ibid.

⁵¹ Gerard Ryle, email to the author, May 11, 2015. The email said in part: "A single [NUIX] license costs about \$10,000 and we needed at least six. So I simply contacted them and played the non-profit card. I told them I couldn't tell them what I wanted the licenses for but that if I managed to land the project I would write about how we used their software. I think their marketer's response was something like this: 'Go get the bad guys.' After we published, NUIX was very proud of the connection and wrote about it."

⁵² Mar Cabra, interview with the author, April 12, 2015.

⁵³ Michael Hudson, e-mail to the author, May 6, 2015.

⁵⁴ ICIJ Journalist Profile, <http://www.icij.org/journalists/michael-hudson>.

Hudson is also the author of *The Monster: How a Gang of Predatory Lenders and Wall Street Bankers Fleeced America – and Spawned a Global Crisis*, (New York: Times Books, Henry Holt and Company, 2010, and New York: St. Martin's Press, 2011).

⁵⁵ Marina Walker Guevara, “Swiss Leaks Frequently Asked Questions,” International Consortium of Investigative Journalists, February 12, 2015. <http://www.icij.org/blog/2015/02/swiss-leaks-frequently-asked-questions-answered>

⁵⁶ Ibid.

⁵⁷ Ibid.

⁵⁸ Scott Higham, Michael Hudson and Marina Walker, *The Washington Post*, April 6, 2013, Piercing the Secrecy of Offshore Tax havens, http://www.washingtonpost.com/investigations/piercing-the-secrecy-of-offshore-tax-havens/2013/04/06/1551806c-7d50-11e2-a044-676856536b40_story.html

⁵⁹ David Leigh, phone interview by William Buzenberg, March 2, 2015.

⁶⁰ David Leigh is the author or co-author of nine books, including, *Wikileaks: Inside Julian Assange's War on Secrecy*, with Luke Harding (London: Guardian Books, February 1, 2011).

⁶¹ David Leigh, phone interview by William Buzenberg, March 2, 2015.

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⁶³ Ibid.

⁶⁴ Marina Walker Guevara, “ICIJ Releases Offshore Leaks Database Revealing Names Behind Secret Companies, Trusts,” International Consortium of Investigative Journalists, June 14, 2013. <http://www.icij.org/offshore/icij-releases-offshore-leaks-database-revealing-names-behind-secret-companies-trusts>.

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⁶⁷ [Michael Hudson](#), [Cathrin Kahlweit](#), [Kurt Kuch](#), [Stefan Melichar](#), [Frederik Obermaier](#) and [Bastian Obermayer](#), May 24, 2013, “Offshore Leaks' Revelations Force Resignation of Top European Banker,” <http://www.icij.org/offshore/offshore-leaks-revelations-force-resignation-top-european-banker>.

⁶⁸ Gerard Ryle et al., “Secret Files Expose Offshore's Global Impact,” International Consortium of Investigative Journalists, April 3, 2013. <http://www.icij.org/offshore/secret-files-expose-offshores-global-impact>.

⁶⁹ Gerard Ryle, “ICIJ—Impact and Outlook,” 35-41, (part of Board Report to the Center for Public Integrity board of directors, meeting in Washington, D.C., February 27, 2015.)

⁷⁰ Gerard Ryle, “ICIJ Database Cracks Open Secret World,” International Consortium of Investigative Journalists, June 14, 2013. <http://www.icij.org/blog/2013/06/icij-database-cracks-open-secret-world>.

⁷¹ Ibid.

⁷² Mar Cabra and Michael Hudson, “Mega-Rich Use Tax Havens to Buy and Sell Masterpieces,” International Consortium of Investigative Journalists, April 3, 2013. <http://www.icij.org/offshore/mega-rich-use-tax-havens-buy-and-sell-masterpieces>.

⁷³ Tax Justice Network, news release, July 22, 2012, [http://www.taxjustice.net/cms/upload/pdf/The Price of Offshore Revisited Presser 120722.pdf](http://www.taxjustice.net/cms/upload/pdf/The_Price_of_Offshore_Revisited_Presser_120722.pdf)

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⁷⁶ Ibid.

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