

World's oldest professions to link hands in Amsterdam

Amsterdam Mayor Job Cohen is asking two of the oldest professions - prostitution and banking - to link hands in an effort to clean up the finances of the city's Red Light district.

The popular Cohen is adopting a two-pronged strategy of closing down sex businesses tainted by money laundering, while simultaneously promoting the legitimate sex industry that draws thousands of tourists to the Dutch capital.

The first part of the strategy went into operation at the end of last year. The city authorities withdrew licenses from Charles Geerts, who operates fully a third of the 350 windows used by prostitutes in the 'Wallen,' as the district is known.

Geerts, a 63-year-old native of the city who made his fortune in pornography in the 1970s, has challenged the decision through courts, pointing to longstanding good relations with the authorities.

Deploying the second part of his strategy, Cohen is approaching sober-suited bankers to ask them to provide financing for the sector.

'There is a longstanding and legitimate complaint in prostitution that they are forced to go to private financiers because the banks won't deal with them,' says the mayor's spokeswoman, Mirjam Otten.

'If the city wants to put a stop to the laundering of criminal assets, but also wants to maintain prostitution, you have to see to it that the sector has legitimate access to finance,' she adds.

The mayor has the stature needed for this bold initiative.

Time magazine named Cohen a European Hero in 2005, the year after he saw the city through the trauma caused by the murder of film maker Theo van Gogh. He was also the first public official to marry a gay couple on April 1, 2001.

The association of Dutch banks (NVB) has indicated it is prepared to talk to the mayor, although NVB director Hein Blocks indicated he was not over-optimistic.

Blocks warned that it was 'a difficult business,' noting that liquidating any assets put up as security for loans could prove problematic in the event of bankruptcy.

Geerts, known as Chubby Charlie from when he weighed 140 kg, was fuming in his office at 62, Oudezijds Achterburgwal.

His legal adviser, Han Jahae, pointed to his previously 'excellent' relationship with the city authorities.

'For years the local authority did business with Geerts. You could say they were regular visitors. There were discussions on city zoning plans,' Jahae told the Volkskrant newspaper.

Geerts had agreed to close down sex businesses in parts of the city, such as around upmarket Rembrandt Square, in exchange for permission to open up new businesses in the Wallen, Jahae

said.

He hauled out a file of official correspondence to make his point. 'I hereby state that you have complied with the understanding agreed in its entirety,' says a July 2000 letter from the city.

'And now suddenly Geerts is supposed to be a criminal, a money-launderer. It is a matter of pure conjecture what the real motive behind the attack on him is,' Jahae said.

Geerts points to his clean and well-maintained premises with good security - precisely what Dutch legislators were aiming at when they legalized prostitution in 2000.

The Rode Draad (Red Thread) group, which promotes the interests of prostitutes, is behind him.

'You have pimps and businessmen, and Geerts is a businessman,' a spokeswoman says. 'We have never had problems with him, except for the rates he charges for his windows, but we find that everywhere.'

Cohen's officials are making use of recent legislation. The so-called Bibob law passed in 2003 is intended to prevent funds earned through criminal activity being passed through the legal economy.

The suggestion is that Geerts financed at least part of his sex empire with drugs money.

The business acumen of the 'banker of the Wallen' is not in doubt. In 2004 turnover hit 4.4 million euros (5.8 million dollars), 2.7 million coming from the renting out of windows.

Financing of other sex entrepreneurs brought in another million. Profits after staff costs and tax came in at almost 1 million euros.

Geerts has big plans for the Wallen. He has a scheme for a big new eros centre with 19 windows and is prepared to give up windows in other parts of the city in exchange for planning permission.

He is even making space available for a police observation point. Initial official response had been positive - until the decision to revoke his licence.

But Cohen has made clear that the move on Geerts is only the beginning. All hotels, cafes, bars and sex theatres in the Wallen are to have their past cash transactions closely examined.

Given the longstanding links between organized crime and prostitution in Amsterdam, much of the remaining sex sector is likely to be forced to close.

That means greater opportunity for the bankers - if they want it.

In fact the two ancient callings have much in common. Their respective traditions in the Netherlands stretch back for centuries. Client confidentiality is a key prerequisite for both. And maximum return for minimal effort is their driving force.

Rohan Minogue (© IANS / India eNews)