

ELLIOTT ABRAMS GAVE THE ISRAELIS A HALL PASS

The Israelis say that George Bush gave them written permission to expand settlements in the West Bank.

A letter that President Bush personally delivered to then-Israeli Prime Minister Ariel Sharon four years ago has emerged as a significant obstacle to the president's efforts to forge a peace deal between the Israelis and Palestinians during his last year in office.

Ehud Olmert, the current Israeli prime minister, said this week that Bush's letter gave the Jewish state permission to expand the West Bank settlements that it hopes to retain in a final peace deal, even though Bush's peace plan officially calls for a freeze of Israeli settlements across Palestinian territories on the West Bank. In an interview this week, Sharon's chief of staff, Dov Weissglas, said **Secretary of State Condoleezza Rice reaffirmed this understanding in a secret agreement reached between Israel and the United States in the spring of 2005, just before Israel withdrew from Gaza.**

The part of this story that you'll really like, though, is that Colin Powell says he never made such an agreement.

Weissglas said that the letter built upon a prior understanding between then-Foreign Minister Shimon Peres and then-Secretary of State Colin L. Powell, which would allow Israel to build up settlements within existing construction lines. But Powell denied that. "I never

agreed to it," he said in an e-mail.

Whereas Weissglas admits that the final settlement came in an agreement with Iran-Contra alum Elliott Abrams.

Weissglas said he then negotiated a "verbal understanding" with deputy national security adviser Elliott Abrams that would permit new construction in those key settlements; Rice and Sharon then approved the Weissglas-Abrams deal. "I do not recall that we had any kind of written formulation," Weissglas said.

Would it surprise anyone that Elliott Abrams concluded some super-secret, cross-my-fingers, Neocons-only deal with the Israelis? Or that Condi Rice, agreed to that settlement, but now pretends she didn't?

There's one part of this purported settlement, though, that is especially lovely. In true Neocon fashion, they used "market demand" as their fig leaf to rationalize the new settlements.

Israel could add homes in settlements expected to keep, as long as the construction was dictated by market demand, not subsidies.

It sounds like a remarkable piece of Elliott Abrams work: the West Bank for Gaza, in another freelance, off-the-books act of foreign policy, all the while enshrining the sanctity of the market.