IN THE NEWS

Annan calls for soldiers' release

Kofi Annan called on Hezbollah to release two Israeli soldiers it's holding hostage.

Visiting Beirut on Monday, the U.N. secretary-general urged the Shi'ite militia to turn the soldiers over to the Lebanese government or the Red Cross.

He also called on Israel to lift its blockade of Lebanon.

Annan also will visit Israel and Iran as part of his 11-day trip in the Mideast.

Israeli forces kill suspected Hamas gunmen

Israeli forces killed at least three suspected Palestinian gunmen in the Gaza Strip.

Monday's casualties were identified as Hamas members who tried to attack troops and tanks that have been operating in Gaza City's Shajayia district since the weekend.

Shajayia is the suspected site of tunnels used by terrorists for cross-border attacks into Israel.

Congressman: Seal Syria-Lebanon border

U.S. Rep. Tom Lantos (D-Calif.) called for U.S. aid to Lebanon to be conditioned on sealing off the Lebanese-Syrian border.

The ranking Democrat on the U.S. House of Representatives' International Relations Committee, Lantos said Sunday during a visit to Jerusalem that he was putting a hold on President Bush's proposal to funnel \$230 million in aid to Lebanon following Israel's war with Hezbollah.

New Orleans shul dedicates new Torah

A New Orleans synagogue that lost its Torah scrolls to flooding dedicated a new scroll for the anniversary of Hurricane Katrina. On Sunday, Congregation Beth Israel dedicated a scroll donated by the Los Angeles Jewish community at its temporary quarters.

Seven ruined Torah scrolls were recovered and buried after last year's flood.

WORLD REPORT

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With protests over war growing, Olmert fights to keep grip on power

NEWS

ANALYSIS

By LESLIE SUSSER

ERUSALEM (JTA) — As protests continue against the government's conduct of the war against Hezbollah, Prime Minister Ehud Olmert is fighting a rear-guard action to stay in power.

In an impassioned speech Monday night in Haifa, Olmert announced the establishment of three lesser panels rather than the

full-fledged state commission of inquiry into the war that his critics are demanding.

He said a government-appointed panel under a former Mossad chief, Nahum Admoni, would look

into the government's decision-making, the army would examine itself and the state comptroller would focus on shortcomings during the war on the home front.

None of the three panels has anything like the power of a state commission, which can subpoena witnesses, impound evidence and recommend firings or resignations of top officials.

In what sounded like a second line of defense, Olmert insisted that the results of the war are likely to prove far more favorable to Israel than initially thought.

Still, polls show a dramatic drop in public support for Olmert and his government: According to a poll last Friday by the respected Dahaf Institute, 63 percent of Israelis would like to see Olmert resign. Demands for a full-fledged state commission of inquiry are unlikely to abate.

The differences between the two types of investigative panel are huge. The prime minister chooses the members of a government commission, defines their mandate and decides which parts if any of their final report to publish.

A state commission is set up by the chief justice of the Supreme Court, who chooses its members and defines the brief, and the commission itself decides what to publish.

After the 1973 Yom Kippur War and the first Lebanon War in 1982, state commissions of inquiry were set up. In both cases, their impact on the governments of the day

was enormous.

Prime Minister Golda Meir retired from politics in the wake of the Agranat Commission after the Yom Kippur War, and the findings of the Kahan Commission in 1983

led to Ariel Sharon's ouster as defense minister after the Lebanon War.

Olmert argued that a government-appointed panel will be less time-consuming and better suited to actually rectifying problems in the political-military decision-making process.

He claimed that a full-fledged state commission would paralyze top political and military leaders just when they should be preparing for new threats — especially from "Iran's Israel-hating president."

Olmert's critics counter that the investigation he has in mind lacks an overarching integrative framework, will have no public credibility and will be open to charges of whitewash.

Protestors, who have been camped outside the Prime Minister's Office for more than a week, called the government committee a "joke" and a "fig leaf."

The protesters, who show no sign of backing off, are divided into two camps:

Continued on page 2

Olmert did not appoint the state commission of inquiry demanded by his critics

Continued from page 1

One group of IDF reservists has linked up with right-wing settler groups to demand the immediate resignations of Olmert, Defense Minister Amir Peretz and army Chief of Staff Dan Halutz. The other continues to work with the Movement for Quality Government for the establishment of a state commission of inquiry.

Neither has attracted large masses of Israelis. Left-wingers complain about the predominance of right-wing settlers — who, they say, are trying to get even with Olmert for last summer's evacuation of Gaza settlements and seek to change the government by populist outcry rather than elections.

But the protests reflect widespread anger and disappointment over the execution of the war.

The Dahaf poll shows that most Israelis want to see Olmert, Peretz and Halutz ousted.

It also shows that if elections were held today, Olmert's Kadima party would fall from 29 Knesset seats to 17, Labor would fall from 19 to 11, the Likud would rise from 12 to 20 and Avigdor Lieberman's hawkish Yisrael Beiteinu would rise from 11 to 17.

In other words, if elections were held today, the center-left nucleus of Olmert's coalition would plummet from a combined 48 seats to 28, and right-wing opposition parties such as Likud and Yisrael Beiteinu would soar from 23 seats to 37.

Pundits say that precisely because

they'd be almost certain to lose power, the coalition parties will do all they can to stave off an early ballot — and, for now, they have the Knesset numbers to do so.

Even if Olmert does gain some time, Kadima's problems could prove to be

more than a passing phase.

When Ariel Sharon broke away from the Likud to form Kadima last November, he was the nation's undisputed leader and his unilatdisengageeral ment agenda was widely accepted as the best way

forward on the Palestinian track.

Now the party has a leader under fire and, in West Bank disengagement, a policy discredited by rockets from Lebanon and Gaza.

Further complicating the prime minister's tenuous hold on power are recent charges by the state comptroller that, as minister of trade and industry in Sharon's government, Olmert gave party cronies ministerial jobs in violation of civil service procedure.

To survive, Kadima will have to come up with a new and convincing agenda, soon.

Olmert is talking about a national effort to rebuild northern Israel and the western Negev, the areas that have suffered the most from rocket attacks. He also hopes that stabilization of the situation in the North and a possible breakthrough in relations with the Lebanese

government will turn the tables in his favor.

Much will depend on the way U.N. Security Resolution 1701, which brought the fighting in Lebanon to a halt, is implemented. The signs on the ground so far are mixed.

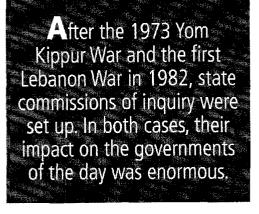
On the positive side, European countries have pledged 7,000 troops and say they're determined to prevent Hezbollah from operating as an armed militia in southern Lebathev non. But apparently do not intend to disarm the terrorist

group and it's not clear if they'll monitor the Syria-Lebanon border in an effort to prevent Iran and Syria from rearming their proxy.

Still, the Lebanese army seems serious about taking charge of the South, and Hezbollah leader Hassan Nasrallah says he won't interfere with the deployment of the Lebanese or U.N. forces. Moreover, in an interview Sunday, the often boastful Nasrallah displayed an unusual degree of contrition.

"Had I thought that Israel would react as forcefully as it did, I would not have ordered the kidnapping of the two soldiers" that set off the monthlong war, he admitted.

Even if positive changes do occur, however, will they be enough to alter Israeli perceptions of the war and its conduct — with all that could mean for Ehud Olmert's political future?



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Gay pride parade rescheduled

JERUSALEM (JTA) — A gay pride parade in Jerusalem postponed during the Hezbollah war was rescheduled for Sept.

The annual event was slated to take place Aug. 10, but was canceled due to the war.

"Jerusalem Open House is committed to holding a pride march in Jerusalem annually as we have done since 2002, with the participation of thousands," said Hagai El-Ad, the organization's executive director.

The parade was slated to be the original centerpiece of Jerusalem World-Pride 2006, a weeklong gay pride event that began Aug. 6 and drew attendees from around the world.

The international event continued as scheduled but, instead of the parade, a demonstration aimed at protesting hatred against the gay and lesbian communities was held near the capital's Liberty Bell Park.

Arab countries mixed on Iran

By URIEL HEILMAN

AMMAN, Jordan (JTA) - Iran's refusal to suspend uranium enrichment activities that could be used to produce atomic weapons is prompting both admiration and concern in the Arab world.

Many Muslim Arabs admire the government in Tehran for defying Western demands to curb its nuclear program, but there also is significant concern among Arabs and their governments about Iran's nuclear ambitions and the country's sometimes-violent quest for greater power in the region.

"Many Arabs believe that since Israel has nuclear weapons, why not balance this with Iranian nuclear weapons?" said Hani Hourani, director general of Al-Urdun Al-Jadid Research Center in Jordan. "At the same time, there are many Arabs in the Gulf countries and serious forces in the region, like Egypt and Saudi Arabia, worried about Iranian nuclear weapons."

It's not just these states' alliances with the United States that make Iran's nuclear ambitions cause for concern. Countries like Saudi Arabia and the Persian Gulf states have their own disputes with the regime in Tehran.

Iran and the United Arab Emirates have a territorial dispute over three islands in the Persian Gulf that Iran seized in 1971. Saudi Arabia and Iran routinely clash over oil policy, the restive Shi'ite minority in Saudi Arabia and Tehran's suspected support for Al-Qaida, which opposes the Saudi government.

The two countries back opposing sides in the conflict in Iraq, with Tehran behind Iraq's Shi'ite militias and the Saudis more supportive of Sunni co-religionists.

Similarly, Sunni-dominated countries with significant Shi'ite populations, like Jordan, Bahrain and Egypt, also worry about the growing power of Iran, which is dominated by Shi'ite clerics. They point to the country's nuclear program and a possible "Shi'ite crescent" stretching from Iran to Lebanon - through a Shi'ite-dominated Iraq, a Tehran-friendly Syria and a Lebanon dominated by the Shi'ite militia Hezbollah — as a threat to the entire region's stability.

Perhaps just as significant as the religious divide between these Sunni regimes and the Shi'ites in Tehran is the ethnic dimension to this split, pitting Persians against Arabs.

Foad al-Khalafat, a former Muslim Brotherhood official in Jordan, told JTA he was approached not long ago by Iran's ambassador in Amman as part of an Iranian attempt to cement its ties with Islamists in Jordan and extend its influence in the region. Khalafat said he heard Iran was making similar overtures in other Arab countries, including Egypt, Syria, Yemen and Algeria.

Iran's embassy in Jordan did not re-

spond to e-mail inquiries for comment.

Khalafat said he rejected the ambassador's overture and that he would never cast his lot with the Iranians, who he said do not represent Arab interests. But he said he wouldn't

rule out some form of relationship with Iran in the future.

Even as Iran rattles its war sabers, staging massive military exercises this week and last, some Arabs are pointing the finger at the Middle East's favorite scapegoat for creating the Iranian problem: Israel. These Arabs say Israel's presumed nuclear arsenal is the primary impetus behind Iran's push to go nuclear, too.

"I think the West allowing Israel to establish its nuclear capability has done the damage that we are all suffering from now. There are other countries that now are perhaps pursuing the same role," the Saudi foreign minister said earlier this year.

The solution, many suggest, is to eliminate Israel's nuclear capability. If Israel dismantled its own nuclear arsenal, estimated at 75 to 200 warheads, Iran might be persuaded to forgo its own nuclear ambitions, they say.

"There are many ways to influence Iran and meet these challenges. It's not necessary to attack Iran," Hourani said. "Egypt has suggested a nuclear-free Middle East. This is another answer."

Such a scenario is both naive and unlikely, according to experts in Israel. Though it doesn't officially admit to having nuclear weapons - Shimon Peres confirmed it in an address to American Jewish leaders several years ago, but he was not part of the government at the time - Israel would never relinquish the tactical advantage and deterrent power it gets from being perceived as a nuclear power. And Iran, for its part, has shown no indication that it would forgo its own nuclear program, which it insists is for civilian purposes, if Israel disarmed - nor would Israel be likely to trust Iran's promises.

There also are suggestions in the Arab world that Israel and the United States

> could persuade Iran to forgo its nuclear ambitions through strategy of appeasement. This scenario would have Israel completely withdraw from the West Bank, Gaza Strip and Golan Heights, and would see

Perhaps just as significant as the religious divide between Sunni regimes and the Shi'ites in Tehran is the ethnic dimension, pitting Persians against Árabs.

U.S. forces leave Iraq.

"How can we stop this movement, the Shia interest in our area?" Abu Rashid said. "It's easy if we solve the Iraqi problem and the Palestinian problem."

Such analyses ignore Tehran's deadly track record of supporting terrorism, experts in Israel say.

Iran funds Hezbollah, which invented a territorial dispute with Israel over the Shebaa Farms area — which the United Nations says never was part of Lebanon - to justify attacks against the Jewish state.

Iran also provides material support for Palestinian terrorist organizations, supports Iraqi militants and is believed to have sponsored terrorist attacks worldwide, including the 1994 bombing of the AMIA Jewish community center in Buenos Aires, which killed 85 people.

Mustafa Hamarneh, director of the Center for Strategic Studies at the University of Jordan, cautioned that Iran's militant rhetoric should not be mistaken for the will

"They just talk, talk, talk. They don't fight," Hamarneh said.

Whether Iran ultimately chooses to continue fighting its wars through proxies like Hezbollah or engage directly and more aggressively with its rivals in the region remains one of the Middle East's most vexing, and uncertain, questions.

NEWS IN BRIEF

NORTH AMERICA

UJC meets officials on homeland security

Jewish community officials met with administration and U.S. Senate officials to ensure the release of Homeland Security money to nonprofits. Officials of the United Jewish Communities, the umbrella body for Jewish federations, met last week with staff of the Senate's Homeland Security Appropriations subcommittee.

Staff discussed sharpening language in the Homeland Security Department's appropriation bill to ensure that nonprofits receive \$25 million, as they were allocated in 2005 and 2006; that the funds may be used to defend nonprofits from potential, and not just actual, threats; and that states would be encouraged to spend some of the \$1.3 billion they receive on nonprofits.

They also said George Foresman, the department undersecretary who administers the money, was responsive to demands for the release of the 2006 money. More than half of the 2005 money, which is just now reaching its targets, was allocated to Jewish organizations.

Jackson meets Hamas on prisoners

The Rev. Jesse Jackson met with a Hamas leader and reportedly offered to mediate a prisoner swap with Israel. In Sunday night's meeting in Syria, Khaled Meshaal said Cpl. Gilad Shalit would be released only in exchange for Palestinian prisoners held by Israel. Israel has said it would not participate in such an exchange.

Harris: Elect Christians or sin

U.S. Rep. Katherine Harris (R-Fla.), the leading GOP contender for a Florida U.S. Senate seat, said not electing Christians amounts to "legislating sin."

"If you are not electing Christians, tried and true, under public scrutiny and pressure, if you're not electing Christians then in essence you are going to legislate sin," Harris told the Florida Baptist Witness in an interview last week.

"Whenever we legislate sin and we say abortion is permissible and we say gay unions are permissible, then average citizens who are not Christians, because they don't know better, we are leading them astray and it's wrong."

Rep. Debbie Wasserman Schultz (D-Fla.), who is Jewish, told the Orlando Sentinel that Harris' comments were "disgusting."

Harris, who also described the separation of church and state as a "lie," later issued a clarification to Fox News saying that she is pro-Israel and supports Holocaust education.

MIDDLE EAST

New Arad footage unveiled

A Lebanese television channel unveiled what it called never-before-seen footage of a missing Israeli airman. LBC played a teaser Monday of a documentary about Ron Arad, an air force navigator missing since he bailed out over Lebanon in 1986. The footage shows a close-up shot of what could be a bearded Arad, apparently taken in the late 1980s.

The airman's family believes it is Arad. The full documentary is to be broadcast Tuesday, and could shed some light on Arad's fate. Israel believes he was captured by Shi'ite militiamen and handed over to Iran. Hezbollah, the biggest Shi'ite force in Lebanon, has said he is dead.

Israel urges Iran sanctions

Israel's foreign minister urged the U.N. Security Council to impose sanctions on Iran. Tzipi Livni said Sunday that recent conciliatory remarks by Iranian President Mahmoud Ahmadinejad were aimed

at staving off sanctions over his country's nuclear program when an Aug. 31 deadline set by the Security Council passes. "One thing is clear: The world must not delude itself that Iran seeks some sort of real dialogue. They want to buy time.

They must not be allowed to do so. Sanctions must be under way, and the sooner the better," Livni told Channel 2 television. Iran has defied Western pressure to abandon technologies that could be used to produce nuclear weapons, but Ahmadinejad said in a speech over the weekend that the program was not intended to threaten the "Zionist regime."

Hezbollah tunnel discovered

Israeli army engineers over the weekend blew up one of Hezbollah's underground bunker complexes discovered a quarter-mile from the border at Rosh Hanikra. Military sources said at least 10 other such networks remain in southern Lebanon.

Hezbollah used the tunnels and bunkers, complete with showers, bomb labs and sophisticated communications equipment, to fend off Israeli ground forces during the 34-day war that ended this month, as well as to fire rockets and mortars into northern Israel.

Iran test-fires missile

Iran test-fired a new naval missile. Iranian state television reported Sunday that a submarine had successfully launched a long-range, radar-evading Sagheb missile as part of a monthlong war game.

The missile's range was not given, but it was not seen as a direct threat to Israel.

Iran courted Germany

A secret letter from Iran's president to Germany's chancellor recommended an alliance of the two countries.

Mahmoud Ahmadinejad wrote to Angela Merkel in July, but contents of the letter were kept secret until a copy was obtained recently by the Los Angeles Times.

Ahmadinejad wrote that, as nations defeated in World War II, Iran and Germany had been persecuted by the victors and should now unite to take them down.

He did not mention his country's nuclear standoff with Western countries — including Germany — or reiterate his frequent Holocaust denial. He did say that "some victorious countries of World War II intended to create an alibi on the basis of which they could continue keeping the defeated nations... indebted to them," the Times reported.

Ahmadinejad also told Merkel that "you and I have both been the subject of tyranny," and that "together we must end the present abnormalities in international relations," the Times reported.

Merkel called Ahmadinejad's letter "totally unacceptable to Germany" and said it did not warrant a response.

WORLD

UNIFIL meeting 'productive'

A meeting among senior UNIFIL, Israeli and Lebanese commanders was "productive," the U.N. peacekeeping group said.

The parties met Monday at Rosh Hanikra, a border crossing, two weeks after a cease-fire went into effect. It was the second such meeting; the first took place Aug. 14 in the hours after the guns fell silent

The sides discussed deployment of the Lebanese army in the South. "The meeting was described as productive, and further meetings were scheduled," the UNIFIL statement said.

A condition of the cease-fire is that the Lebanese army replace Hezbollah in the South.