#### IN THE NEWS

#### Italy offers to lead U.N. force

Italy said it would lead a U.N. peacekeeping force in southern Lebanon.

Italy's president, Romano Prodi, told U.N. Secretary-General Kofi Annan on Monday that Italy would be willing to lead the force, which is seen as crucial to efforts to prevent future Israel-Hezbollah violence.

Annan is expected to make a decision on Italy's offer this weekend, Prodi said.

Meanwhile, the U.S. ambassador to the United Nations, John Bolton, said the United States is planning to introduce a new resolution that would clarify how the force would disarm Hezbollah.

## Olmert pressed on war inquiry

Ehud Olmert is under pressure to establish a state commission of inquiry to investigate how officials handled Israel's war with Hezbollah.

The Israeli prime minister told the attorney general to see what alternatives exist for such an investigation, ranging from inquiries that would be made public to those that might remain confidential within the Cabinet

Meanwhile, criticism of how the war was conducted is mounting. Petitions have been circulating by reserve soldiers who have returned from fighting in Lebanon with long lists of complaints.

#### President Bush wants peacekeepers deployed

President Bush called for a quick deployment of peacekeepers in Lebanon.

"The need is urgent," Bush said Monday during a news conference at the White House. Bush's comments came after European nations that had been expected to lead the force said they would wait until the mission was more clearly defined.

# WORLD REPORT

PUBLISHED WEEKDAYS BY JTA-THE GLOBAL NEWS SERVICE OF THE JEWISH PEOPLE, WWW.JTA.ORG

# With guns now silent, public in Israel turns on its leaders

By LESLIE SUSSER

ERUSALEM (JTA) — Public anger is mounting over the way Israel's government and generals conducted the war in Lebanon, as reserve soldiers returning from the front tell their stories and demand a thorough shake-up.

The dark public mood could lead to the establishment of a state commission of in-

quiry, which could put the future of Prime Minister Ehud Olmert's coalition government in jeopardy and see heads roll among the military top brass.

The situation is further complicated by the fact that a number of Israeli leaders, most of them in the ruling Kadima Party, have been indicted or are under investigation.

Justice Minister Haim Ramon resigned Sunday after being charged with sexual harassment; Tzachi Hanegbi, chairman of the Knesset's Foreign Affairs and Defense Committee, is to be tried for appointing dozens of political cronies to government jobs when he was a Cabinet minister; Olmert himself, deputy Prime Minister Shimon Peres, Finance Minister Avraham Hirschson and Kadima Party whip Avigdor Yitzhaki all are being investigated for suspected financial impropriety; and President Moshe Katsav is being investigated for suspected sexual harassment.

Making things even worse for the current political-military leadership, the Israel Defense Forces' chief of staff, Lt. Gen. Dan Halutz, has admitted selling stock shares July 12, several hours after the war began.

The move raised eyebrows across the

country, though it did not involve any insider knowledge or breach of the law.

The rising tide of public anger comes as Israel's political and security problems seem more acute than they have in some time.

The military threat posed by a wouldbe nuclear Iran and its allies looms large — but, at the same time, some voices in Lebanon, Syria and among the Palestinians

are calling for a comprehensive peace.

But would Israelis trust their current leadership to see them through another war or a major peacemaking effort?

Reserve soldiers are taking the lead in public protests against the political and military echelons. One group is demonstrating outside the Prime Minister's Office, demanding that Olmert, Halutz and Defense Minister Amir Peretz resign.

Another group, in a letter printed on the front pages of Monday's newspapers, accuses the generals and politicians of hesitancy and confusion that, they say, prevented the army from winning the war. The reservists complain that operative plans were continually changed and that the military objectives were not clear.

"There is one thing for which we were not and will never be ready: indecisiveness," they say.

"To be ready for the next war, which appears imminent, a radical and fundamental change is needed."

Some reservists complain that the equipment they received was substandard, while others say they fought for days in Lebanon

Continued on page 2



### Pressure is mounting for the establishment of a state commission of inquiry into the war

Continued from page 1 without food or water.

Some units said they hadn't trained properly for years, having been repeatedly assigned to routine duty in Palestinian areas.

Part of the problem stems from reduced military budgets and the prioritizing of air power over ground-force needs.

These are questions the IDF and any commissions of inquiry will have to address.

One commission already has been set up by Peretz, with a brief to look into the army's shortcomings and recommend solutions.

Under a former IDF chief of staff, Amnon Lipkin-Shahak, the commission generally is considered well-equipped for the job. The trouble is that the commission is seen as an attempt by Peretz to pre-empt a full-scale state commission of inquiry, which would be empowered to look into his role as well.

The question of setting up a state commission was discussed Monday by the Knesset's Foreign Affairs and Defense Committee; all its members, except those from Kadima, were in favor.

If a state commission is established, it will be authorized to ask searching questions, such as:

• Did the IDF chief of staff maintain that air power would be enough to win the war in less than a week? Did the prime minister or the defense minister ask the relevant questions?  What was the detailed fallback plan, if the airstrikes did not have the desired effect?

- Why did the army not commit ground forces to the areas from which most Katyusha rockets were being fired?
- Why did the army wait until the final days of the war before launching a major ground offensive? Who held the ground forces back the IDF? The prime minister? The defense minister?

State commissions after the 1973 Yom Kippur War and the Lebanon War in 1982 had profound effects on Israeli politics and society.

The soul-searching in Israel comes as Iran, Hezbollah's main backer, is moving inexorably toward a nuclear bomb.

Moreover, many in Israel believe Iran's regional ambitions, coupled with the inconclusive results of the war with Hezbollah, will lead to another, possibly much bigger military showdown soon, and argue that the main task now should be preparing the IDF to meet the challenge.

But while Arab radicals seem to have concluded from the war that Israel can be defeated militarily, some moderates are pointing in the opposite direction. They say that with Israel less sure of itself, now is the time to make peace.

Lebanese Prime Minister Fouad Siniora hinted as much Sunday when he said that if Israel acted wisely, peace could be possible. Some Israelis are contemplating a wide strategic move that would entail peace talks with Lebanon and Syria, in an attempt to detach them from the Iranian axis.

Interior Minister Avi Dichter gave voice to this approach when he declared Monday that for full peace with Damas-

cus, he would be ready to return the Golan Heights to Syria.

O 1 m e r t poured cold water on Dichter's statement, saying that Syria must stop supplying Hezbollah with rockets before it can become a bona fide partner

for peace talks.

But the prime minister is serious about exploring peace prospects with Lebanon, where success would enable him to claim that the war paved the way for a major diplomatic gain.

One week after the guns fell silent, the situation is fluid. There could be more hostilities, and there could be a significant peace move.

Either way, Israel's current leadership will find itself under growing public pressure to show that it has what it takes to get things right next time — or make way for others who do.



## world REPORT

Daniel J. Krifcher
President
Mark J. Joffe
Executive Editor and Publisher
Lisa Hostein
Editor

Michael S. Arnold Managing Editor Lenore A. Silverstein

Finance and Administration Director

Noa Artzi-Weill Marketing Director

JTA WORLD REPORT is published five days a week, except holidays, by the Jewish Telegraphic Agency Inc., 330 Seventh Ave., New York, N.Y. 10001-5010. For more information about how to subscribe by e-mail, fax or regular mail, call (212) 643-1890, or visit our Web site at www.jta.org.

© JTA. Reproduction only with permission.

### Canadian museum returns Nazi-looted art

By BILL GLADSTONE

TORONTO (JTA) — The National Gallery of Canada returned a Nazi-looted painting to a family in France.

"Le Salon de Madame Aron," by French artist Edouard Vuillard, depicts a scene in the salon of Marcelle Aron, a Parisian socialite of the early 20th century.

The National Gallery purchased it from a Paris gallery in 1956.

No estimate of the painting's worth is available.

The gallery first attempted to return the painting to the Lindon family six years ago but the family refused, saying it had never belonged to them.

Extensive research uncovered proof that the Lindons did indeed once own the painting, but lost track of it during the Nazi era.

The National Gallery began investigating the provenance of dozens of works in its collection in 2000 after the Canadian Museum Directors Association established guidelines governing the illegal appropriation of objects during the Nazi era.

The gallery lists many paintings whose provenance is uncertain on a Web site, but this is the first time it has returned a looted painting to the family of a former owner.

## Venezuela's Jews fear anti-Semitism

#### By VINOD SREEHARSHA

CARACAS. Venezuela (JTA) - Rebecca. a 44-year-old Jew born and raised here, says she and her husband "increasingly talk about whether we should stay in Venezuela."

While her cousin and aunt have spent the past month in a bomb shelter in Haifa, Rebecca, who refuses to give her last name because her family does some

work with the Venezuelan government, says she also feels "increasingly fearful" - not because of war but simply for being Jewish in Venezuela.

This is largely because of Venezuelan President Hugo Chavez's vehement criticism of Israel during its monthlong war with Hezbollah. Chavez has described Israel's actions in Lebanon as a "new Holocaust," and said that "Israel is doing what Hitler did to the Jews."

Chavez's supporters have followed his lead: Graffiti featuring swastikas and slogans such as "Judios asesinos" - or "Jewish assassins" — is on the rise.

Many Jews here think Chavez's heated rhetoric is fanning the flames of anti-Semitism — an ongoing theme during the Chavez administration, they say.

At a recent demonstration, protesters burned an Israeli flag outside the Israeli Embassy in "a campaign orchestrated by the government," according to Paulina Gambus, who in 1970 founded the humanrights office in the Confederation of Israelite Associations of Venezuela, known by its Spanish acronym CAIV.

In addition, the capital's largest synagogue, Tiferet Israel, has been vandalized in recent months with slogans including "Judios Afuera," or "Jews out."

Gambus and others contend that the recent anti-Semitic behavior isn't typical for Venezuela. Gambus' parents, a Syrian Jew and a Greek Jew, arrived here in 1929; she was born in 1937.

Attending public school, Gambus - along with the children of Communist parents — was able to opt out of a daily Catholic studies class. "There was never a stigma" for doing so, she says.

In terms of religious tolerance, she says, she "never felt rejection" in Venezuela. Gambus won election to the Caracas City Council, the national legislature — where she served for 16 years — and the national senate in 1999, never hiding her Judaism.

Unlike Argentina or Chile, Venezuela has no history of providing refuge for Nazi fugitives or excluding Jewish immigration.

Daniel Benaim, 46, a Caracas native

and leading television producer, says he has "never needed to downplay his faith" in his career. But he's increasingly concerned about the government's incendiary comments about Israel and Jews.

Beyond the rhetoric, Chavez is pursuing closer strategic relations with Arab countries and Iran, and is emerging as a key supporter of Iranian President Mahmoud

Ahmadinejad, who repeatedly has called Israel's for destruction.

AROUND

THE JEWISH

WORLD

Analysts say it's not unusual for Venezuela and Iran, two founding members of OPEC, maintain friendly relations. But Carlos Romero, a political scientist at the Universidad

Central de Venezuela, says that "since the foundation of Israel, Venezuela has maintained equilibrium between its interests in Israel and Arab countries. Chavez has broken this."

The Venezuelan Jewish community acknowledges that Israeli foreign policy sometimes warrants criticism.

"I didn't agree with what happened" in Lebanon, Benaim says.

But he and others say Chavez and his supporters have crossed the line that separates healthy criticism from hateful speech and potential incitement to violence - and examples predate the Lebanon war.

For example, Venezuelan filmmaker Jonathan Jakubowicz appeared last January on the popular "La Hojilla" program on state-run television. The pro-Chavez show often assesses international and local private media coverage of Venezuela.

The hosts criticized Jakubowicz's film, "Sequestro Express," as unfair toward the government. But they went on to identify Jakubowicz as a Jew and claim that Miramax Studios financed the film only because the studio was run by two Jews.

In addition, Norberto Ceresole, an Argentine who was a key adviser to Chavez, has blamed the 1994 AMIA terrorist attack in Buenos Aires, which killed 86 people and wounded more than 300, on a Jewish conspiracy. In fact, evidence points to the involvement of Hezbollah and Iran.

To be sure, the Venezuelan Jewish community is not unanimously convinced that it faces an increasing threat.

Natan Quiaro, 30, has worked for Chavez since 1998, currently as an assessor in the Education Ministry. He feels a strong connection to Israel, where his father lived

for 10 years, and he has attended Caracas' Tiferet Israel synagogue since he was 8 years old.

Quiaro thinks Chavez's criticism of Israel has been appropriate but admits his opinion isn't shared by most of the Jewish community.

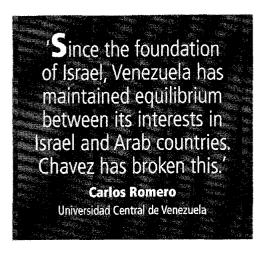
Quiaro questions whether

domestic politics have influenced the community's fear. Members of the community mostly are middle- or upper-middle class, a socioeconomic group that includes few supporters of Chavez, a populist who purports to be the voice of the poor.

Chavez supporters also point out that Vice President Jose Vicente Rangel, along with pro-Chavez legislators, attended an event organized by the Jewish community last year commemorating the 60th anniversary of the liberation of Auschwitz.

Chavez met with CAIV earlier in the year over a Christmas eve speech that the Wiesenthal Center deemed anti-Semitic. CAIV later told the Forward that Chavez was not an anti-Semite, and accused the Wiesenthal Center of interfering in Venezuela's affairs.

However, several Venezuelan Jews told JTA that CAIV's statements were made without consulting the community. Since then, they contend, Chavez and his supporters' true sentiments have become abundantly clear.



## **NEWS IN BRIEF**

#### **MIDDLE EAST**

#### Israeli soldiers, Hezbollah clash

Israeli soldiers clashed with three Hezbollah fighters in southern Lebanon.

There were conflicting reports about casualty figures among the Hezbollah members, but Monday's clash occurred after the fighters approached the soldiers just a few miles north of the Israel-Lebanon border, Israeli army officials said.

#### Anti-Olmert protests grow

Dozens of Israeli reservists marched to Jerusalem demanding the Israeli prime minister's resignation because of his management of the war

The reservists said Monday they wanted to see Ehud Olmert, his defense minister, Amir Peretz, and the Israeli army's chief of staff, Lt. Gen. Dan Halutz, resign.

"In the end it was just a mess, and it all starts at the top," said Roni Zweigenboim, one of the reservists.

The march was one of a growing number of actions in recent days by citizens and reservists upset with how the establishment handled the war.

Olmert received a critical welcome in the northern city of Kiryat Shmona, with some city council members calling for a state commission of inquiry.

#### Israeli: Europe should reach out to Syria

Europe should lead efforts to lure Syria into the Western fold, an Israeli Cabinet minister said.

Tourism Minister Isaac Herzog said Monday that it's premature to resume negotiations with Syria.

Some Israeli politicians have advocated talks with Syria as a way of weakening Hezbollah, the terrorist group that launched the war with Israel last month and is a protege of Syria and Iran.

"Syria at this stage will want all kinds of perks, which to my mind are risky," Herzog said Monday in a conference call organized by the Conference of Presidents of Major American Jewish Organizations. These include a resumed stake in Lebanon, where Syria ended its three-decade occupation last year.

However, Herzog envisioned an incremental return for Syria, starting with increased trade and investment from Europe.

#### **Turkey halts Iranian and Syrian planes**

Turkey prevented five Iranian airplanes and a Syrian aircraft from flying into Lebanon because of suspicions they were carrying weapons for Hezbollah. The Turkish newspaper Hurriyet reported Monday that one of the planes forced to land belongs to a private Iranian airline.

The newspaper said the plane was not allowed to leave after American intelligence reports said it might be carrying three missile launchers and containers.

Analysts believe Turkey has agreed to American and Israeli requests to impose stricter surveillance on the passage of Iranian and Syrian aircraft and their cargo.

#### Israeli children anxious after war

About 35 percent of Israeli schoolchildren who stayed in the North during the war with Hezbollah are suffering from anxiety, nightmares and other problems, a survey found.

The 16,000 or so children also were found to have difficulty concentrating and are crying more often, the Tel Chai Academic College found in the survey.

Problems are especially acute among preschoolers.

#### Major Israeli writer dies

Writer Yizhar Smilansky, an Israel Prize-winner better known by the pen name S. Yizhar, died Monday.

One month shy of his 90th birthday, Yizhar died of heart failure. Known as a major innovator of Hebrew literature, he wrote prose, poetry and children's literature.

He also was well-known for his essays, which gained attention at the beginning of the war in Lebanon in 1982.

His writing, which often challenged the Zionist narrative and the morality of the army, was the subject of intense controversy.

#### WORLD

#### Jewish-owned market in Moscow bombed

An explosion at a Jewish-owned market in Moscow killed at least 10 people and left 16 to 40 wounded. According to preliminary reports, no Jews were hurt in the blast at the Cherkizovsky market.

The market is believed to be owned and operated by members of the "Mountain Jewish" community, which has its roots in Azerbaijan. At least two children died in the Monday morning blast in Moscow.

Investigators say the explosion, which caused a two-story building to collapse, could have been a settling of scores among gangs, but officials are not ruling out the possibility that the blast was a terrorist attack.

#### Restaurant in India named after Hitler

A new restaurant in India is named after Hitler and has swastikas on its walls.

The owner of the Hitler's Cross restaurant in Bombay told Reuters that he just wanted to stand out from the crowd. India's Jewish community is protesting the name.

#### **NORTH AMERICA**

#### Canadian church opposes divestment

The United Church of Canada dropped a controversial proposal to divest from companies that contribute to Israel's presence in the West Bank. The church's Aug. 17 decision encourages investment in "peaceful pursuits" in Israel.

The switch came after several Jewish community leaders attended the church's 39th general council in Ontario, and the Canadian Jewish Congress sent a letter to council delegates.

Twelve rabbis also wrote to delegates, asserting that the original divestment proposal would be "unfair, wrong-headed and terribly unhelpful."

The resolution promotes investment in companies that denounce violence and support a "secure and economically viable Palestinian state alongside a secure and economically viable State of Israel."

#### Politician wants Hezbollah dropped from terror list

A Canadian legislator suggested that the government drop Hezbollah from its list of terrorist organizations.

The Liberal Party's Borys Wrzesnewskyj told the Toronto-based National Post newspaper that the terrorist label makes it harder to negotiate with Hezbollah.

Comparing the group to the IRA, he said there would still be bombings if London hadn't opened negotiations with the IRA.

Wrzesnewskyj is part of a delegation of parliamentarians currently on a weeklong fact-finding mission to Syria, Lebanon and Egypt organized by the National Council on Canada-Arab Relations.

The Liberal Party's interim leader, Bill Graham, reaffirmed the party's belief that Hezbollah belongs on the terrorist list, and Canada's public safety minister, Stockwell Day, said the government