

Panama Papers Source Offers to Aid Investigators if He's Not Punished

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“Legitimate whistle-blowers who expose unquestionable wrongdoing, whether insiders or outsiders, deserve immunity from government retribution,” the source, who has still not revealed a name or nationality, said in a [statement issued Thursday night](#).

The documents, which list the true owners of thousands of companies created to hide the people behind them, expose the holdings of current and former world leaders and other prominent figures. The source, who uses the pseudonym John Doe but whose gender is not known, said that the papers could spur thousands of prosecutions, “if only law enforcement could access and evaluate the actual documents.”

He noted that journalists who have viewed the papers have said they will not turn over the full archive of 11.5 million documents. “I, however, would be willing to cooperate with law enforcement to the extent that I am able,” he wrote.

The statement, which was issued Thursday night under the condition that it not be reported until Friday morning, gave some hints about his political views and concerns. They include income inequality, the American campaign finance system and the “revolving door” of United States officials who take jobs at banks or other companies they once regulated.

“Banks, financial regulators and tax authorities have failed,” the statement said. “Decisions have been made that have spared the wealthy while focusing instead on reining in middle- and low-income citizens.”

Most of the revelations so far have involved wealthy foreigners and political players overseas. The statement came on the same day that the Obama administration, citing the disclosures, announced a series of steps intended to prevent wealthy individuals, including political leaders, from using offshore shell companies to hide assets, embezzle money or avoid paying taxes.

The proposals would create a centralized federal registry of the actual owners behind any newly established corporation, and they would mandate that financial institutions collect and maintain information on these owners as bank accounts are being set up. The moves would make it easier to investigate financial fraud.

“Our financial system should not provide the rich, the powerful and the corrupt with the opportunity to shield their assets and avoid paying their fair share or with the opportunity to hide any illicit activity,” said Wally Adeyemo, the deputy national security adviser for international economics. “Nobody should be able to play by a different set of rules.”

The statement by the Panama Papers source was released through the German newspaper *Süddeutsche Zeitung*, which originally received the once-confidential archive of documents taken from the Panama-based law firm Mossack Fonseca. Bastian Obermayer, a reporter for the newspaper who received the original leak with his colleague Frederik Obermaier, wrote in a blog post that he had confirmed via encrypted chat that the statement had come from the same person — of unknown nationality — who provided the secret documents.

Süddeutsche Zeitung, working with the International Consortium of Investigative Journalists, a Washington-based group made up of more than 100 news media organizations, published articles about the Panama Papers starting last month that have set off political furors and unsettled financial institutions around the world.

According to the consortium, the documents reveal the hidden assets of 12 current and former world leaders, 128 other politicians and officials, and a range of sports figures and celebrities. The 214,000 shadow companies described in the documents are tied to people in more than 200 countries and territories. The papers include long chains of emails showing how the companies have been used.

News reports based on the documents have linked \$2 billion in assets to [a childhood friend of President Vladimir V. Putin](#) of Russia, and disclosed the holdings of the [Aliyev family](#), which has long held power in Azerbaijan. The prime minister of Iceland, [Sigmundur David Gunnlaugsson](#), said he would temporarily step aside after the revelation that he and his wife owned an offshore company.

The statement from the confidential source said he was not and had never been a government official or contractor.

He was extremely critical of the news media, suggesting that certain unnamed news organizations had declined initial offers from him to take and report on the documents.

The measures announced on Thursday by the Obama administration, which in most cases have been in the works for years, would try to combat illegal tax shelters with a collection of new tools.

The centralized federal registry of the actual owners behind any newly established corporation — the most far-reaching of the proposals — could be established only if Congress passed legislation, which is unlikely in this election year. [Legislation that is already pending in Congress](#) would require the reporting of similar ownership information when new companies are set up, but the information would be filed at the Treasury Department only if individual states did not collect it on their own.

Separately, the administration announced on Thursday that it had completed a rule, after four years of effort, that would require banks and other financial institutions in the United States to collect and keep accurate records on these same “beneficial owners” after they opened a new bank account.

The [rule](#) mandates that banks know the identity of anyone who owns at least 25 percent of a legal entity or who “controls” it, information that again could be provided to law enforcement investigators looking into fraud allegations.

Treasury officials also called on Congress, after several years of delay, to ratify eight separate tax treaties with nations such as Luxembourg and Switzerland. The agreements would increase the amount of information that tax enforcement authorities in the various countries could share as they tried to crack down on illegal efforts to hide money.

And the Treasury Department proposed a regulation that would allow it to mandate that foreign-owned companies set up in the United States, like companies based here, register with the Internal Revenue Service. That would

allow the federal government to determine whether the companies owed any taxes to the United States or whether they might have been set up to illegally shield the owners from having to pay taxes overseas.

Stefanie Ostfeld, the acting head of the United States branch of a nonprofit group called Global Witness, which has pushed for financial transparency laws, welcomed the moves by the Obama administration but said they were not necessarily sufficient.

Many owners would remain hidden, she said, given that under the rules only individuals who own more than 25 percent of a company would have to identify themselves to banks.

"This is an important step to getting dirty money out of the financial system," she said. "But there appear to be weaknesses in the regulation that provide would-be money launderers with a blueprint for how to structure companies to avoid detection and continue to have access to American banks."
