

WHAT WE KNOW ABOUT THE “OTHER” INVESTIGATION ABOUT WHICH PAUL MANAFORT LIED

In this post, I noted that another investigation that Paul Manafort had been questioned about while he was purportedly cooperating could not be Steve Calk, as I and others had previously assumed. The breach hearing transcript makes it clear that’s not true for several reasons, including the length of the names of the key players, and the fact that this involved “saving the candidate.”

In this post, I’d like to lay out what we do know about that other investigation.

Effectively, Manafort was asked some questions in a proffer session before his plea on September 13, in response to which he offered information that implicated someone with a 7-character name. [These dates are in the government’s January 15 filing at 23.] Then, in a debriefing on October 5, he changed his story to make it less incriminating – and to match the story the subject of the investigation was telling to the FBI at the time (last fall). When pressed by his lawyers, Manafort mostly changed his story back to what it had been. But the head fake made Manafort useless as a witness against this person.

Judge Amy Berman Jackson summed up this change this way:

The allegation is that the defendant offered a version of events that downplayed [redacted; “the President’s” or “the Candidate”s might fit] role and/or his knowledge. Specifically, his knowledge of any prior involvement of the [16-17 character redaction] that was

inconsistent with and less incriminating of [7 character redaction] than what he had already said during the proffer stage and now consistent with what Mr. [7 character redaction] himself was telling the FBI.

This investigation pertains to events that happened “prior to [Manafort] leaving the campaign (on August 19).” [January 15 filing at 26]

As Andrew Weissman described in the breach hearing, Manafort’s version of the story first came when prosecutors, “were asking questions about an e-mail that Mr. [5 character name] had written about a potential way of saving the candidate. That’s sort of paraphrasing it. And this was a way of explaining, or explaining away that e-mail.” In the January 15 filing, this conversation arises to explain “a series of text messages.” [See 25]

Weissmann describes that the revised story Manafort told was, “quite dramatically different. This is not I forgot something or I need to augment some details of a basic core set of facts.” Manafort’s original story involved Mr. [7 character redaction] providing information about a [redacted] who was doing something. Manafort appears to have made a representation about what Mr. [7 character name] believed about that (likely important to proving intent).

But in the second session, Manafort appears to have shifted the blame, implicating Mr. [5 character name] whom, “Mr. Manafort had previously said, I did not want to be involved in this at all,” but leaving out what Mr. [7 character name] had said. Manafort’s testimony effectively left out that when Mr. [5 character name] had called previously, Manafort had said, “I’m on it, don’t get involved.” It *appears* that Weissmann surmised that Manafort changed the story because his version would make it central to the question of criminality [this might be a

reference to being related to the Mueller investigation], so he revised it in an attempt to avoid providing anything that might be helpful to implicating Mr. [7 character name].

Weissmann argues that the lie is important because it effectively made Manafort useless as a witness.

I don't think adversely impact is the standard, but when – assuming that the Court were to find there is a lie, that is the adverse impact in terms of the utility that can be made of the cooperating witness.

While ABJ doesn't seem to think it one of Manafort's most egregious lies, she does recognize that it meets the materiality standard of a false statements charge.

Weissmann: I do think if the Court was trying to address also the issue of whether it hits all the elements of a false statement in terms of is it material to an investigation, I mean, what we've tried to do with each of these is put in enough context to show the materiality here, the whole –

THE COURT: I understand the materiality in this circumstance.

When Richard Westling tries to dismiss all this as just Manafort getting off to a bad start one day, ABJ corrects him and makes it clear he has substituted one fact for another.

THE COURT: I do think, to quibble with maybe the first thing you said, where you said he started at the level of generality and didn't add the same amount of detail he added the first time, but then he was happy to add the details, that's very different than telling a different detail than the detail you provided the first time. I

don't think that's quite a – it was a very generous characterization.

The investigation is in another district. The initial government 12/7 filing says that explicitly at 8. The breach filing at 112 says they had the other investigative team “come here.”

This could be the hush payments (investigated in SDNY), but Michael Cohen – if he's the 5-character name redacted – never said he didn't want to be involved in those.

It could also involve Manafort's burgeoning FARA scandal: Vin Weber or Greg Craig could be the 5-character name, and Tony Podesta could be the 7-character name (though I doubt Manafort would perjure himself at this point to save Podesta, particularly at the detriment of Weber). The timing would work perfectly, as would the timing of the subject of this investigation talking to the FBI last fall. But it's not clear that that burgeoning investigation ever really required “saving the candidate,” as the 5-character person seems to have deemed the issue.

Given the timing, it might involve the PsyGroup offer, but with Jared Kushner rather than Don Jr playing the starring role. That would mean that offer of foreign assistance investigation would have been moved to another district, possibly SDNY like the rest of things. Rick Gates was in the loop on that, but they wouldn't have redacted his name if he were the 5-character named person involved.

Update: This morning, The New Yorker published this on PsyGroup's efforts to win business in the 2016 election, with a description of the FBI's investigation of them. It describes Joel Zamel pitching Jared Kushner, as well as the known outreach to Rick Gates and Don Jr.

During the 2016 Presidential race, the company pitched members of Donald Trump's campaign team on its ability to influence the results. Psy-Group's

owner, Joel Zamel, even asked Newt Gingrich, the former House Speaker, to offer Zamel's services to Jared Kushner, Trump's son-in-law.

[snip]

In early May, 2016, Zamel sent an e-mail to Gingrich, saying that he could provide the Trump campaign with powerful tools that would use social media to advance Trump's chances. Zamel suggested a meeting in Washington to discuss the matter further. Gingrich forwarded the e-mail to Jared Kushner and asked if the campaign would be interested. Kushner checked with others on the campaign, including Brad Parscale, who ran Web operations. According to a person familiar with the exchange, Parscale told Kushner that they didn't need Zamel's help. (A 2016 campaign official said, "We didn't use their services.")

And while someone claimed they didn't use PsyGroup's services, Zamel reportedly bragged to George Nader after the election that he had helped get Trump elected.

But, according to the Nader representative, shortly after the election Zamel bragged to Nader that he had conducted a secret campaign that had been influential in Trump's victory. Zamel agreed to brief Nader on how the operation had worked. During that conversation, Zamel showed Nader several analytical reports, including one that described the role of avatars, bots, fake news, and unattributed Web sites in assisting Trump. Zamel told Nader, "Here's the work that we did to help get Trump elected," according to the Nader representative. Nader paid Zamel more than two million dollars, but never received copies of the reports, that person said.

If Don Jr. handed the PsyGroup pitch onto Jared and Manafort, it might mean that the other investigation is one into PsyGroup.

As I disclosed last 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.