

# A Family Business of Perpetual War

**Exclusive:** Victoria Nuland and Robert Kagan have a great mom-and-pop business going. From the State Department, she generates wars and from op-ed pages he demands Congress buy more weapons. There's a pay-off, too, as grateful military contractors kick in money to think tanks where other Kagans work, writes Robert Parry.

By Robert Parry

Neoconservative pundit Robert Kagan and his wife, Assistant Secretary of State Victoria Nuland, run a remarkable family business: she has sparked a hot war in Ukraine and helped launch Cold War II with Russia and he steps in to demand that Congress jack up military spending so America can meet these new security threats.

This extraordinary husband-and-wife duo makes quite a one-two punch for the Military-Industrial Complex, an inside-outside team that creates the need for more military spending, applies political pressure to ensure higher appropriations, and watches as thankful weapons manufacturers lavish grants on like-minded hawkish Washington think tanks.

Not only does the broader community of neoconservatives stand to benefit but so do other members of the Kagan clan, including Robert's brother Frederick at the American Enterprise Institute and his wife Kimberly, who runs her own shop called the Institute for the Study of War.

Robert Kagan, a senior fellow at the Brookings Institution (which doesn't disclose details on its funders), used his prized perch on the Washington Post's op-ed page on Friday to bait Republicans into abandoning the sequester caps limiting the Pentagon's budget, which he calculated at about \$523 billion (apparently not counting extra war spending). Kagan called on the GOP legislators to add at least \$38 billion and preferably more like \$54 billion to \$117 billion:

"The fact that [advocates for more spending] face a steep uphill battle to get even that lower number passed by a Republican-controlled Congress says a lot, about Republican hypocrisy. Republicans may be full-throated in denouncing [President Barack] Obama for weakening the nation's security, yet when it comes to paying for the foreign policy that all their tough rhetoric implies, too many of them are nowhere to be found.

"The editorial writers and columnists who have been beating up Obama and cheering the Republicans need to tell those Republicans, and their own readers,

that national security costs money and that letters and speeches are worse than meaningless without it.

“It will annoy the part of the Republican base that wants to see the government shrink, loves the sequester and doesn’t care what it does to defense. But leadership occasionally means telling people what they don’t want to hear. Those who propose to lead the United States in the coming years, Republicans and Democrats, need to show what kind of political courage they have, right now, when the crucial budget decisions are being made.”

So, the way to show “courage” in Kagan’s view is to ladle ever more billions into the Military-Industrial Complex, thus putting money where the Republican mouths are regarding the need to “defend Ukraine” and resist “a bad nuclear deal with Iran.”

Yet, if it weren’t for Nuland’s efforts as Assistant Secretary of State for European Affairs, the Ukraine crisis might not exist. A neocon holdover who advised Vice President Dick Cheney, Nuland gained promotions under former Secretary of State Hillary Clinton and received backing, too, from current Secretary of State John Kerry.

Confirmed to her present job in September 2013, Nuland soon undertook an extraordinary effort to promote “regime change” in Ukraine. She personally urged on business leaders and political activists to challenge elected President Viktor Yanukovych. She reminded corporate executives that the United States had invested \$5 billion in their “European aspirations,” and she literally passed out cookies to anti-government protesters in Kiev’s Maidan square.

Working with other key neocons, including National Endowment for Democracy President Carl Gershman and Sen. John McCain, Nuland made clear that the United States would back a “regime change” against Yanukovych, which grew more likely as neo-Nazi and other right-wing militias poured into Kiev from western Ukraine.

In early February 2014, Nuland discussed U.S.-desired changes with U.S. Ambassador to Ukraine Geoffrey Pyatt (himself a veteran of a “regime change” operation at the International Atomic Energy Agency, helping to install U.S. yes man Yukiya Amano as the director-general in 2009).

Nuland treated her proposed new line-up of Ukrainian officials as if she were trading baseball cards, casting aside some while valuing others. “Yats is the guy,” she said of her favorite Arseniy Yatsenyuk.

Disparaging the less aggressive European Union, she uttered “Fuck the EU” and brainstormed how she would “glue this thing” as Pyatt pondered how to “mid-wife this thing.” Their unsecure phone call was intercepted and leaked.

## Ukraine's 'Regime Change'

The coup against Yanukovich played out on Feb. 22, 2014, as the neo-Nazi militias and other violent extremists overran government buildings forcing the president and other officials to flee for their lives. Nuland's State Department quickly declared the new regime "legitimate" and Yatsenyuk took over as prime minister.

Russian President Vladimir Putin, who had been presiding over the Winter Olympics at Sochi, was caught off-guard by the coup next door and held a crisis session to determine how to protect ethnic Russians and a Russian naval base in Crimea, leading to Crimea's secession from Ukraine and annexation by Russia a year ago.

Though there was no evidence that Putin had instigated the Ukraine crisis and indeed all the evidence indicated the opposite the State Department peddled a propaganda theme to the credulous mainstream U.S. news media about Putin having somehow orchestrated the situation in Ukraine so he could begin invading Europe. Former Secretary of State Clinton compared Putin to Adolf Hitler.

As the new Kiev government launched a brutal "anti-terrorism operation" to subdue an uprising among the large ethnic Russian populations of eastern and southern Ukraine, Nuland and other American neocons pushed for economic sanctions against Russia and demanded arms for the coup regime. [See Consortiumnews.com's "[What Neocons Want from Ukraine Crisis.](#)"]

Amid the barrage of "information warfare" aimed at both the U.S. and world publics, a new Cold War took shape. Prominent neocons, including Nuland's husband Robert Kagan, a co-founder of the Project for the New American Century which masterminded the Iraq War, hammered home the domestic theme that Obama had shown himself to be "weak," thus inviting Putin's "aggression."

In May 2014, Kagan published a lengthy essay in *The New Republic* entitled "[Superpowers Don't Get to Retire,](#)" in which Kagan castigated Obama for failing to sustain American dominance in the world and demanding a more muscular U.S. posture toward adversaries.

According to a New York Times [article](#) about how the essay took shape and its aftermath, writer Jason Horowitz reported that Kagan and Nuland shared a common world view as well as professional ambitions, with Nuland editing Kagan's articles, including the one tearing down her ostensible boss.

Though Nuland wouldn't comment specifically on her husband's attack on Obama, she indicated that she held similar views. "But suffice to say," Nuland said, "that nothing goes out of the house that I don't think is worthy of his talents."

Let's put it that way."

Horowitz reported that Obama was so concerned about Kagan's assault that the President revised his commencement speech at West Point to deflect some of the criticism and invited Kagan to lunch at the White House, where one source told me that it was like "a meeting of equals." [See Consortiumnews.com's "[Obama's True Foreign Policy 'Weakness.'](#)"]

### **Sinking a Peace Deal**

And, whenever peace threatens to break out in Ukraine, Nuland jumps in to make sure that the interests of war are protected. Last month, German Chancellor Angela Merkel and French President Francois Hollande hammered out a plan for a cease-fire and a political settlement, known as Minsk-2, prompting Nuland to engage in more behind-the-scenes maneuvering to sabotage the deal.

In another overheard conversation – in Munich, Germany – Nuland mocked the peace agreement as "Merkel's Moscow thing," according to the German newspaper *Bild*, citing unnamed sources, likely from the German government which may have bugged the conference room in the luxurious Bayerischer Hof hotel and then leaked the details.

Picking up on Nuland's contempt for Merkel, another U.S. official called the Minsk-2 deal the Europeans' "Moscow bullshit."

Nuland suggested that Merkel and Hollande cared only about the practical impact of the Ukraine war on Europe: "They're afraid of damage to their economy, counter-sanctions from Russia." According to the *Bild* story, Nuland also laid out a strategy for countering Merkel's diplomacy by using strident language to frame the Ukraine crisis.

"We can fight against the Europeans, we can fight with rhetoric against them," Nuland reportedly said.

NATO Commander Air Force Gen. Philip Breedlove was quoted as saying that sending more weapons to the Ukrainian government would "raise the battlefield cost for Putin." Nuland interjected to the U.S. politicians present that "I'd strongly urge you to use the phrase 'defensive systems' that we would deliver to oppose Putin's 'offensive systems.'"

Nuland sounded determined to sink the Merkel-Hollande peace initiative even though it was arranged by two major U.S. allies and was blessed by President Obama. And, this week, the deal seems indeed to have been blown apart by Nuland's hand-picked Prime Minister Yatsenyuk, who inserted a poison pill into the legislation to implement the Minsk-2 political settlement.

The Ukrainian parliament in Kiev added a clause that, in effect, requires the rebels to first surrender and let the Ukrainian government organize elections before a federalized structure is determined. Minsk-2 had called for dialogue with the representatives of these rebellious eastern territories en route to elections and establishment of broad autonomy for the region.

Instead, reflecting Nuland's hard-line position, Kiev refused to talks with rebel leaders and insisted on establishing control over these territories before the process can move forward. If the legislation stands, the result will almost surely be a resumption of war between military forces backed by nuclear-armed Russia and the United States, a very dangerous development for the world. [See Consortiumnews.com's "[Ukraine's Poison Pill for Peace Talks.](#)"]

Not only will the Ukrainian civil war resume but so will the Cold War between Washington and Moscow with lots of money to be made by the Military-Industrial Complex. On Friday, Nuland's husband, Robert Kagan, drove home that latter point in the neocon Washington Post.

### **The Payoff**

But don't think that this unlocking of the U.S. taxpayers' wallets is just about this one couple. There will be plenty of money to be made by other neocon think-tankers all around Washington, including Frederick Kagan, who works for the right-wing American Enterprise Institute, and his wife, Kimberly, who runs her own think tank, the Institute for the Study of War [ISW].

According to ISW's annual reports, its original supporters were mostly right-wing foundations, such as the Smith-Richardson Foundation and the Lynde and Harry Bradley Foundation, but it was later backed by a host of national security contractors, including major ones like General Dynamics, Northrop Grumman and CACI, as well as lesser-known firms such as DynCorp International, which provided training for Afghan police, and Palantir, a technology company founded with the backing of the CIA's venture-capital arm, In-Q-Tel. Palantir supplied software to U.S. military intelligence in Afghanistan.

Since its founding in 2007, ISW has focused mostly on wars in the Middle East, especially Iraq and Afghanistan, including closely cooperating with Gen. David Petraeus when he commanded U.S. forces in those countries. However, more recently, ISW has begun reporting extensively on the civil war in Ukraine. [See Consortiumnews.com's "[Neocons Guided Petraeus on Afghan War.](#)"]

In other words, the Family Kagan has almost a self-perpetuating, circular business model working the inside-corridors of government power to stimulate wars while simultaneously influencing the public debate through think-

tank reports and op-ed columns in favor of more military spending and then collecting grants and other funding from thankful military contractors.

To be fair, the Nuland-Kagan mom-and-pop shop is really only a microcosm of how the Military-Industrial Complex has worked for decades: think-tank analysts generate the reasons for military spending, the government bureaucrats implement the necessary war policies, and the military contractors make lots of money before kicking back some to the think tanks – so the bloody but profitable cycle can spin again.

The only thing that makes the Nuland-Kagan operation special perhaps is that the whole process is all in the family.

**Investigative reporter Robert Parry broke many of the Iran-Contra stories for The Associated Press and Newsweek in the 1980s. You can buy his latest book, *America's Stolen Narrative*, either in [print here](#) or as an e-book (from [Amazon](#) and [barnesandnoble.com](#)). You also can order Robert Parry's trilogy on the Bush Family and its connections to various right-wing operatives for only \$34. The trilogy includes *America's Stolen Narrative*. For details on this offer, [click here](#).**

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