

## Good Times in Medellin

A city tainted by violence is experiencing a renaissance

By Malcolm Beith

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July 5 issue - Luis Fernando Betancur Merino gazes out of his eighth-floor office window, overlooking the Colombian city of Medellin, and smiles at the bustling panorama. Betancur is Medellin's administrator for urban development; every new license for construction must get his stamp of approval. He's been busy lately. Last year over 1.2 million square meters of property were developed in Colombia's second largest city, more than double the figure from five years ago. All around Medellin—which sits 1,500 meters above sea level in the Andes—new housing, hotels and office buildings are springing up, keeping Betancur happily buried in paperwork. "These are good times," he says. "We are experiencing a boom."

It's been a long time since Medellin was described with such upbeat words. Billionaire cocaine king Pablo Escobar, who headed the Medellin cocaine cartel from the early 1970s until his death in December 1993, had turned the so-called City of Eternal Spring into the City of Eternal Violence. During *la epoca* Escobar, car bombs, murder (a horrific homicide rate of about 450 per 100,000) and kidnappings paralyzed the city with fear. For investors, Medellin was untouchable. But Escobar was also a Robin Hood-like figure to the locals, building hospitals, schools and housing with his dirty money. Without his cash, officials feared, Medellin's economy would disintegrate.

In fact, just the opposite has occurred. Escobar's death lifted a shroud from Medellin, and it's now experiencing an urban and economic renaissance. Exports from the city—everything from textiles to cut flowers—topped \$900 million last year, three times more than at the start of the 1990s. *Paisas*, as the roughly 2 million residents of Medellin are known, have never been more prosperous. The good news has fueled a resurgence of civic pride, and the signs plastered around town can actually claim to reflect the prevailing mood: SAY IT WITH PRIDE: I LOVE MEDELLIN.

Medellin always had considerable economic potential. The city has long been Colombia's primary textile manufacturer, and paisas are known for hard work and entrepreneurship. The city's transportation network—including the elevated Metro, built in 1995—is a model for the rest of the Andes, and its hospitals and universities are top tier. Meanwhile, privatization and financial deregulation at the national level have opened up the Colombian market. President Alvaro Uribe Velez's focus on security throughout the country has also helped. "The optimism surrounding Uribe's presidency is phenomenal," says Jennifer Satz, Latin America analyst for the New York-based Eurasia Group. "He's attempting to say, 'We're going to make this a welcoming place for your investment dollars'."

Crime is still a problem—drug traffickers remain active in the department of Antioquia, where Medellin is located. Colombia's civil war, which on occasion threatens to spill into the city, is also a serious concern. But the social tenor of Medellin has improved remarkably. New city parks are filled with children, while shopping malls are no longer to be avoided for fear of bombings. Artistic creativity is flourishing, too. "In the past 10 years, Medellin's cultural scene has experienced an incredible transformation," says Asnhower Castro Tirado, a 26-year-old musician. "The music scene is rich with rock, jazz, rap, salsa—all types of music. [And] there's theater, art, opera... This wasn't common in the past." The success of hometown Grammy-winner Juanes has inspired paisa creativity even more.

Medellin's mayor since January, Sergio Fajardo Valderrama, hopes to nurture the budding revival. A cleanup of the Medellin River is in progress, as is the development of a cable-car system to connect some of the poorer hillside communities to the Metro. More parks are planned to cope with Medellin's growing population. "When people don't have space, this promotes violence," says Fajardo. He also wants to expand the city's police force and improve their training, to foster better relations with civilians. "Communities are starting to trust [the police]," he says. "But the relationship is still not what it should be."

Fajardo, who attended the University of Wisconsin, is eager to change the world's image of Medellin. He plans to aggressively court foreign governments and businesses to gin up more investment. Can he convince the skeptics? The odds are pretty good: net private investment in the city has increased by 300 percent since 1993, and more foreign firms are moving in. "This is Medellin, a city with many faces," says the mayor. "Escobar is part of the past, and we need to learn from the past, but move forward." That is clearly already happening. Medellin is buzzing with potential, having discovered its better side.

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