Introduction

Transparency and access to information is a key element of doing business, and at the same time asymmetric information is a basic fact of life. Information is a tricky thing in business as in life, the more you got, the more privileged you are, that is if you can process the information into knowledge and take advantage of it in the market place in a proper way. Information has made fortunes, and it has ruined companies; it all depends on what the information is about and who has it.

The rise of business news should be seen in this perspective of transparency and information. The distribution of business news by written media like general newspapers and periodicals goes back at least to the 18th Century in Denmark. The provision by newspapers of information about ship arrivals, prices on various goods, financial assets such as stocks and bonds, foreign exchange as well as profit and loss accounts of companies served the purpose of reducing uncertainty and transaction costs. Information is, in accordance with economic theory, a public good, but at the same time, as history shows, private interests may have a keen interest in not sharing any information that might give them an advantage in business transactions. The range of misuses of such informational advantages goes from fraud and insider trading to various sorts of window dressing of company accounts. The provision of information to as many people as possible about business transactions are therefore in the public interest and an important part of a well functioning capitalist economy and of the media. This insight implies that news media – written and electronic – should be independent of economic interests, but as this paper and many more examples demonstrate that is hardly ever the case.
There is, however, another but no less important explanation for the rise of business news and that is the need of the business community to assert itself as a social, economic and cultural group in relation to other groups in society. The establishment of a specialized business press, as opposed to general newspapers providing business news, is therefore closely related to the widespread formation of companies and the constitution of the business man as a professional occupation and the business community as a well defined professional group. The social construction of this group (or several groups) with a particular interest in business news, and the group’s (groups’) need for specific business information, explains the rise of the business press as a specific media category concentrating on the business community as both its target and owner groups.

While society at large has an interest in the even distribution of business information, the business community and groups within this community have a different and more particular interest in business news. The business community relies on the business press not only to represent its interests but also for its own constitution as a group with certain shared interests and values. This construction of a shared identity and the self fashioning of the business community is an important function of the business press as is the construction of an image of individual companies, business leaders and the business community in general. Both functions can be carried out by representing the business community as a “we” distinguished from the “other”. Another and somewhat contradictory part of the function is to represent the interests of business as a public and shared interest of society in general.

It is an explicit assumption of this paper that the two different rationales for the existence of business news and business media mentioned above (society’s need for transparency and information on the one hand and the construction of the business community and representation of its interests on the other) are to a certain degree contradictory or even antagonistic. The public’s demand for business news may well collide with private business interest group’s need to withhold information, and independent companies or business groups will very often want to withhold information from competitors and other business groups. Such potential conflicts of interests with regard to the provision of information, between society at large and the business community on the one hand, and between specific business groups on the other hand have direct relevance for the business press. Among other things it means that ownership of newspapers is an important aspect to consider when discussing the autonomy of the business press.
To make matters even more complicated, different groups within national and transnational business communities usually have divergent or even conflicting interests and, therefore, demand and allow for different stories to be told or different framing of the same stories. This is probably most likely to be the case when individual business newspapers are owned by particular business interests, but aside from such relatively explicit cases, there is also a more subtly functioning issue of such “censorship”, which is the perspective in which you frame and understand events and “facts” as a member of a distinct community. Thus, certain newspapers may be informally connected with certain business groups or networks meaning that they share the frame within which they understand and interpret information. If special interests control the production of business news either through direct ownership or through informal networks the playing field will not be level with regard to information.

In this very preliminary paper we intend, first, to present a brief historical overview of the establishment and historical development of Danish newspapers in general and the business press in particular, and, second, to discuss the effects of various forms of ownership and editorial autonomy on the success or failure of Danish business media to provide an equal base of information to its many stakeholders. By means of a few cases the paper will discuss how ownership and various formal and informal institutional arrangements have been instrumental in deciding the outcome of conflicts between owners and editors. Thirdly, we discuss briefly how the establishment of the specialized business newspapers and magazines at the same time reflected the constitution of and contributed to the self-fashioning of the business community in relation to other groups in the Danish society.

**A short history of Danish Newspapers**

The history of Danish newspapers goes back to the 17th century. During the period of absolute Monarchy the right to publish newspapers focused on bringing information of a rather non-political character and was granted by the King. Some still existing newspapers received their privilege in the mid 18th century, for instance in Copenhagen *Berlingske Tidende* in 1749, and in some provincial cities *Aalborg Stiftstidende* 1767, *Fyens Stiftstidende* 1772, *Viborg Stift-Tidende* 1773. Some of the information in these newspapers was useful for businessmen and together with public servants they probably constituted the majority of readers. Specializing on information on trade
such as exchange rates, prices and the arrival of ships the Business Journal, *Handels- og Industrie-Tidende*, was established in 1782 as another indication of a period characterized by enlightenment and the rise of a public opinion and a professional business community.

Freedom of the press was established by the end of the 18th century but already in 1799 it was withdrawn, and censorship was then active until freedom of the press was instituted by the first “democratic” constitution of 1849. Newspapers with affiliation to political groups were published before 1849 but it was only during the second half of the 19th century that a new structure of Danish newspapers emerged. Four major political parties developed and it became a goal for all four parties to have a newspaper affiliated with the party in every major city. At the zenith of this system, in 1920, there were 156 newspapers, and every larger provincial town had on average two independent papers plus one or two local editions, so that all or at least three of the parties were represented in each town.\(^1\) Readers didn’t expect political neutrality but rather that the editors framed the news in such a way that it supported their political allies. At the same time, most readers and editors probably subscribed (and still does) to the idea that their particular way of framing the information was the objective one.

This so-called four-party newspaper system continued until the late 1950s when a of concentration movement started. Local newspapers with a clear political affiliation were closed or merged leaving the local market to a potential monopolist. In an attempt to attract readers from different socio-economic groupings with quite different political values and attitudes the surviving newspapers changed their profile towards omnibus newspapers. In a way they tried to copy the development of some of the nation-wide dailies based in Copenhagen, but for smaller regional markets. It was too late, however, to attract a larger number of subscribers, and with the exception of *Jyllands-Posten*, published in Århus and the only national newspaper based outside of Copenhagen, the remaining provincial newspapers are struggling for survival.

The national newspaper market has changed over time as well, most importantly when the larger dailies abandoned their party-political affiliation and developed into omnibus newspapers while keeping their individual profiles intact. *Politiken*, which was a privately owned limited company until 1973 when a foundation was established, was the first to pursue this strategy in 1905 but it

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\(^1\) Jette D. Søllinge (1999) p. 37 and 49.
continued being known as a newspaper sympathizing with the political centre and free intellectuals, and with a relatively critical attitude towards business. In 1913 Berlingske Tidende, going back to the 18th century and still owned by the successors of the founder, followed the example of Politiken and the two newspapers became the main national competitors. Another challenger, Aktuelt, published by the labour movement, declined steadily after WWII and closed in 2001 after several years of hardship. In contrast to Politiken, Berlingske Tidende had conservative and more business friendly views – in particular Berlingske could be seen as a mouthpiece of the Danish business establishment centered around the largest Danish bank Landmandsbanken (after 1976: Danske Bank) and A.P. Møller (today: Mærsk Group). The third national daily, Jyllands Posten, had the same general conservative standpoint as Berlingske, but, given its location in Århus, was and still is more independent from the Copenhagen based establishment.

Since the 1960’s Jyllands Posten has expanded and successfully challenged the duopoly of Berlingske Tidende and Politiken even in Copenhagen. These three newspapers have a circulation of about 150.000 copies each, but Jyllands Posten has developed from being the small one with a circulation below 100,000 copies to a little above the level of the two Copenhagen-papers. From the 1960s daily national and international business news were mainly to be found in these three newspapers and in the specialized business press of which Børsen remain the most important actor.

The Business Press

Lists of prices and shipping were particularly important to merchants, and the Copenhagen Society of Wholesalers subsidized regular publication of this sort of information in Handels- og Industri-Tidende. This paper closed in 1851, however, and it was not until 1886 that the wholesalers created a new outlet when they established Kjøbenhavns Børs-Tidende to publish the much needed information. At the same time the business community discussed how to improve and expand the distribution of business news. The major entrepreneur of the time and managing director of Privatbanken C.F. Tietgen, said in 1885 that “we need an outlet for the commercial community, an outlet where one can write without being judged on the basis of where it is published.”\(^2\) Such an outlet was established in 1889 when Politiken’s business reporter, Ernst Brandes, was headhunted as the new editor of Kjøbenhavns Børs-Tidende with the task of widening the editorial scope to include articles on business, the economy and more general matters. Brandes opened the newspaper

for critical business journalism, but some groups were offended by the articles and the newspaper went out of business in 1892.

As a result The Copenhagen Society of Wholesalers made a contract with *Adresseavisen* about publication of price and shipping lists. At that time, business news and articles analysing market trends were mostly to be found in newspapers affiliated with one of the political parties. With the increasing self-awareness and importance of the business profession this situation became intolerable and four years later, in 1896, *Børsen* was established by publisher and stockbroker Th. Green. *Børsen* (meaning the *Stock Exchange* in Danish) was a specialized business newspaper and the timing seemed right with a booming economy, and a polarized political climate. For 30 years the farmers’ party, *Venstre*, had struggled for the introduction of parliamentarism but in vain, and this conflict caught the wholesalers and other groups within the business community in a dilemma. They traditionally supported *Højre*, the political party in power, but they witnessed how the farmers transferred the political struggle into a successful economic one by establishing cooperative enterprises as an alternative to the traditional business system. The wholesalers had a keen interest in downplaying the political differences. This background probably influenced the launch of the new non-political paper *Børsen* with the support of the Society of Wholesalers, but the general commercial progress and the rise of the business profession was the primary reason why *Børsen* was established. During its first years it was published on a weekly basis but in 1899 it became a daily and presented itself as a tool for “all members of the large and intelligent commercial community”. Merchants were the most important target group, and, accordingly, industrialists were not explicitly mentioned.

*Børsen* was privately owned until 1916 when it was incorporated. The main shareholders were the owners and editors Holmer Green and Hendrik Stein along with two important shipping companies (the East Asiatic Company and DFDS) and the two largest commercial banks (Privatbanken and Landmandsbanken). After some years with good earnings the newspaper was stagnating from the mid 1920s, and despite increasing figures of circulation in the 1930s the profits were poor due to increasing costs. *Børsen*’s strategy was to be the first choice newspaper for businessmen and it succeeded since the business community agreed that it was a necessary provider of business news. Nevertheless, new capital was needed in 1940, and after some trouble a group of Danish Big

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3 Fonsmark, *Børsens* ... p. 29.
Business companies took up new shares without any single shareholder holding a controlling interest.\(^4\)

*Børsen* then continued its business without being profitable to any significant degree. The wholesalers and commercial groups continued to control the newspaper while industrialists were not an equal part of the “good company”. Despite rapid growth during the 1960s *Børsen* was a stagnating newspaper facing increased competition from the omnibus papers. In the mid 1960s both *Jyllands-Posten* and the Bonnier concern tried to take over *Børsen*, but without success. Instead *Jyllands-Posten* introduced its own section with business news. It was not until the late 1960s, after large deficits and after the removal of the combined editor-in-chief, CEO and chairman of the board Peder Koch Jensen that a real change in ownership took place together with new capital. It is interesting that this time it was industrialists who were active in changing the ownership and recruiting a new editor-in-chief. In period of industrialization and at the same time a general cultural upheaval in society representatives for industry had a strong interest in the survival of a newspaper which could be expected to become a more active voice for the viewpoints of industry. Part of the reconstruction-agreement was that the Swedish Bonnier concern took 49 per cent of the shares in the reconstructed company. In contrast to the *Børsen* tradition, the Bonnier-people insisted on the principle of an arms length between owner and editors, but at the same time they insisted that the new editor and manager Erik Rasmussen and Christian Lillelund to take at least 10\% of the shares in the new company.

Since the takeover by Bonnier *Børsen* has experienced a rapid growth in circulation, not least during the last 10-15 years. *Børsen* is still the minor of the 4 newspapers with a circulation of about 70,000 copies but in relative terms it has strongly improved its position. From 1995 the three other national newspapers have experienced a moderate decline while the increase for *Børsen* is close to 70\%. Compared to the time of the takeover by Bonnier the circulation is now more than 9 times higher. The success is obvious. The explanation is of course more difficult but the market for business news has expanded tremendous during the last 30 years, and not least during the last decade or so. Simultaneously with the growth of *Børsen* the other newspapers have expanded their coverage of business news.

Growth in the supply of business news

Børsen’s success has been accompanied by a general growth in business news in society since the 1960s, but at an increasing rate from the 1980s under the impression of liberalisation, globalization and the advent of a free market- and business friendly discourse. This development is reflected in the significant expansion of business coverage in the national omnibus papers, and an increased number of business magazines and business news in electronic media.

Berlingske Tidende already had a strong tradition of providing business news and this was reinforced in 1982 when some major Danish corporations put up new capital for the newspaper and a special business section was introduced. Jyllands Posten and Politiken have increased the attention to business news as well. In 1966 Jyllands Posten established a daily section with business news under the heading “Money and Production”. This initiative was rather successful and in 1972 an important business leader wrote in Danish Industry, published by the main organization for industry, that Jyllands-Posten’s business news was best in the country. In 1980 the section became a separate supplement named “Business and Economy” printed on pink paper as used by the Financial Times. In 1993 Børsen introduced pink paper as well in order to signal the global nature of business operations. Jyllands Posten’s ambitious coverage of business paid by attracting more ads and similar to the development of Børsen the supplement developed a weekly schedule according to which specific themes were treated in detail at specific weekdays. On a more moderate scale, in 1996, Politiken followed the example of Jyllands Posten and established an editorial group specialized on business news and with a separate section in the newspaper - on white paper.

Other media forms have supplemented the growth in business news. An old weekly magazine Finanstidende, established 1915 was closed in 1989 but several other magazines have entered the market since the late 1970s. Among the most important one might mention Penge og Privatøkonomi (1977), Børsens Nyhedsmagasin (1985), Ugebrevet Mandag Morgen (1989), and Økonomisk Ugebrev (1994). The most ambitious and analytical is Ugebrevet Mandag Morgen which covers politics besides business and economic news.

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5 Peter Kjær 2005 p. 12
7 Gerhardt Eriksen 1996 p. 329 and 370.
8 Peter Kjær 2005 Working Paper no. 16
The trend towards an increasing supply of business news also concerns the two public service TV-channels, which from the late 1990s have provided business reports primarily on the development of the stock market. For instance the national news at prime time of TV2 contains four elements, news in general, a report on the “market”, sports, and weather-forecast. The market-report has the least time, but it is never left out. The web-sites of the four newspapers mentioned above, and of the two TV-channels have separate sections on finance and business and provide real time stock and foreign exchange movements on the Danish stock exchange.

The demand for business news
Lowering the bar within the business community
The number of consumers of business news has expanded dramatically during the last few decades, in a period when the number of self-employed persons has been decreasing. After Bonnier’s takeover of Børsen the new editors developed a strategy that targeted a wider group of readers by addressing young ambitious business men and women. This large group was to be won over as readers by the perceived necessity to be well informed about business development. At the same time the consumption of business newspapers and magazines like Børsen and Børsens Nyhedsmagasín by young people became a sign of ambition and success in an ever more individualized world with an immense need for constructing ones own image. By widening its target groups Børsen pursued a strategy that was in accordance with social and cultural developments, and in this process business information was distributed to a significantly wider group of people than before. The framing of Danish society as a welfare state was increasingly substituted by a free market and business oriented discourse and Børsen profited from that and at the same time circulated the cultural and political importance of private business.

With hindsight the strategy of targeting a broader segment within the business community was bound to succeed – and it was supported by aggressive marketing, even among B-school and university students. Børsen is now in a position to profit from a positive circulation spiral i.e. when a newspaper experience a rise in circulation and therefore attracts more ads which makes it possible to improve the editorial capabilities resulting in a further rise. \(^9\) Today Børsen is marketing itself as

\(^9\) The term is from Niels Thomsen
the newspaper for the successful and resourceful buyers. Therefore business news to an increasing extent is supplemented by articles and special issues on the “good” and expensive life after work. And the newspaper is in itself a success earning good money.

At the margin

The stronger emphasis on business news in the three omnibus newspapers should be seen as a response to Børsen’s success and the increasing demand for business news in general. However, there are clear differences in the newspapers’ strategies. When it comes to political views in general, the readers of Jyllands-Posten and Berlingske Tidende are probably identical to Børsen’s, while politiken’s subscribers are more likely to be public employees and more center-left leaning. Hence, even though Politiken has increased its coverage of business news, it does not have a special supplement and the approach is different and more critical. The editorial line and consumer oriented rather than aiming at business men and women.

Nevertheless, business news is becoming increasingly important in the media. One reason is probably a marked shift towards a free market discourse and a resulting more positive framing of private business. This shift has occurred in parallel with the liberalization and globalization of international markets. At the same time it should not be overlooked that a general trend of Americanization has influenced this development. The belief in big government, state intervention and the welfare state as institutions has to a certain degree been reversed toward a more neo-liberal discourse. Another reason, which is closely related to this development, is that an increasing number of “ordinary” people are investing in business enterprises via the stock market either as private persons or through pension funds.

These trends mean that in addition to core readers with a direct interest in business news there is increasing group of readers at the margin who read the business news without being business men and women. This marginal group is probably not reading Børsen, but the business supplement of the omnibus papers, and they will want to include this group in their strategic planning and struggle for subscribers. In this struggle, business news have developed into an important competitive parameter.

A free and independent business press – a contradiction in terms?

10 For instance Børsen 23 January 2006
Ownership and guidelines for the editorial policy of the four newspapers

Newspapers are often seen as a very special kind of business organization. Most recently the publication by Jyllands-Posten of 12 caricatures of the Prophet Mohamed illustrates this beyond any doubt. The key-word is freedom of speech and freedom of the press, and, without entering further into the case of the caricatures, it is safe to say that the press is considered as having a key responsibility in society for providing critical information to the citizens. Reality, as it happens, has quite often demonstrated that this noble goal is not always easily achieved, and that information is almost always someone’s information.

The limits to the principles of the press were quite obvious before democratic reforms but also during the period of strong political affiliations between newspapers and political parties when there was no room for critique of political friends. But since the newspapers became politically “independent” this situation is supposed to have changed. Does this mean, then, that the editors are in a position to write whatever they find appropriate according to news and relevance criteria? And more specifically, is the business-press free to print critical articles about business? This problem is related to the issue of ownership and to formal and informal institutional arrangements at the level of individual newspapers. To what extent does ownership, and in particular ownership by private business interests, influence editorial policy, with regard to the publication of sensitive or critical information about individual companies or industries? And to what extent have the individual newspapers set up institutional arrangements that either constrain or facilitate interference by private interests in the editorial freedom?

While the Danish newspaper system gradually abandoned the close ties to political parties the concentration process continued and changed the ownership structure at the same time. Some newspapers established ownership by foundations in order to protect editorial freedom and autonomy. Of the four newspapers that are in the market for business papers and are dealt with in this paper Berlingske Tidende and Børsen are owned by joint stock companies, while Politiken and Jyllands Posten have been owned by foundations since 1973 and 1971 respectively. In 2003 Politiken and Jyllands-Posten entered into shared ownership but without any editorial consequences.

All four newspapers guarantee editorial freedom to the editorial staff. The arms length principle is formulated in declarations that – more or less explicit – institutionalize the principles of non-interference from the owners towards editors and from the editors towards the reporters. There are
limits to the independence, however, and they are expressed in the mission statements of the newspapers as formulated by the owners.

For instance Orkla Media, the present owner of Berlingske Tidende, states that it has bound herself to defend freedom of speech, information, the press, and democratic values. Orkla refers to the principles of journalism within the democratic world but adds that these principles have to be followed within the institutional framework established by the individual publication. In other words: Orkla establishes some general values according to which the company’s newspapers should be edited but at the same time it opens up for more narrow limitations set up by the board of the individual publication.

The editors of Berlingske Tidende are supposed to work according to a declaration of 5 November 1948, which stated that the newspaper has no party-political affiliation but that it has a basic conservative outlook characterized by a national and democratic spirit and deference to Christianity, country and the King. The editors are expected to show modesty and a sober tongue as well as honesty and pluralism in the enlightenment of the readers.

In Politiken’s 1956 Magna Charta of the editors editorial independence from the board is limited as well, but with another tint than Berlingske Tidende. Moreover, in 1959 the board and the editors agreed that Politiken was to be edited as an “independent, radical-social liberal newspaper and in accordance with the tradition as a newspaper for Danish broad-mindedness”. In 1972 this agreement was elaborated in a 10 page manual for journalists and editors, saying that public planning and administration should have top priority but that other parts of society was important as well. Business news, described as “job, money, consumption, labour market, trade, and international market relations should mainly be seen from the perspective of the consumer and employee”. Having distinguished between news and comments it was stated that Politiken should stress the freedom of the individual and maintain a critical attitude towards private business.

Further, while the newspaper recognized the necessity of economic growth, private property rights and the free market it emphasized that labour is as important as capital, and that economic and industrial democracy is an important goal. Furthermore, the paper should aim at assessing externalities to individuals and the environment, and oppose a high degree of inequality and misuse of monopolistic power.

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12 Archives of Politiken 30.5.1972
Jyllands Posten has also declared its independence from private, commercial, organizational, and party-political interests. Jyllands Posten declares that it shall follow a liberal policy, protect personal liberty, and oppose misuse of power.

Finally, from the time of the Bonnier take-over, Børsen reversed its tradition and stressed the arms length principle. However, it also forced the new editor and manager Erik Rasmussen and Christian Lillelund to take at least a 10 per cent ownership share in the new company. In 1994 Bonnier became the sole owner. In principle the editorial freedom was sheltered but one key person close to the reconstruction has noted that the relation between the new editor-in-chief, Erik Rasmussen, and the new executive manager with responsibility for the economy, Christian Lillelund, was closer at the Børsen than at other newspapers.\(^\text{13}\) Even today there is joint editorial and administrative management carried out by the same person.

In 1969 Børsen's new leader-team agreed that the newspaper’s target group was the business community but they wanted to widen this group. This objective should be reached by keeping some distance to the wholesalers and aiming at the group of future leaders in industry, finance and other services such as shipping. At the same time, and equally important, the newspaper changed its strategy and aimed at becoming a critical partner rather than a mouthpiece of the business community.

Notwithstanding this strategic change, Børsen as the only specialize business newspaper unambiguously supported the interests of the business community and it is a strong supporter of economic liberalism. However, it also considered itself as a watchdog and proponent for institutional reforms whenever abuses were encountered.

This very brief lay-out of the four newspapers’ editorial guidelines indicates that the business community in general cannot expect special treatment from any of the four newspapers. At the same time, however, there is a clear difference in the attitude towards business. Thus, Politiken declares a critical attitude towards private business, and Jyllands Posten see itself as against any group with power, while Berlingske Tidende promises to pursue a neutral and well balanced albeit conservative editorial policy towards all groups within society, the business community included. Moreover, even Børsen as the newspaper with closest ties to readers from the business community declares that it wants to be a critical partner.

When it comes to ownership, the newspapers with private owners, and in particular if these owners are companies and private persons from the business community, could be expected to have

\(^{13}\) Fonsmark (1996) about the reconstruction in the 1960s, cf. pp. 152-172 and 182.
more difficulty adhering to the arms length principle expressed in the mission statements. In other words *Politiken* and *Jyllands-Posten* should be expected to be more critical towards companies and business in general than *Berlingske Tidende* and *Børsen*. Also, it would not be surprising if *Jyllands-Posten* as the only newspaper based in Jutland outside of Copenhagen were able to exercise a more independent editorial line towards the business community, the majority of which was based in Copenhagen along with *Politiken*, *Berlingske Tidende*, and *Børsen*.

*Room for critique of Danish business enterprises?*

In this section we search for limits to editorial autonomy in the business press and business news category. We intend to discuss a few cases, all of which exemplifies either direct conflicts between one of the newspapers and the business community or different approaches by the newspapers to news stories. Besides discussing the significance of ownership and institutional arrangement, we want to check for changes over time. The six cases are chronologically distributed from the late 19th century to the present. The cases are *Politiken* and *Landmandsbanken* in 1887, the advertisement boycott against *Politiken* in 1920, the *Landmandsbanken* failure in the 1920s, and the conflict in 1996 between *Jyllands-Posten* and *Mærsk/Danske Bank*, the conflict in 1999 between *Berlingske Tidende* and *Mærsk/Danske Bank*. Finally, we briefly discuss the *Muhammed* case in 2006.

[Note: Since this paper is still in progress this section has not yet been finished. The content of the cases are very briefly outlined below, and then follows the only case that we have analyzed to a certain degree, namely the 1996 conflict between *Jyllands Posten* and *Mærsk/Danske Bank*.]

*Politiken and Landmandsbanken in 1887*

This case concerns the conflict between *Politiken’s* business editor, Ernst Brandes, and *Landmandsbanken*. Brandes published a series of articles in 1887 criticizing the nontransparent nature of the bank’s published accounts. *Landmandsbanken* never replied in *Politiken* but in *Berlingske Tidende*, and it subsequently initiated an advertisement boycott against *Politiken*.

*The advertisement boycott against Politiken in 1920*

In April 1920 groups from the business community arranged an advertisement boycott of *Politiken*. The boycott lasted for two years and almost forced the newspaper to close. The reason for the
boycott was that nationalistic and liberal groups in the business community were against the attitude of *Politiken* on the issue of the reunion of Southern Jutland (*Sønderjylland*) with Denmark, and with the newspaper’s reporting on business and political news in general. Landmandsbanken, an important player in the Danish Big Business also limited the credit line to *Politiken*, and thus further contributed to the newspaper’s difficulties.

**The Landmandsbanken failure in the 1920s**
Landsmandsbanken failed in 1922 and had to go through a number of reconstructions until 1927 when it became a state owned bank. Landmandsbanken was Scandinavia’s largest bank, and in this section we intend to analyse the four newspapers’ reporting on this crisis.

**The conflict in 1996 between Jyllands-Posten and Mærsk/Danske Bank**
In 1996 *Jyllands-Posten* published a full-scale attack on Danske Bank (until 1976: Landsmandsbanken), and its role in a 1992 public stock offering of 2 billion DKK new shares in *Hafnia* the insurance company, which was in receivership at the time. The attack was based on the fact that excerpts of Danske Bank’s board minutes had been leaked to *Jyllands-Posten*. The minutes proved that the bank had known that most of the 2 billion DKK issue were already lost and that Hafnia was in effect insolvent. In this section we intend to analyse how and why the four newspapers reported on this case. Our thesis is that it would have been very unlikely for either *Børsen* or *Berlingske Tidende*, to launch an attack like this on Danske Bank. They were too close.

**The conflict in 1999 between Berlingske Tidende and Mærsk/Danske Bank**
In 1999 *Berlingske Tidende*, reported on the behaviour of a Mærsk/A.P. Møller controlled company during the German occupation of Denmark from 1940 to 1945. It was argued that the company had been more than eager to produce and sell weapons to the German Wehrmacht, and the ensuing debate demonstrated how emotional the owner of Mærsk was about the issue. In the end both Mærsk and Danske Bank, which are known to have close relations, sold their shares in *Berlingske Tidende*, which was then bought by the Norwegian company *Orkla*. In this section we will discuss the reaction from the four newspapers towards this case.

**The Muhamed case in 2006**
As everybody knows by now, in 2005 *Jyllands-Posten* published 12 cartoon of the Prophet Muhamed. From early on this act attracted some attention and a lot of criticism from muslim countries. In early 2006 the conflict escalated and led to a boycott against Danish companies in the Middle-East and to riots and even casualties. The brand of Denmark was most likely severely damaged during the crisis, which has still to find a solution. Among many, many important issues, the crisis also focussed attention on the news media’s behaviour and freedom of speech, and in this section we will discuss the attitude of the business press to the boycott of Danish products in the Middle-East.

*Case: The conflict in 1996 between Jyllands-Posten and Mærsk/Danske Bank*

During the 1990s several cases could be selected to discuss the limits to editorial autonomy and different approaches by the newspapers with regard to business news. Some of the more obvious cases could be the conflicts in 1996 and 1999 *Mærsk/Danske Bank versus Jyllands-Posten* and *Berlingske Tidende*. In these two conflicts the two newspapers were in conflict with the very top of the Danish business community. The *Mærsk Group* is not only one of the major global players in shipping, especially within container-traffic, but also in the oil-industry. It is by far the biggest Danish concern and it has financial control or interests within other sectors. In addition it is a major shareholder in *Danske Bank*, the major Danish commercial bank, and during the 1990s a significant shareholder in the stock-company publishing *Berlingske Tidende*.

The two cases in 1996 and 1999 clearly illustrate the importance of ownership. In brief the conflict in 1999 illustrated the limits of autonomy of the editor-in-chief at *Berlingske Tidende*. The conflict started with some articles by a small group of journalists of the permanent staff. On the basis of quite extensive archival studies in the Danish National Archives they were able to document how much of their wartime profits Danish companies were sentenced to pay back after the war, because they had broken war-time price controls. The articles were quite critical towards the behavior of Danish firms during the war, and they gave impetus to a lively discussion about economic collaboration and how to interpret the history of some of the major Danish companies.

The top story concerned *Dansk Industri Syndikat*, a company of which *A.P. Møller* was a major shareholder. Møller was the founder of the *Mærsk Group* and the father of *Mærsk Mc-Kinley Møller* at the time in control of the *Mærsk Group*. The story caught the editor-in-chief of *Berlingske Tidende* in a cross-fire. The reporters insisted on their right to write the critical articles, but *Mærsk*
Mc-Kinley Møller, who was also a major shareholder in Berlingske Tidende, expressed his “disappointment” over the articles. In the end, the editor-in-chief had to resign, and Mærsk as well as Danske Bank sold their shares in the newspaper thus allowing the Norwegian company Orkla Media to become the new owner.

In contrast to this dramatic clash over history, the conflict between Jyllands-Posten and Mærsk/Danske Bank had no editorial consequences, although it did have important consequences for especially Danske Bank. The case began in 1996 when Jyllands Posten published excerpts of the board minutes of Danske Bank. Among other things the minutes contained damaging information on the so-called Hafnia-case, which was one of the major battles in recent Danish business history. In the early 1990s the manager of Hafnia convinced his board that the take-over not only of the Danish competitor Baltica but also of the Swedish insurance company Skandia would result in a strong Scandinavian player in the insurance business. Hafnia therefore started buying up shares in the two companies, and during 1991 at steadily increasing prices. As a result, however, in 1992 Hafnia was in financial distress, and the situation became so critical that Skandia was now contemplating a take-over of Hafnia.

In the same period Danish nationalism did have palmy days. A NO to the Maastricht treaty in a referendum early June and later in the same month a European championship in football created a mood of national self-sufficiency. In this mental climate several politicians and the manager of a large pension fund for employees announced the need for “Danish solution” to Hafnia’s troubles. After lengthy negotiations the result was a public issue of new shares for almost 300 million Euro. The issuing bank was Danske Bank, which was also the house bank of both Hafnia and Baltica. Danske Bank was clearly interested in carrying through the share issue. First, there was the fee, of course, but it would also reduce the risk of its financial engagement with Hafnia. However, only one month after the issue and injection of new capital Hafnia was insolvent. The subscribers to the new issue had to realize that their money was lost.

The bankruptcy and Danske Bank’s role were widely discussed as was the question whether the information in the prospectus had been misleading. At the time of the bankruptcy of Hafnia there was no way of knowing, but in 1996 this situation changed surprisingly when Jyllands Posten was

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able to publish excerpts from the board minutes of *Danske Bank*. The excerpts suggested that the board had been aware that Hafnia’s situation was much more critical than the prospectus explained. To decide whether the public had been misled two small private investors were given free process at the Danish courts to file for compensation of their losses.

In 1999 the judgment of the Danish Court of Commerce was delivered and it was clear: the prospectus had been misleading and the auditors and Danske Bank was held responsible, while *Hafnia’s* new managers were not. The court decided that due to the brief period they had been in charge of the company the new managers had had no chance of assessing how critical the situation really was for the company. This was – according to the court – contrary to the auditors and the the bank that were both considered well acquainted with the company, and therefore should compensate the two investors – and similar investors as well.

Although the judgment was very clear the four newspapers dealt with it very differently.\(^\text{15}\) In general the position of the leading articles is not surprising when the mission-statements and ownership is taken into account. Nevertheless the differences are striking.

At this time still having *Mærsk* as a large shareholder *Berlingske Tidende* expresses the largest surprise over the judgment. In its leading article it starts saying that the case had to be tried at the Supreme Court. Reasons for that are the magnitude of the amount of money involved and the principles involved – how precise does a prospectus have to be without incurring responsibility for compensation. Most of the article is a lengthy argument saying that the judgment was unfair to *Danske Bank*. It is mentioned that the judgement reflected the standards of prospectuses of today and not seven years earlier, in 1992. According to the newspaper the judgement was unreasonably harsh in the demands put forward to prospectuses while investors were allowed neglecting other warnings for instance in the media. At the same time the newspaper was attacking the pension funds that had been working against a Swedish take-over arguing for Danish ownership. At the end the newspaper admits that mistakes may have been made but one had to remember that the financial crisis in Denmark in the early 1990s was overcome without the interference of the state – mainly thanks to *Danske Bank*. That should be remembered.

\(^{15}\) The four newspapers 1999 September 3-9.
*Jyllands Posten* and *Politiken* are taking the opposite view. Both want to see the judgment as the ending of the story. The judgment is clear and *Danske Bank* has played so many different roles that the bank has not been able to behave properly and follow rules of conduct common to other parts of society. Following its tradition *Politiken* is critical against the financial elite and evaluates the judgment as “evident”. Prospectuses should be reliable. The newspaper attacks the many roles of *Danske Bank* and don’t miss the opportunity to remind about the dubious business environment within the former leadership of *Hafnia* and about weak professional investors including pension funds letting two small private investors fight against the big bank.

*Jyllands Posten* is adding a further dimension in its leading article telling the story about the president of the court as a person with a high degree of integrity. Previously he had made judgment not following popular demands and this time he went up against big business. In another leading article the newspaper also reminds of the dubious role of the public regulatory authority, *Finanstilsynet*. Not just private financial power but also state authorities are declared guilty by *Jyllands Posten* - located in the provinces far from the centres of power.

*Børsen* had declared itself to be the watchdog of the market demanding correct information to the benefit of society. This policy might be seen reflected in the leading article by this newspaper stressing the clarity of the judgment and at the same time seeing it as a big step towards a society of many small investors. The protection of shareholders as known in US and the necessity of institutions to secure reliable financial information are mentioned by the newspaper which expresses the hope that the case will push society further in that direction establishing “a culture of shareholding”. This approach saves the newspaper to comment very much on the role of the bank or the auditors. The actors from the private financial sector are mentioned and the readers of the newspaper are told that the court did found the prospect misleading, but the newspaper downplays the consequences for the bank and the auditors. The important thing is that the case might be an impetus towards a more efficient market for shares.

If one look on the articles signed by the journalists of *Børsen* it’s striking that they mainly deal with the question about the rules for prospectuses and the role of the pension funds. The role of the funds, and especially the role of the manager most actively arguing for a Danish solution in 1992, is discussed in several articles which extensively cover criticism of the funds from various politicians.
The political goal is obvious, especially taking into account that the chairman of the board of this fund at the same time was chairman of the national association of Danish trade unions. *Børsen* acted as the watchdog of the market but the critique put forward against people from the private sector was modest and much more aggressive against people connected with the trade unions.

In 2002 the newspapers got the chance once more to respond to the *Hafnia-case*. The bank and the auditors made an appeal to the Supreme Court, despite the warnings from some experts and despite the clear judgment of the Court of Commerce. And to the surprise of many the first judgment was overruled. A unanimous Supreme Court voted that the two private investors were not entitled to any compensation. The main argument was that the prospect might be unsatisfactory but it did mention that the investment was risky and that this should have been obvious to investors carefully reading the whole prospectus and adding scattered information in the prospectus to a general picture of the situation. In addition the Supreme Court stressed that the actors behind the issue could not be expected to foresee the dramatic fall in prices on the stock market following the Danish NO to the Maastricht treaty which was the main cause of the bankruptcy one month after the injection of new capital. In 2002 to a large extent the leading articles in the four leading newspapers reflected the same biases as in 1999.\(^\text{16}\)

*Jyllands Posten* and *Politiken*, the most critical newspapers towards *Danske Bank*, were furious. The headline of the leading article in *Jyllands Posten* was “a scandalous judgment” and in *Politiken* “an aberration – mad judgment in the Hafnia-case”. *Politiken* expressed its disapproval of Danske Bank’s behaviour mentioning how the bank acted during the reconstruction process of *Hafnia* where it played several roles and with a keen eye on its own interests. The newspaper also characterized the manager of the bank as arrogant. It mentioned that critique of the prospect by the Supreme Court was downplayed by the manager saying that the faults of the bank were to be compared to a few fluffs. The manager wanted to see the case in such a perspective but without doubt in contradiction to the many private investors who were hoping for compensation not least after the clear judgment of the Court of Commerce.

*Jyllands Posten* was no less harsh condemning the Supreme Court. However, its leading article was more addressed to the question of the rules for a market economy than the role of the bank. It

\(^{16}\) The four newspapers 2002 June 29-July 5.
criticised the Supreme Court for not understanding the mechanisms of a market economy namely the need for transparency in prospectuses to give investors the necessary information for their investment decisions. And if that was not the case according to existing law then the Supreme Court should have made that clear.

The point made by *Jyllands Posten* was the same raised by *Børsen* in 1999 when it welcomed the judgment of the Court of Commerce as an important step towards an improvement in the protection of the interests of minor private shareholders. In 2002 the message of *Børsen* was actually the same but it managed to phrase it positively also this time. In contrast to *Jyllands Posten* which condemns the Supreme Court *Børsen* is as happy for the new judgment as for the last one.

In its leading article *Børsen* finds the new judgment good because it shows that there is a need for revisions of existing law. Indirectly *Børsen* sticks to the criticism of the prospect when it demands that in the future rules should be changed to prevent manipulation and cheating with financial information. *Børsen* expresses disapproval of politicians and public financial authorities trying to handle financial crises by restricting information to the public in order to keep confidence in the organizations in trouble. Obviously, *Børsen* is balancing on a knife’s edge trying to downplay the questionable role of the largest bank in the country and its role in financial rescue operations of which the *Hafnia-case* was just one among several. The disapproval of *Danske Bank* is surprisingly weak taking into account that the bank was criticised for the prospectus by both courts and that the newspaper in principle is against bail outs. On the other hand the newspaper was not prepared to approve the engagement of the bank as *Berlingske Tidende* did in 1999.

Ownership of *Berlingske Tidende* changed between 1999 and 2002. It might be part of the explanation that the leading article in 2002 was somewhat more reserved towards the bank than in 1999. The newspaper, however, still defends the bank as one of the actors in the rescue operation of *Hafnia*. It finds it obvious that the bank must have been convinced that the operation would succeed – or it would not have involved itself. The newspaper does not allow for conflicting interests of the bank although it admits that it looks peculiar that *Hafnia* collapsed just one month after the injection of new capital. In accordance with the Supreme Court the newspaper stresses that no one could foresee the sharp downturn of the prices on the stock market.
Compared to the three other newspapers Berlingske Tidende is still the least critical towards the financial sector when it stresses that the judgment should be a reminder to small private investors that they should never forget that it is their own responsibility to decide on the risk of investments, and that they should not only read prospectuses but also other information in the media – the last argument was not validated by the judgment of the Supreme Court. And the newspaper does not join the other newspapers in their demand for a strengthening of the rules for prospectuses but argues instead that prospectuses had indeed improved since 1992, thanks to the Hafnia-case. It can be seen as an argument reflecting that the newspaper prefers self regulation to public regulation.

**Conclusion**

It is not, in general, safe to conclude this paper yet. More cases need to be analysed. However, it is safe to say that the rise of the business press in Denmark is closely related to the rise of business in general and to the professionalisation of the business community. In late 20th century, the shift towards a more market based discourse has improved the conditions of the specialized business press and at the same time put pressure on the omnibus papers to supply more business news to a widening and deepening group of consumers. This development should be seen in the light of the liberalization and globalization of business and the reduced role of the welfare state in providing guidelines for the good society.

This increasing importance of business and business news raises the question of the editorial independence of newspapers that report on powerful and influential business groups, who do not share the public’s interest in the provision of as much information as possible on individual companise as well as the business community in general.

The Hafnia and the Mærsk cases seem to be fine examples of the conflicts of interests that may arise from private ownership of newspapers, and particularly if there does not exist absolutely water proof walls between the editorial and the business sides of the newspaper. In the case of Berlingske’s reporting on Dansk Industri Syndikat during the German occupation, the “dissapointment” of Mærsk McKinney-Møller in combination with his large shareholdings in both Berlingske Tidende and Danske Bank meant that the editor-in-chief had to resign and that ownership of Berlingske was transferred to the Norwegian Orkla Media – all because of some articles about the behaviour of a company 60 years ago. Imagine if it had been about important misuse of power today.
The Hafnia case may not be as clear cut, but it does suggest that news is always someone’s news, and that even today when the party-political system no longer exist, the basic assumptions and mission statements of the newspapers deserve close scrutiny. Also, ownership does seem to be important as well. Berlingske Tidende had a hard time accepting the judgement of Danske Bank, which was a significant shareholder in the newspaper.

As already mentioned, much closer analysis of more cases need to be carried out before a more firm conclusion can be arrived at. For now, suffice it to say that ownership does seem to matter and to reflect upon editorial autonomy, which on the other hand is never based on an unreachable ideal of objectivity or neutrality.