

The Netherlands for personal consumption, has led to discord with all her neighbors. In fact, because of citizen outrage and uneasy foreign relations, the Dutch government wants to decrease the permissible quantity from 30 grams to five, but in practice no restriction is really enforced anyway. Commentators speak of The Hague's bluff because, in spite of politicians' strong words, the cafés that sell hard drugs remain in business.

French President Jacques Chirac has refused to completely remove the border controls, despite the Schengen Agreement. He justified his decision by citing Holland's liberal policies on narcotics and on terrorism, both of which endanger France's national interests. As far back as a workshop held June 9 in conjunction with the EU summit in Cannes, France, Chirac was already, in the presence of all the EU Heads of State, sharply criticizing Dutch narcotics policy. Sometime this fall, German Chancellor Helmut Kohl and President Chirac will travel to The Hague together, to speak with current Dutch Prime Minister Wim Kok concerning "European frictions"—a step Kohl initiated in order to mediate between Paris and The Hague. The libertarian drug policy of the Dutch ought to be at the very top of the list of frictions.

Since, unlike France, Germany abides by the Schengen Agreement, German Customs must agree to try to foil drug-smuggling schemes merely by using spot checks at the national borders. The regional train which runs from the Dutch town of Venlo to Germany's Mönchengladbach eight times a day is called by the Customs inspectors the "drug express." Manfred Wenzel, the head of the Mönchengladbach outpost of the Düsseldorf Customs inspection office, describes the situation this way: "In Venlo today the whole palette of soft and hard drugs is readily available. Four to five hundred customers make the trip there each day from Germany for this purpose. With this, the little town of Venlo has become a [drug] sales center equal in importance to Amsterdam and Arnhem."

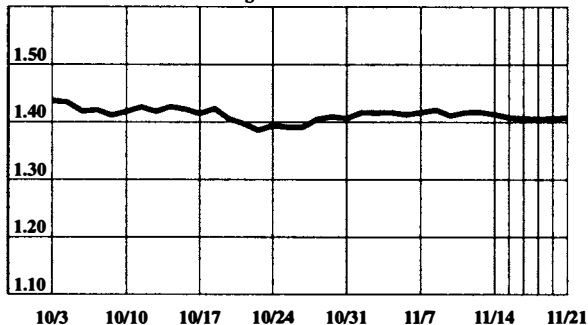
He also confirms the warnings made by critics of the border opening: "For dealers far and wide, Schengen was the opportunity of the century." In the area for which Wenzel is responsible, the number of cases against drug smugglers has doubled since 1994, with a "tendency to climb rapidly."

During 1994, control measures and house searches in the Düsseldorf region netted a total of 480.6 kilograms of hashish seized. In the first six months of this year, the figure was already 3,177.8 kg. Also seized, in addition to that, were 72.7 kg of marijuana, 11.4 kg of heroin, and 36.6 kg of cocaine. Especially dramatic is the increase in use of Ecstasy, the new designer drug of the so-called "techno-scene." Last year, law enforcement investigators found only seven pills; in the first half of 1995, some 8,370 pills were seized. Although normally the judges do not regulate less than 500 grams of hashish, and in Kleve, a German town on the Dutch border, judges ignore as much as 1,000 grams, even so, 189 arrest warrants were issued in the first six months of this year.

Currency Rates

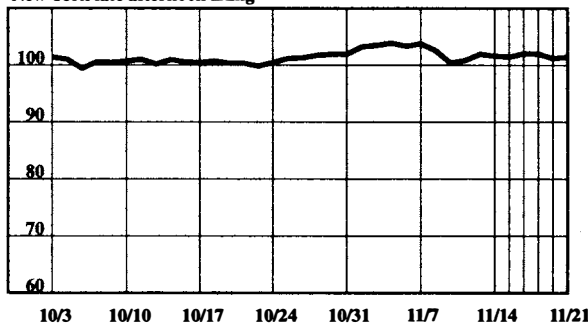
The dollar in deutschemarks

New York late afternoon fixing



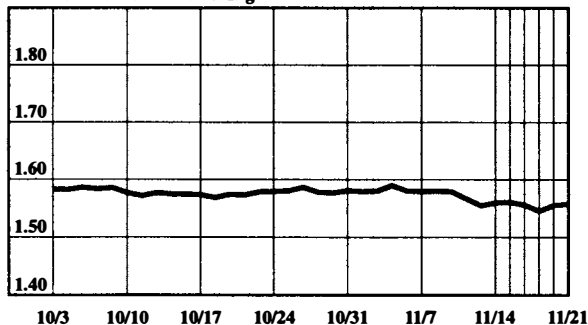
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

