

# THE MOSCOW PROJECT

## Michael Flynn's "Middle East Marshall Plan," Explained

The Mueller investigation is pursuing investigative threads related to the UAE and possible corruption that seemingly have little connection to an investigation into collusion with Russia—but these two investigative threads may in fact be directly connected by way of the “Middle East Marshall Plan” backed by Michael Flynn.

There has been intense speculation around a [mysterious meeting](#) in the Seychelles between representatives of the Trump administration and Russia. Right before Trump’s inauguration, Erik Prince, a prominent Trump backer and founder of the Blackwater private security company, met with:

- UAE Crown Prince Mohamed Bin Zayed (MbZ)
- George Nader, a lobbyist for the UAE lobbyist who is now cooperating with the Mueller investigation, and
- Kirill Dmitriev, the head of the Russia Direct Investment Fund (RDIF), Russia’s sovereign wealth fund.

The Washington Post [reported](#) in March that, according to people familiar with the matter, this meeting “was an effort to establish a back channel between the incoming administration and the Kremlin.” The backchannel explanation certainly fits an established pattern — Jared Kushner just a month earlier had [suggested](#) one to Russia’s ambassador using their Washington embassy. But this explanation is difficult to comprehend for a few reasons.

- **Why involve an outside third-party like the UAE when Trump associates and the Kremlin were already secretly meeting about creating a backchannel?** Trump’s associates were already in [frequent touch](#) with the Russians, with at least two direct meetings and at least five phone calls between the Trump transition team and the Kremlin just in December alone. If a backchannel is going to be as secret as possible, why include outsiders?
- **Why would MbZ, one of the most powerful leaders in the Middle East, be involved?** MbZ would be the one who communicates through a back channel. Setting them up is beneath his stature. While the UAE would want the Russians to change its Middle East policy, as the Washington Post suggested, if MbZ wanted that communicated he would do so directly to the leadership of the US and Russia, not through lower-level intermediaries.

Setting up a back channel might have been *an* objective of this meeting, but it seems doubtful it was *the* objective. In fact, the New York Times just [reported](#) that the meeting was “brokered *in part* to explore the possibility of a back channel.” So what was the other *part*? One possibility is that they were there to cut a deal.

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The real story may lie in the so-called “Trump/Putin Middle East Marshall Plan Concept,” a plan pushed by an American company with ties to Michael Flynn that became an immediate and major priority of the Trump White House. It was the kind of deal that would be central to any *quid pro quo* relating to Russia’s election interference and sanctions relief, and large enough to pull in the Gulf states too.

## The Plan and its Backers

The so-called Middle East Marshall Plan was a [convoluted idea](#) that brought the US and Russia together to build nuclear power plants in the Middle East, possibly in conjunction with Ukrainian, Israeli, and French interests. The Russians would manufacture much of the nuclear equipment, while the US would provide certain nuclear technology as well as security for the plants to limit the proliferation risk. [Hundreds of billions of dollars](#) in funding for the scheme would come from the Gulf States, particularly the UAE and Saudi Arabia. Thus, the three critical players in this scheme would be the US, Russia, and a wealthy Gulf state (or states) — perfectly mirroring the representatives at the Seychelles meeting.

Similar plans had been floating around for years and had been pitched to the Obama administration State Department, where they were non-starters, particularly after Russia’s seizure of Crimea and subsequent US sanctions. However, with Trump, the idea came back to life.

Little more than a week after the 2016 election, a company pushing the plan, ACU Strategic Partners, “[bragged](#)” they had the backing of Michael Flynn, incoming National Security Adviser. One [ACU email](#) obtained by Reuters from mid-November 2016 said that Flynn had “always been enthusiastic about the project and its objectives, including its role in stabilizing and strengthening US-Russia relations.”

Flynn’s enthusiasm for the plan was understandable; he [worked as an advisor](#) to ACU from April 2015 to June 2016 (he was paid more than \$5,000) and [went on a trip](#) in June 2015 to Egypt and Israel to lobby on behalf of the project. From August-December 2016, Flynn was an advisor to IP3, another company pushing a similar plan that was backed by former Reagan National Security Adviser Bud McFarlane (*ProPublica* reported, “McFarlane disputed that account but repeatedly declined to specify any inaccuracies.”) According to the Wall Street Journal, Flynn also [connected](#) Tom Barrack to “one of the project’s backers. The suggestion kicked off a series of conversations between Mr. Barrack... and Mr. Flynn’s former colleagues, as well as Mr. Kushner.”

## The Rationale

The deal had three main rationales motivating the various parties.

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1. **The Middle East Marshall Plan would have provided an excuse to remove sanctions against Russia.**
  - a) US businesses would need to work with sanctioned Russian entities. Striking a deal that the Administration could sell as bringing power and economic development to the Middle East, as well as bolstering the struggling US civilian nuclear industry, might have softened Congressional support for sanctions, particularly among [Republicans](#).
  
2. **The deal would involve potentially hundreds of billions of dollars in profit.**
  - a) **Why Erik Prince would care:** Corporate documents projected the plan would [generate](#) “\$250 billion in revenue for US companies.” Billions of dollars from a project requiring a lot of private security would pique the interest of Prince, head of a private security company.
  - b) **Why Tom Barrack would care:** Tom Barrack was reportedly looking to invest in the US nuclear industry, which would have received a huge windfall.
  - c) **Why Russia would care:** This deal could also involve massive investment in Russian state-owned companies, which could explain why the CEO of RDIF, Kirill Dmitriev was at the Seychelles meeting. Dmitriev is close to Putin and is charged with [shepherding](#) foreign investment into Russia.
  
3. **There was an economic policy and geopolitical incentive.**
  - a) Middle Eastern countries are legitimately seeking nuclear power to support their growing populations. The Gulf states’ participation would have supported regional economic development.
  - b) More fundamentally, this would also serve a broader geostrategic objective for the Gulf. As part of this deal, Russia would likely need to shift or soften its approach toward Iran and Syria. In exchange, they would not only receive a huge economic windfall, but would become more closely aligned with the US and the wealthy Gulf states.
  - c) For the UAE, a deal like this would cement a relationship with the new Trump administration. MbZ’s attendance - even though the other attendees were far lower ranking - could be explained by the huge investment required and the potential geopolitical stakes.

## The Push to Implement

January 20<sup>th</sup>, at 12:11 PM - eleven minutes after Trump was sworn into office: In what was likely his first act as US National Security Adviser, Flynn, according to a whistleblower who spoke to Congress, allegedly [texted](#) Alex Copson, the managing partner of ACU, saying “good to go.”

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If Flynn was “good to go” and ready to start implementing the plan on day one, what kind of groundwork had been laid during the transition?

The dizzying timeline of meetings and contacts during the transition tracks with a concerted effort to push the Middle East Marshall Plan.

- November 2016: ACU [pushes](#) the plan to Flynn.
- December 1 or 2: Flynn and Kushner [meet](#) with Ambassador Kislyak in Trump Tower where Kushner suggests using a backchannel through the Russian embassy.
- December 5: Flynn and IP3’s McFarlane are [photographed](#) in the Trump Tower lobby together.
- December 13<sup>th</sup> or 14<sup>th</sup>: Kushner [meets](#) with Sergei Gorkov, the head of Vnesheconombank (RDIF was [spun-off](#) from VEB), in Trump Tower.
  - There are differing explanations for this meeting, with Gorkov saying Kushner was representing his family’s company and Kushner [saying](#) the meeting was “unrelated to personal business” – of course the Middle East Marshall Plan involved both.
- December 14/15<sup>th</sup>: Gorkov then [flies to Japan](#) where Vladimir Putin is on an official visit.
- December 16: Flynn, Kushner, and Steve Bannon have a [three hour meeting](#) with MBZ in Trump Tower.
  - The meeting [irked](#) the Obama administration, as MbZ did not notify them of his trip to the US.
- December 29: Flynn has [five phone calls](#) with Kislyak where they discuss sanctions. This conversation prompts Deputy Attorney General Sally Yates to later express concerns about Flynn’s [“underlying conduct.”](#)
- Early January: Flynn [“talked favorably about the deal”](#) with Tom Barrack, head of the inauguration.
- January 11<sup>th</sup>: Seychelles meeting occurs.
  - The *Intercept* [reports](#) that “Alexander Mashkevich, a Kazakh businessman [linked](#) to a [shady](#) Trump [investment](#) vehicle known as [Bayrock](#), also arrived to meet with Zayed, who was ‘holding court’ at his mansion on the island, according to a source familiar with the meetings. Abdulrahman Khalid bin Mahfouz, a Saudi billionaire whose grandfather founded the first Saudi private bank and whose [father](#) allegedly helped Al Qaeda, was also present.”
- January 17-20<sup>th</sup>: At the Davos World Economic Forum, Anthony Scaramucci [meets](#) with Dmitriev. He also gives an [interview](#) to the Russian news outlet TASS, as a Trump advisor, disparaging sanctions and suggesting US and Russia have [“common objectives.”](#)
- January 20<sup>th</sup>, 12:11pm: Flynn allegedly [texts](#) “good to go.”
  - Copson also [reportedly](#) says that “Mike has been putting everything in place for us” and that “This is going to make a lot of very wealthy people.”
  - He also allegedly says that Flynn planned to “ripped up” sanctions upon entering office.

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In his first week in office, Flynn pushed to get the plan approved, shocking NSC staffers.

- Flynn received an [email](#) from McFarlane in late January 2017, containing [documents](#) outlining the plan and a draft memo for Trump signature. Flynn told NSC staff to formalize the proposals for Trump to sign.
  - Reuters [reported](#) two US officials said the Flynn policy document was about working with Russia.
- In response, career officials on the NSC notified the NSC lawyers about Flynn’s potential conflict of interest.
- Harvey, according to [ProPublica](#), even discussed the proposal with Tom Barrack and his representative, the now-indicted Rick Gates.
  - Barrack was rumored to be under consideration for a top Middle East job, but instead of going into the Administration, he and Gates were [reportedly](#) “seeking investment ideas based on the administration’s Middle East policy,” such as by investing in US nuclear company Westinghouse.
- After Flynn was fired, Derek Harvey, his Senior Director for the Middle East (who [joined](#) Devin Nunes’ House Intelligence Committee Staff after he was later fired from the NSC), continued to [push](#) the plan.
  - The scheme ultimately lost momentum as the Russia scandal exploded.

The flurry of activity around the Middle East Marshall Plan in the crucial first weeks of the new administration demonstrate the priority it was given by Flynn and others. And since this was prioritized from day one, it is reasonable to assume it was prioritized during the transition.

The Middle East Marshall Plan involved lifting Russian sanctions, a key desire of the Kremlin. **Was this follow through on a *quid-pro-quo* -- lifting sanctions in return for Russian interference in the 2016 election?**

The scheme also involved [hundreds of billions of dollars](#) and would have generated enormous profits for the individuals and companies involved. **If this scheme was pushed with MbZ at the Seychelles meeting, it would have immediately signaled that this White House can be influenced by money.**

As Mueller investigates Russian collusion with the Trump campaign, he may also be coming across other compromising entanglements involving Trump figures – prompting an investigative thread into official [corruption](#). The timeline of activity around the Middle East Marshall Plan during the transition shows that that this was a priority for Flynn. We may soon find out this was a priority for the Seychelles meeting too.