The Colombian Medellín Cartel Crisis
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The Cartel:

In 1982, Nancy Reagan was on a campaign trip to Oakland, CA where she was asked by a young schoolgirl how to respond if she were ever offered drugs. Mrs Reagan’s reply was simple: Just say no. This maxim marked the US drug policy throughout the Reagan administration (1981-89) and further into the early 1990s.

Of course, while the Reagan administration embarked on blanket moralizing as its strategy for the War on Drugs, US casual consumption of cocaine peaked in 1982. In the 1970s, studies started gaining traction speaking to its harmlessness as a recreational drug, and moreover, the media began glamorizing the drug. While advertising cocaine itself was prohibited, advertising cocaine paraphernalia was not, and plenty of ads surfaced with enticing slogans such as “go ahead … you deserve it” selling well crafted straws to consume cocaine. By 1982, there was an estimated 10.4 million users of cocaine in the US – predominantly middle class Americans, and notably based in Miami. The dynamic of drug proliferation into the American populace would change come 1985 when crack was created as a cheap substitute that used cocaine in trace amounts in combination with other synthetic substances to create a shorter but more intense high.

Responding to, and in many ways fueling, the demand was the cocaine trade stemming from the region where the cocoa plant is indigenous: the Andes mountainous areas of South America. In 1982, cocaine overtook coffee as the main export of Colombia, amounting to 30% of all Colombian exports. And at the heart of the


2 http://www.pbs.org/wgbh/pages/frontline/shows/drugs/buyers/socialhistory.html
drug trade were a number of cartels vying for monopoly control of prices and thus revenue. The Medellin Cartel was responsible for supplying upwards of 80% of the United States’ cocaine consumption.3

The country of Colombia is divided into 32 departments, or states – each with a Capital District, and run by a governor and Department Assembly. The department of Antioquia lies towards the North of the country, and its capital is the municipality of Medellin that lies in the center. The Medellin Cartel was a cartel of notable drug lords who based their operations out of the municipality of Medellin. It would, mostly, with the cartel that carried out its operations out of the town of Cali in Southern Colombia.

It’s hard to pinpoint the exact starting date of the Medellin cartel. It was estimated to have started between 1975-78 but really gathered steam by 1981. The logic behind its founding was simply to ensure competing drug lords did not compete each other out of business, and rather that they might work harmoniously to control prices and trade routes in a manner most beneficial to their collective bottom line. As a result of its well-managed business operations, the Medellin and Cali cartels came to control 80% of the cocaine export out of Colombia. And the several quasi-independent cartels centered in Bogota or the Atlantic coast actually just maintained alliances with these cartels, and followed their lead on issues about the drug quantities, transport routes, pricing, etc4.

Through the 1970s, drug trafficking became a serious source of income for drug lords in South America, who would source the paste from the cocoa plant from Peru and Bolivia. By the late 1970s, the Colombian drug lords would import hundreds of thousands of tons of raw material from Peru and Bolivia, before

3 Villar, Oliver, and Cottle, Drew (2011), Chapter 4

4 Villar, Oliver, and Cottle, Drew (2011), Chapter 4
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processing it and shipping it to the US, all serving to inflate the narco-economy.

With the aim to maximize export profits while reducing risk to each participant in the drug trade, the drug lords decided to collude to form the Medellin Cartel. The cartel included co-financing and co-issuing schemes to create interdependence and thus to alleviate animosity between drug lords. The cartel’s participants shared financial advisors and lawyers and security operatives too, along with trafficking assets like planes, cocaine laboratories, and submarines\(^5\).

The founding members of the Medellin Cartel were, most notably, Pablo Escobar Gavaria, the Ochoa Vasquez brothers – Jorge Luis, Juan David, and Fabio – and Jose Gonzalo Rodriguez Gacha, the pig farmer from Mexico. At its peak, the cartel would bring in annual revenues of USD 6 billion, out of which USD 4 billion was profit. The success of the Medellin cartel would allow the drug lords to buy out an estimated million hectares of farmland for cocaine cultivation, and created a class of narco-bourgeoisie.

Pablo:

Pablo Escobar Gavaria is known as the Robin Hood of Medellin. But he might equally be remembered as the scourge of Medellin, who brought gang violence and danger to the society at large. But while history may decide how to view the polarizing figure of Pablo Escobar, it is incontrovertible that at his peak, he was one of the 10 richest men in the world, and had a net worth of USD 30 billion – not including the stacks of cash that he buried around the Colombian countryside as a failsafe\(^6\).

Unlike the other narco-bourgeoisie who allied with him, Pablo – often called Don Pablo, or El Patrón (the boss) – hailed from

\(^5\) Ibid

more modest beginnings. Pablo’s partners, the Ochoa brothers, were born into the family of the notable Fabio Ochoa Restrepo in the cattle breeding and restaurant businesses. Jorge Luis Ochoa led his family business to enter the narcotics business in the mid-1970s. Other notable narco-bourgeoisie included Colombia’s oldest families with strong lineages. The reason was that the people with noble family heritage would typically have the connections into the US to begin successful drug trafficking.

On the other hand, Pablo Escobar came from low socioeconomic backgrounds. He was vehemently nationalistic and anti-American given the class struggle that set the context for his development. Pablo entered the drug trade in 1975 after years of being involved in other crimes, including the kidnapping notable Medellin politician. By the late 1970s, Pablo established himself as a formidable drug lord, and came to run the Medellin Cartel due to his strong yet earthy personality. But Pablo never forgot his roots, investing heavily back into the countryside: conspicuously into social development projects such as housing for the poor and water wells.

**Muerte a secuestradores:**

The newfound wealth that came to these drug barons also brought with it new kinds of problems. Leftist guerilla forces began looting these drug barons’ dens for drug wealth that they hoped to distribute to the peasantry in hopes of spurring a revolution. Other guerilla groups would kidnap family members of notable drug barons seeking ransom rewards.

To protect against the kidnapping of other drug baron family members, the Medellin Cartel created the Muerte a Secuestradores (Death to Kidnappers) at the end of 1981 – a paramilitary group.

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7 Villar, Oliver, and Cottle, Drew (2011), Chapter 4
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designed to protect the personal and economic interests of the members of the cartel. Small industrialists, cattle ranchers, even Colombian legislature members met with members of the Medellin cartel in Puerto Boyaca to create this MAS paramilitary force.

This is where we pick up the story in PICSim 2016. It is 1982, and cocaine has just surpassed coffee as Colombia’s number one export. The Medellín Cartel is highly prosperous, bringing in over 400 million dollars a week, and Pablo Escobar has just been elected into the Colombian Congress.

Throughout the crisis simulation, delegates will be focusing on two major questions: How can the Cartel make more money, and what could get in their way? When approaching this issue, it is important to focus on how to improve exports in production and transportation. A great deal of cocaine is being brought into the United States that must go through many drop-off points along the way (Central American countries, Caribbean islands, southern Florida strategic locations), and efficiency and discretion can always be improved.

Finding ways to increase profits is not the only challenge that the Cartel faces. Finding allies and avoiding or eliminating outside threats is essential to the existence of the Medellín Cartel. The Cali cartel is the Colombian rival cartel to the Medellín, and it is important for Cartel leaders to maintain dominance on the global drug markets, which may lead to conflict and fighting within the country. Another non-state group at odds with the Medellín Cartel is the guerilla group M-19, which has tried to and sometimes successfully kidnapped Cartel members or their families for ransom. Because of this, the Medellín Cartel is looking into forming its own paramilitary operation.

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The Colombian and US governments also pose risks to the Cartel. With millions of dollars of cocaine flowing into the US every day, the US government is cracking down on drug trafficking and insisting that the Colombian government find and extradite known drug lords to the US.

The Colombian government poses a big threat to the Medellín Cartel. With pressure from the US Drug Enforcement Administration, officials are cracking down on drug transport and searching for leaders in the many Colombian cartels. There are, however, members of the Colombian government that are more prone to making a deal with Medellín members. Special treatment from government officials can be obtained through bribery and other coercive techniques.

Again, money is the ultimate goal of the Medellín Cartel, and they are willing to use nearly any tactic to obtain as much money as possible.
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**Positions:**

**Pablo Emilio Escobar Gaviria:** Pablo Escobar, one of the leaders of the Cartel, is known as a ruthless criminal and mastermind of the Medellín trafficking operations to the United States. Escobar has been arrested before for drug possession but has bribed and murdered judges to stay out of prison. He usually does not carry out the violence himself (although the deaths of hundreds of people are linked back to him); instead, Escobar is more hands-on involved in the transportation of cocaine throughout the Western hemisphere. He has also just been elected to a seat in the Chamber of Representatives of Colombia.

**Juan David Ochoa Vásquez:** Juan David Ochoa is the oldest of the Ochoa brothers and one of the founding members of the Medellín Cartel.

**Jorge Luis Ochoa Vásquez:** Jorge Ochoa is one of the founding members of the Medellín Cartel. Ochoa inherited the trafficking business at a much smaller scale from his father in 1976 and has developed it with the help of his two brothers.

**Fabio Ochoa Vásquez:** Fabio is the youngest of the Ochoa brothers and a high ranking official in the Cartel. Throughout the 1970s, Fabio lived in Miami, Florida.

**José Gonzalo Rodríguez Gacha:** José Rodríguez is one of the leading and original members of the Medellín Cartel. Rodríguez has risen to power while developing a successful trafficking route from Colombia, through Central America and Mexico with delivery in California, Texas, and other parts of the Southwestern US. Rodríguez is currently researching ways to implement foreign technology and practices into the maintenance and security of the Cartel.
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**Gustavo Gavaria**: Gavaria is a cousin of Pablo Escobar and is in charge of the finances for the Medellín Cartel.

**Carlos Lehder**: In his youth, Carlos Lehder was a marijuana dealer. After being imprisoned and released for drug trafficking, Lehder began working with the Medellín Cartel and George Jung to smuggle cocaine into the US by means of stolen planes and Bahamian islands. Eventually, Lehder bought up the entirety of the island called Norman’s Cay in the Caribbean, forced its inhabitants to move, and now uses it for the Medellín’s drug smuggling hub. The island is very well protected, and thanks to the money Lehder has accumulated through this operation, he has offered twice to pay off Colombia’s external debt in order to gain freedom to traffic drugs without consequence and avoid extradition to the US.

**George Jung**: Jung is a major partner of the Medellín Cartel in the United States and has a large influence within the Cartel when it comes to physically smuggling drugs out of Colombia and over US borders. Jung was previously a cellmate with Carlos Lehder, who brought him into the drug trafficking operation. Though only considered a “middle-man,” Jung continues to offer ideas for drug transportation on different types of planes.

**José Abello Silva**: Abello Silva is a high ranking official in the Medellín Cartel and not only holds positions of power within the Colombian organization but also overseas a great deal of Medellín Caribbean operations.

**Rafael (Rafa) Cardona Salazar**: Rafa is known for his severity, violence, and importance to the Medellín Cartel. He is Pablo Escobar’s cartel point-person in the
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United States, despite the fact that he mostly works with the Ochoa brothers. Rafa is responsible for recruiting Americans to join the Cartel and help them smuggle drugs throughout the country. Currently, Salazar is working on shipping routes throughout the US and cocaine packaging that would enable it to be dropped off in water without getting wet.

Griselda Blanco: Blanco is known as the Cocaine Godmother. In the early 1970s, she lived in New York and established a cocaine trafficking route until she was arrested in 1975 and fled back to Colombia. After a few years, she travelled back to the US and now lives in Miami, Florida running trafficking operations throughout the city. In addition to her facilitation of drugs throughout the country, Blanco is also connected to the gang and drug violence that is taking place throughout Miami.

John Jairo Velasquez: Velasquez is Pablo Escobar’s number one, go-to hit-man. He is responsible for the deaths of hundreds of people, both involved in the drug cartels and the Colombian government. Velasquez himself also strategically plans attacks on political figures and rival cartel leaders to make a statement in the name of the Medellín Cartel.
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