

COMPROMISE: BEFORE TRUMP WON HIS FIRST PRIMARY, PUTIN COLLECTED HIS FIRST RECEIPT

In this post, I noted that, while important, the BuzzFeed story on Trump's role in Michael Cohen's lies to Congress did not advance our understanding of how the Trump Tower deal fits into the larger Trump conspiracy with Russia.

It doesn't include a number of details that would be more important for understanding how the Trump Tower deal relates to other parts of Trump's conspiracy with Russians: who (if not Trump himself or Don Jr) was the senior campaign official who knew of Cohen's negotiations, precisely what Don Jr knew of the negotiations on June 3 when he took a meeting described to be "part of Russia and its government's support for Mr. Trump," and whether the timing of Cohen's plans for a trip to St. Petersburg – which started on June 9 and ended on June 14 – related somehow to the June 9 Trump Tower meeting and the June 14 revelation that Russians had hacked the DNC. It'd also be useful to know whether Cohen had any 2016 dealings with Ike Kaveladze, who knew of Cohen from the 2013 business dealings between Trump and the Agalarovs, and who had a curious reaction to a video of him in the wake of the June 9 meeting story breaking. Those are the details that would advance the story of how the Trump Tower deal relates to Russia's efforts to hack the election.

But there is a piece of the Cohen statement of

the offense the significance of which hasn't gotten sufficient attention. That's the detail that Dmitry Peskov's personal assistant took detailed notes from a 20-minute January 20, 2016 phone call with Cohen, which led to Putin's office contacting Felix Sater the next day.

On or about January 16, 2016, COHEN emailed [Peskov]'s office again, said he was trying to reach another high-level Russian official, and asked for someone who spoke English to contact him.

On or about January 20, 2016, COHEN received an email from the personal assistant to [Peskov] ("Assistant 1"), stating that she had been trying to reach COHEN and requesting that he call her using a Moscow-based phone number she provided.

Shortly after receiving the email, COHEN called Assistant 1 and spoke to her for approximately 20 minutes. On that call, COHEN described his position at the Company and outlined the proposed Moscow Project, including the Russian development company with which the Company had partnered. COHEN requested assistance in moving the project forward, both in securing land to build the proposed tower and financing the construction. Assistant 1 asked detailed questions and took notes, stating that she would follow up with others in Russia.

The day after COHEN's call with Assistant 1, [Sater] contacted him, asking for a call. Individual 2 wrote to COHEN, "It's about [the President of Russia] they called today."

Cohen had lied about this, claiming that he had emailed Peskov's public comment line just once, but gotten no response.

This language is important not just *because* it

shows that Cohen lied. It's important because of what Cohen would have said to Peskov's assistant. And it's important because a written record of what Cohen said got handed on to Putin's office, if not Putin himself.

BuzzFeed's piece from May reveals that Cohen would have been in discussions with one of two banks in January 2016: VTB or GenBank.

Their surrogates in Moscow would be meeting with Putin and a "top deputy" just two days later, and they had financing: VTB Bank President and Chairman Andrey Kostin was on board to fund the project, Sater said in an email.

The bank was a dicey choice. VTB was under US sanctions at the time, with American citizens and companies forbidden to do business with it. Asked by congressional investigators if he knew the bank was blacklisted, Sater responded: "Of course. I wasn't seeking funding, the local development partner would have. Trump Organization never gets financing from local partners."

[snip]

New Year's Eve 2015, he sent Cohen an image of a letter from GenBank – not VTB Bank, as they had earlier discussed – inviting the men to Moscow for a visit.

Just nine days earlier, the US Treasury Department had sanctioned GenBank for operating in Crimea after the disputed Russian takeover. GenBank became the first Russian financial institution to move into the Crimean peninsula.

Both were sanctioned. While Sater (who seems to have knowingly set this trap) dismissed the import of the sanctions, Cohen clearly knew – and left record that he knew in communications with Sater – that they were the intended

fundere.

A former GRU officer contact of Sater's was key to obtaining funding from VTB.

This friend is a former member of the GRU, Russia's military intelligence unit that the US intelligence community believes interfered during the 2016 election.

[snip]

[On December 19], Sater told Cohen that their invitations and visas were being arranged by VTB Bank, and that Kostin, the bank's powerful president and chairman, would meet Cohen in Moscow. Key to getting VTB on board was the former GRU spy; Sater told congressional and special counsel investigators that the former spy said he had a source at VTB Bank who would support the deal.

Obtaining funding from GenBank would have relied on Putin and Peskov.

Sater told Cohen that GenBank operates "through Putin's administration and nothing gets done there without approval from the top. The meetings in Moscow will be with ministers – in US, that's cabinet-level and with Putin's top administration people. This likely will include Dmitry Peskov, Putin's press secretary. To discuss goals, meeting agenda and meeting time between Putin and Trump."

The BuzzFeed article makes it clear that Sater's GRU contact got back involved after Cohen's conversation with Peskov's assistant.

All of which is to say that when Cohen called Peskov's assistant, he would have told her that he was speaking on behalf of Donald Trump, that Trump remained interested in a Trump Tower in Moscow (as he had been in 2013, the last time

Putin had dangled a personal meeting with Trump), and that on Trump's behalf Cohen was willing to discuss making a deal involving both a sanctioned bank (whichever one it was) and a former GRU officer.

So it's not just that Trump was pursuing a real estate deal while running for President. He was pursuing a real estate deal involving a sanctioned bank – possibly one sanctioned for its involvement in Crimea – and involving someone with ties to the intelligence agency that was preparing to hack Hillary Clinton's campaign manager.

Cohen told Peskov's assistant Trump was willing to negotiate that deal while running for President. The assistant wrote all that down (how Mueller knows this is an interesting question on its own right). And then she or Peskov passed on at least the content of the notes to get Putin's office to contact Sater.

And all that happened before Trump performed unexpectedly well in the Iowa caucuses on February 1.

Last year, I argued that – pee tape or no – the kompromat Putin has on Trump consists of a series of receipts of Trump formally communicating his willingness to enter into a conspiracy with Russia, receipts that would be devastating if Putin released them.

Trump and the Russians were engaged in a call-and-response, a call-and-response that appears in the Papadopoulos plea and (as Lawfare notes) the GRU indictment, one that ultimately did deal dirt and got at least efforts to undermine US sanctions (to say nothing of the Syria effort that Trump was implementing less than 14 hours after polls closed, an effort that has been a key part of both Jared Kushner and Mike Flynn's claims about the Russian interactions).

At each stage of this romance with

Russia, Russia got a Trump flunkie (first, Papadopoulos) or Trump himself to publicly engage in the call-and-response. All of that led up to the point where, on July 16, 2018, after Rod Rosenstein loaded Trump up with a carefully crafted indictment showing Putin that Mueller knew certain things that Trump wouldn't fully understand, Trump came out of a meeting with Putin looking like he had been thoroughly owned and stood before the entire world and spoke from Putin's script in defiance of what the US intelligence community has said.

People are looking in the entirely wrong place for the kompromat that Putin has on Trump, and missing all the evidence of it right in front of their faces.

Vladimir Putin obtained receipts at each stage of this romance of Trump's willing engagement in a conspiracy with Russians for help getting elected. Putin knows what each of those receipts mean.

What Cohen's plea deal makes clear is that Putin pocketed the first of those receipts – a receipt showing Trump's willingness to work with both sanctioned banks and the GRU – even before the first vote was cast. Even before GRU hacked its first Democratic target (though APT 29 had been spying on the Democrats since the previous summer).

Discussing a real estate deal is not, as Trump has repeated, illegal. If that's all this were about, Trump and Cohen might not have lied about it.

But it's not. Even before the GRU hacked John Podesta, even before Don Jr told his June 9 visitors that his dad would consider lifting sanctions if he got elected, Michael Cohen let a key Putin deputy know that Trump would be happy to discuss real estate deals that involved both

partnering with the GRU and with sanctioned banks.

And Putin has been sitting on that receipt ever since.

Update: 22-paragraphs into a 1400-word story on the latest developments in the Trump Tower Moscow story yesterday, the NYT revealed the name of the officer, without explaining why the connection is important to the larger story of a GRU-led operation targeting the US election.

One of the people Mr. Sater contacted was Evgeny Shmykov, a former general in Russian military intelligence who once worked with anti-Taliban fighters in Afghanistan. Mr. Sater appears to have seen Mr. Shmykov as a conduit to get Russian government approval for the Trump project.

According to emails reviewed by The Times, Mr. Sater sent an urgent message to Mr. Cohen in late 2015 saying that Mr. Shmykov was on the phone and he needed passport information for Mr. Cohen and Mr. Trump so they could receive visas.

As I disclosed in July, I provided information to the FBI on issues related to the Mueller investigation, so I'm going to include disclosure statements on Mueller investigation posts from here on out. I will include the disclosure whether or not the stuff I shared with the FBI pertains to the subject of the post.