



Michigan

High Intensity Drug Trafficking Area

Drug Market Analysis 2009



NATIONAL DRUG INTELLIGENCE CENTER
U.S. DEPARTMENT OF JUSTICE





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This assessment is an outgrowth of a partnership between the NDIC and HIDTA Program for preparation of annual assessments depicting drug trafficking trends and developments in HIDTA Program areas. The report has been coordinated with the HIDTA, is limited in scope to HIDTA jurisdictional boundaries, and draws upon a wide variety of sources within those boundaries.



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Preface

This assessment provides a strategic overview of the illicit drug situation in the Michigan High Intensity Drug Trafficking Area (HIDTA), highlighting significant trends and law enforcement concerns related to the trafficking and abuse of illicit drugs. The report was prepared through detailed analysis of recent law enforcement reporting, information obtained through interviews with law enforcement and public health officials, and available statistical data. The report is designed to provide policymakers, resource planners, and law enforcement officials with a focused discussion of key drug issues and developments facing the Michigan HIDTA.

Figure 1. Michigan High Intensity Drug Trafficking Area



Strategic Drug Threat Developments

- The distribution and abuse of cocaine pose the most significant drug threat to the Michigan HIDTA region; however, cocaine availability has decreased, indicated by increased wholesale cocaine prices, decreased cocaine purity, and a decline in the number of admissions to publicly funded treatment facilities for cocaine.
- The availability and abuse of heroin are increasing in the Michigan HIDTA region. Law enforcement officials report that young Caucasian individuals are increasingly abusing heroin. Many of these individuals switched to heroin after initially abusing prescription opioids; other abusers use both prescription opioids and heroin. Additionally, property crimes in the HIDTA region are increasing, some of which are attributed to heroin abusers who are committing these crimes to sustain their habits.
- Marijuana production has increased in Michigan. The Michigan HIDTA reports that seizures of cannabis plants in the HIDTA region more than doubled from 9,964 kilograms in 2007 to 20,950 kilograms in 2008.
- Local methamphetamine production and abuse have increased significantly in the past year. The number of methamphetamine laboratory incidents¹ has more than tripled in the past year, primarily because local producers are increasingly using the “one-pot” method to produce the drug. (See text box on page 9.)
- Methamphetamine abuse in the HIDTA region has increased sharply in the past year, as evidenced by a 30 percent increase from 2007 to 2008 in the number of treatment admission

to publicly funded treatment facilities for methamphetamine.

- African American traffickers, the primary distributors of cocaine, heroin, and marijuana in the region, are smuggling MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) from Canada into the HIDTA region for subsequent distribution, resulting in increased availability and abuse among African Americans in Detroit.
- Diverted controlled prescription drugs (CPDs) are widely abused in the HIDTA region; some OxyContin abusers are switching to heroin because it is less expensive.

HIDTA Overview

The Michigan HIDTA region comprises nine counties, including Genesee, Macomb, Oakland, Washtenaw, and Wayne in eastern Michigan, and Allegan, Kalamazoo, Kent, and Van Buren in western Michigan. (See Figure 1 on page 1.) The population of the HIDTA region is estimated at 5.8 million, with nearly 70 percent residing in the eastern counties of the region. Detroit, Flint, Grand Rapids, and Kalamazoo are the primary drug markets in the region; they serve as distribution centers for many smaller drug markets within the HIDTA region as well as markets in neighboring states.

The Michigan HIDTA region is centrally located between major drug markets in Chicago and New York City and is connected by interstate highways and roads to other domestic drug markets as well as to source areas along the Southwest Border and in Canada. Traffickers transport large quantities of cocaine, marijuana and, to a lesser extent, heroin from the Southwest Border. They also transport high-potency marijuana and MDMA from Canada to the area. A shared international border renders Michigan particularly susceptible to drug smuggling

1. Methamphetamine laboratory incidents include seizures of laboratories, dumpsites, and chemicals and equipment.

Figure 2. International Border Area Between Detroit, Michigan, and Windsor, Ontario



from Canada. The Ambassador Bridge and the Detroit-Windsor Tunnel connect Detroit with Windsor, Ontario, Canada, providing numerous opportunities for the cross-border shipment of drugs and currency. (See Figure 2.) Additionally, there are more than two million registered watercraft in Michigan and Ontario, some of which are used by traffickers to transport illicit drugs across the extensive maritime border. The Detroit Metropolitan Wayne County Airport is also used by couriers transporting drugs into and through the region.

Detroit and Flint are the largest drug markets in the eastern counties of the HIDTA region. Detroit, in particular, serves as the primary distribution center for illicit drugs transported into and through the HIDTA region from various source locations. Flint is principally supplied with illicit drugs from Detroit, which is located approximately 70 miles south. Some Flint distributors have their own sources outside Michigan that supply them with wholesale quantities of illicit drugs. Cocaine and marijuana available throughout the eastern counties typically are transported from sources in Mexico and

states along the Southwest Border, while heroin is transported from New York City, Chicago, southern California, Florida, and sources along the Southwest Border. High-potency marijuana and MDMA are transported into and through the eastern counties from Canada, primarily through Detroit ports of entry (POEs). Cocaine and bulk currency acquired from the sale of these illicit drugs in the United States are transported through Detroit to Canada. Diverted CPDs are commonly available and abused in the HIDTA region.

Grand Rapids and Kalamazoo are the primary drug markets in the western counties of the HIDTA region. They are located midway between Chicago and Detroit, the cities of origin for most of the available illicit drugs in these markets. Cocaine, heroin, and marijuana are readily available in the western counties. Methamphetamine production occurs primarily in the western counties in the HIDTA region, where the number of laboratory incidents more than tripled from 2007 to 2008 after a steady decline since the December 2005 enactment of statewide pseudoephedrine sales restrictions. MDMA and CPDs are available and abused in the area; various independent dealers, often college students, transport these drugs into the region for personal use and limited distribution.

Drug Threat Overview

Crack cocaine poses the most significant drug threat to the Michigan HIDTA region because of the drug's association with violent and property crimes and its impact on public health resources; however, wholesale availability of cocaine has decreased slightly. Powder cocaine is typically converted to crack cocaine by street gang members and other retail distributors near sales locations in urban areas. To maintain control of local distribution markets, crack cocaine distributors engage in violent criminal activity, such as assault and homicide, while

crack cocaine abusers commit burglary, retail fraud, and robbery in order to obtain the drug—or money to purchase the drug. The high level of violence and property crime associated with crack cocaine distribution and use has compelled many law enforcement agencies to identify crack cocaine as the greatest drug threat in their areas. According to the National Drug Intelligence Center (NDIC) National Drug Threat Survey (NDTS) 2009,² 21 of 48 survey respondents in the Michigan HIDTA region identify crack cocaine as the greatest drug threat in their areas, a higher number than for any other drug. Cocaine remains available in the Michigan HIDTA region; however, law enforcement reporting indicates that wholesale cocaine availability has decreased in Detroit and some surrounding suburbs. Recent cocaine price and purity data as well as drug treatment data support the law enforcement reporting regarding decreased cocaine availability. For example, wholesale cocaine prices in Detroit increased from June 2007 (\$17,000 to \$24,000 per kilogram) to June 2008 (\$19,000 to \$34,000 per kilogram). Law enforcement officials report that cocaine purity has decreased in some areas of Detroit, suggesting that distributors are cutting the drug in order to stretch supplies and increase profits. Furthermore, Michigan Department of Community Health data show that admissions to publicly funded treatment facilities for treatment of cocaine abuse in the Michigan HIDTA Region decreased 26 percent from 2007 (9,049) to 2008 (6,705).

The trafficking and abuse of heroin, marijuana, MDMA, methamphetamine, and diverted CPDs also pose considerable threats to the

2. National Drug Threat Survey (NDTS) data for 2009 cited in this report are as of February 12, 2009. NDTS data cited are raw, unweighted responses from federal, state, and local law enforcement agencies solicited through either the National Drug Intelligence Center (NDIC) or the Office of National Drug Control Policy (ONDCP) High Intensity Drug Trafficking Area (HIDTA) program. Data cited may include responses from agencies that are part of the NDTS 2009 national sample and/or agencies that are part of HIDTA solicitation lists.

region. The availability and abuse of heroin—primarily South American (SA) heroin—in the HIDTA region are increasing. According to the Michigan Department of Community Health, admissions to publicly funded treatment facilities for treatment of heroin abuse increased 13.6 percent from 2004 (7,618) to 2008 (8,651). Law enforcement officials attribute much of the increase in heroin abuse in the HIDTA region to increased use by young Caucasian individuals. Rising heroin availability and abuse most likely have contributed to the increase in the number of NDTS respondents in the Michigan HIDTA region that identified heroin as the greatest drug threat in their areas from 2007 (one respondent) to 2009 (eight respondents). Marijuana is widely available and abused throughout the region. Commercial-grade Mexican marijuana is the most prevalent type, although locally produced and high-potency Canadian marijuana are also commonly available. Local indoor and outdoor marijuana production occurs throughout the HIDTA region; the Michigan HIDTA reports that seizures of marijuana plants in the HIDTA region more than doubled from 2007 (9,964 kg) to 2008 (20,950 kg). Wholesale quantities of high-potency marijuana and MDMA transit the region from Canada; some is distributed and abused locally. Methamphetamine production is increasing in the HIDTA region, as evidenced by a sharp increase in the number of methamphetamine laboratory incidents from 2007 (58) to 2008 (183). Methamphetamine abuse is also increasing in the region; methamphetamine-related admissions to publicly funded treatment facilities increased 39 percent from 2007 (138) to 2008 (192). Diverted CPDs, including methadone, OxyContin, Vicodin, and Xanax, are widely abused in the HIDTA region. Additionally, law enforcement officials report that some OxyContin abusers eventually switch to heroin because it is less expensive, while other abusers are using both OxyContin and heroin.

Drug Trafficking Organizations

Numerous drug trafficking organizations (DTOs) and criminal groups operate in the Michigan HIDTA region, and most of these DTOs and criminal groups are composed of members with similar ethnic backgrounds. Law enforcement officials have identified 456 such DTOs that operate within the Michigan HIDTA region; approximately 62 of these DTOs operate internationally, 141 operate in multiple states, and 253 operate locally. African American DTOs are the predominant drug traffickers distributing cocaine, heroin, and marijuana at the wholesale level. These traffickers transport powder cocaine and marijuana from various drug markets in the United States as well as directly from locations along the U.S.–Mexico border, where they have connections to Mexican sources of supply; they also purchase wholesale quantities of these drugs from Mexican traffickers in the HIDTA region. Additionally, African American drug traffickers are involved in smuggling MDMA into the region from Canada. In order to maintain control of drug markets in the region, these traffickers often engage in violence including assault and homicide.

In addition to African American DTOs and criminal groups, numerous other trafficking groups distribute wholesale quantities of drugs in the Michigan HIDTA region. Mexican DTOs, many of which have direct ties to major Colombian drug cartels and other sources of supply along the Southwest Border, distribute wholesale quantities of powder cocaine, heroin, and marijuana. Asian DTOs are the principal suppliers of Canadian high-potency marijuana and MDMA to the region, often using Indo-Canadian truck drivers to transport the drugs across the border. Albanian traffickers also transport and distribute wholesale quantities of Canadian high-potency marijuana and MDMA in the region, but to a

Drug Trafficking Organizations, Criminal Groups, and Gangs

Drug trafficking organizations are complex organizations with highly defined command-and-control structures that produce, transport, and/or distribute large quantities of one or more illicit drugs.

Criminal groups operating in the United States are numerous and range from small to moderately sized, loosely knit groups that distribute one or more drugs at the retail level and midlevel.

Gangs are defined by the National Alliance of Gang Investigators' Associations as groups or associations of three or more persons with a common identifying sign, symbol, or name, the members of which individually or collectively engage in criminal activity that creates an atmosphere of fear and intimidation.

lesser extent than Asian DTOs. Caucasian and Middle Eastern traffickers in the region distribute wholesale quantities of powder cocaine, marijuana, and MDMA. West African criminal groups, particularly Nigerian groups, transport and distribute Southwest Asian (SWA) heroin and, to a lesser extent, Southeast Asian (SEA) heroin in the region.

Various street gangs and outlaw motorcycle gangs (OMGs) distribute illicit drugs in the Michigan HIDTA region, primarily at the retail level. Nationally affiliated Gangster Disciples, Latin Kings, Sureños (Sur-13), and Latin Counts regularly distribute retail-level quantities of cocaine, heroin, and marijuana in drug markets throughout the region. OMGs such as nationally affiliated Outlaws and locally affiliated Highwaymen distribute cocaine, marijuana, and methamphetamine in some areas of the region.

The criminal activities of street gangs and OMGs in the HIDTA region typically extend beyond their drug distribution operations. Street

gangs commit criminal acts such as assault, drive-by shooting, homicide, money laundering, property crime, robbery, and weapons trafficking. Many turf-oriented street gangs participate in ongoing feuds over distribution territories in neighborhood communities where they reside and conduct their drug operations. Street gang recruitment of middle school and high school students is common. For example, a member of Gangster Disciples in western Michigan admitted to having been a gang member since the third grade. Additionally, a 28-year-old crack cocaine dealer sentenced in 2008 to 17 years' imprisonment for cocaine distribution in Detroit admitted that he had been selling crack cocaine since he was 12 years old. Young recruits are used to perform various gang-related criminal activities, including drug sales, shootings, carjackings, and robberies. OMGs conduct criminal activities such as assault, theft, fraud, homicide, prostitution operations, and weapons trafficking.

Street gang members conduct criminal operations using various communication methods, particularly cell phones and the Internet. Many street gang members use the voice and text messaging capabilities of cell phones to conduct drug sales and prearrange meetings with customers. Some gang members prefer cell phones with two-way, direct-connect communication, believing that they are less vulnerable to law enforcement interception. Law enforcement officials in Detroit suburbs report that dealers will not answer phone calls from restricted phone numbers and often will inspect customers' cell phones in an attempt to determine their identity. Some drug dealers also use the voice capabilities of online gaming systems, gaming chat rooms, and computer-based simulated environments to communicate and conduct drug sales. Computer-based simulated environments, in particular, are increasingly becoming popular, since drug dealers can conduct drug sales and use the virtual world economies that allow users to conduct real world money laundering activities outside the purview

of the traditional banking industry. Street gang members increasingly communicate through Blackberries and the Internet, using text messaging and photos to boast about gang membership or related activities and to advertise events and house parties. Some street gangs create web sites for rap music record labels, a number of which are fictitious and created to mask gang activities. Gang members in the region use social networking web sites, such as MySpace, to communicate and plan criminal activities on the Internet. Additionally, the Internet is being used increasingly as a medium for communicating taunts, disparaging remarks, and general disrespect between rival gangs, particularly young gang members. The disrespectful comments are a form of Internet graffiti that spreads quickly and violent retaliation is common. According to the Kent County Sheriff's Department, this type of taunting and disrespect is different from previous forms of public disparagement through traditional graffiti. Previously, disrespectful comments in the form of graffiti could simply be altered or covered. There was also a natural "cool-down" period that reduced violent retaliation. However, Internet graffiti is somewhat permanent, widely disseminated, and immediate, resulting in higher rates of violent retaliation.

Production

Powder cocaine often is converted to crack by distributors in the Michigan HIDTA region. Crack cocaine poses significant concern in the region because of its association with property and violent crimes committed by distributors and abusers of the drug. Typically, African American crack cocaine distributors convert powder cocaine to crack in private residences, drug houses, or hotel rooms. Some dealers in Detroit use microwaves to "cook" their crack because they believe this method causes air pockets to form in the crack, increasing the volume of the product and hence increasing their profits. Once converted,

crack usually is packaged in small, personal use quantities and distributed near the production site. Crack cocaine distributors often commit violent crimes ranging from physical assault to homicide in order to control local drug operations, while abusers of the drug commit burglary, retail fraud, and robbery to obtain the drug or money to purchase the drug.

Most of the marijuana available in the HIDTA region is produced in Mexico or Canada; however, marijuana from local indoor and outdoor production is also available throughout the region. The Michigan HIDTA reports that seizures of cannabis plants in the HIDTA region more than doubled from 2007 (9,964 kg) to 2008 (20,950 kg); indoor plants eradicated increased from 1,923 kilograms in 2007 to 3,546 kilograms in 2008, and outdoor plants eradicated increased from 7,645 kilograms in 2007 to 17,404 kilograms in 2008. Law enforcement in southwest Michigan reports an increase in marijuana produced locally, particularly hydroponic marijuana that is sold for as much as \$5,000 per pound, compared with less potent commercial-grade marijuana that is sold for approximately \$800 to \$1,000 per pound. Increased marijuana production in the HIDTA region is most likely a response on the part of domestic producers to the growing demand for high-potency marijuana and the higher profits that it generates. Indoor marijuana production typically takes place in houses or apartments privately owned or rented by independent growers, usually African American and Caucasian. Some growers operate large-scale grows in rented houses or apartments, or in commercial buildings that have multiple rooms in which to propagate, cultivate, and dry plants. Outdoor marijuana production occurs in the region, particularly on state-owned property, on other open lands, or in agricultural fields among legitimate crops. Additionally, the Michigan Medical Marijuana Act, which became effective on December 4, 2008, allows qualified and

Medical Marijuana Law Passed in Michigan

The Michigan Medical Marijuana Act became effective December 4, 2008, making Michigan the thirteenth state to sanction the use of medical marijuana for qualifying patients. A qualifying patient is a person who has been diagnosed by a physician as having a qualifying debilitating medical condition. Under the act, a qualifying patient who has been issued and possesses a registry identification card is permitted to possess an amount of marijuana that does not exceed 2.5 ounces of usable marijuana, and is allowed to cultivate, or designate a caregiver to cultivate, 12 plants kept in an enclosed, locked facility. The Michigan Medical Marijuana Program (MMMP), a state registry program within the Bureau of Health Professions at the Michigan Department of Community Health, will issue registry identification cards to patients qualified to use marijuana for medical purposes and to individuals qualified to serve as primary caregivers on behalf of designated patients. A primary caregiver is a person, at least 21 years old, who has agreed to assist with a patient's medical use of marijuana and who has never been convicted of a felony involving illegal drugs. A caregiver can assist no more than five patients. The MMMP will be fully operational on April 4, 2009.

Source: State of Michigan.

registered patients to possess and cultivate specified amounts of marijuana (see text box). Law enforcement authorities in states such as California and Washington with established medical marijuana laws report that although these laws allow the cultivation, distribution, and use of marijuana for medical purposes, some individuals exploit these laws by deliberately exceeding the allowable limits to illegally produce and distribute marijuana.

Methamphetamine production in the Michigan HIDTA region has increased significantly in the last year, as producers are increasingly using the “one-pot” method to produce the drug. (See text box on page 9.) According to National Seizure System (NSS) reporting, methamphetamine laboratory incidents in HIDTA counties more than tripled from 2007 (58 incidents) to 2008 (183 incidents) after a steady decline since peaking in 2005 (221). Statewide legislation enacted in December 2005 that restricted the sale of and access to products containing pseudoephedrine and ephedrine, increased law enforcement efforts, and mandated public awareness campaigns

effectively reduced local methamphetamine production by 74 percent from 2005 (221) to 2007 (58). However, producers have found alternative chemical sources of supply, and they increasingly employ simple production techniques such as the one-pot method to manufacture methamphetamine in the HIDTA region, particularly in Kalamazoo County. In fact, of the 183 recorded laboratory incidents in the HIDTA region in 2008, 132 were recorded in Kalamazoo County, the largest number of incidents ever recorded there.³ (See Figure 4 on page 10.)

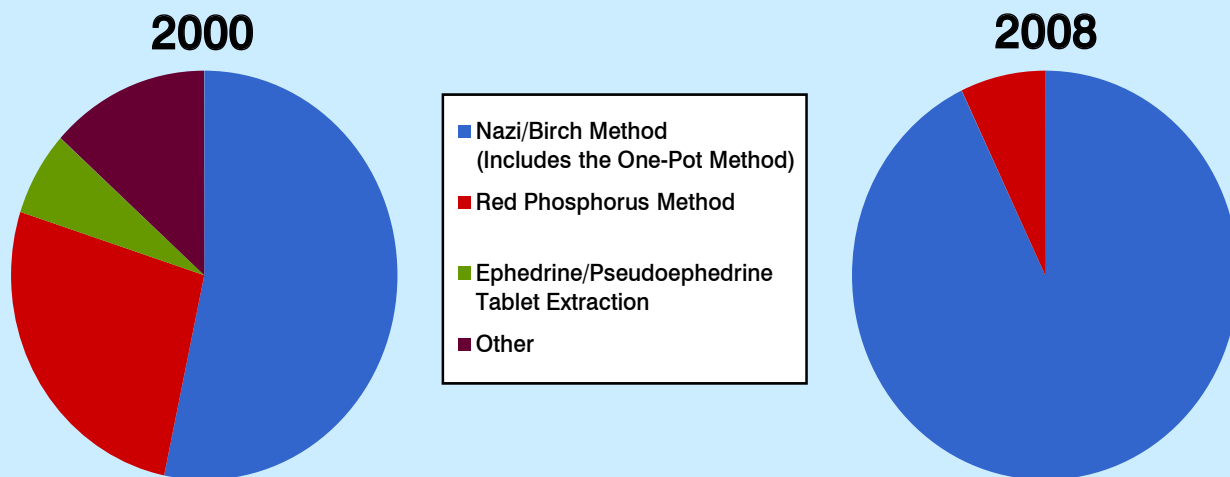
3. Based on National Seizure System (NSS) figures, which include statistics recorded from 2000 to present for the Michigan HIDTA counties.

“One-Pot” Methamphetamine Production Increases in the Michigan HIDTA Region

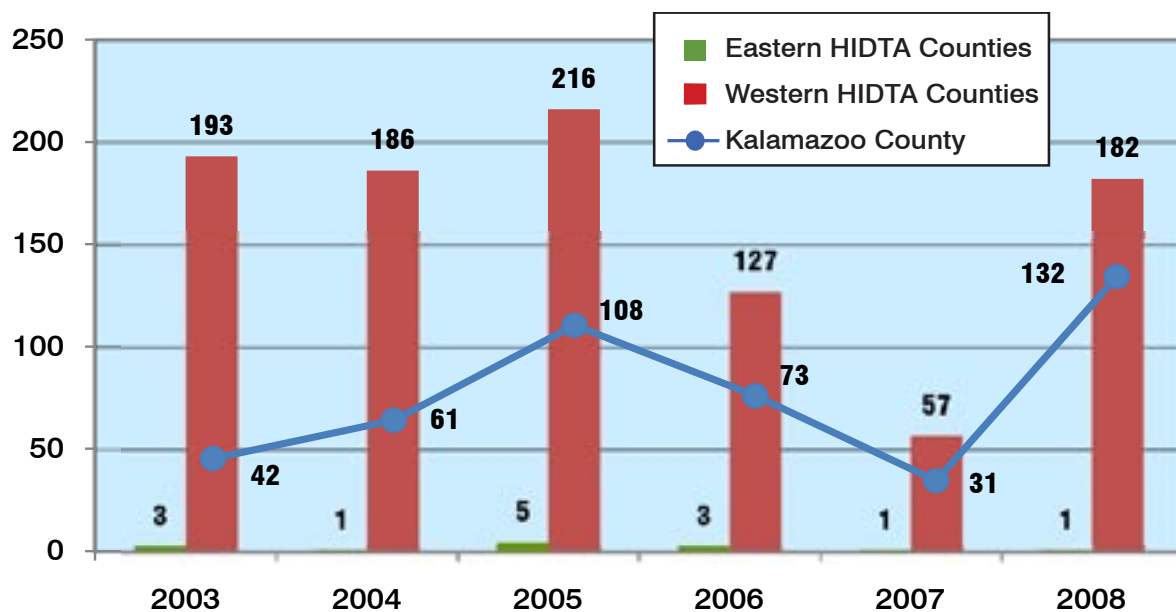
The one-pot method is a variation of the Nazi/Birch method of production; however, in the one-pot method a combination of commonly available chemicals is used to synthesize the anhydrous ammonia essential for methamphetamine production. Individuals using this method are able to produce the drug in approximately 30 minutes at nearly any location by mixing ingredients in a plastic bottle or container. Other methods of methamphetamine production typically require hours to heat ingredients, usually on a stove, resulting in toxic fumes, primarily from the anhydrous ammonia. Producers often use the one-pot method while traveling in vehicles and dispose of waste components along roadsides. Discarded soda bottles may carry residual chemicals that can be toxic, explosive, or flammable.

Law enforcement initiatives and increased public awareness campaigns have deterred methamphetamine producers from stealing anhydrous ammonia, a common farm fertilizer used in some methamphetamine production methods. As a result, local methamphetamine producers are increasingly using the one-pot method of methamphetamine production. According to NSS figures, the number of methamphetamine laboratory incidents involving the Nazi/Birch manufacturing method increased significantly from eight incidents in 2000 to 170 incidents in 2008. Additionally, the Michigan State Police report that the one-pot method has become the most commonly used production method in the state, accounting for 39 percent of methamphetamine laboratory incidents in 2007 (the latest year for which data are available).

Figure 3. Methamphetamine Production in the Michigan HIDTA Region by Manufacturing Method, 2000 and 2008



Source: National Seizure System, data run January 5, 2009.

Figure 4. Methamphetamine Laboratory Incidents in the Michigan HIDTA Region, 2003–2008

Source: National Seizure System, data run January 5, 2009.

Local Caucasian and Mexican independent dealers are the primary methamphetamine producers, operating small-scale laboratories that yield a few grams to a few ounces per production cycle. Despite the small size of these laboratories, methamphetamine production at these laboratory sites poses significant dangers to laboratory operators, law enforcement, and first responders because of the high risk of laboratory fires, explosions, and the improper storage and disposal of chemicals and laboratory waste. Additionally, child abuse and neglect are common in households where methamphetamine is produced. In June 2008, for example, the U.S. Attorney for the Western District of Michigan announced that a Kalamazoo resident had been indicted on charges of manufacturing methamphetamine on premises where children resided. At the residence, law enforcement officials seized a plastic bottle that had been used to produce methamphetamine using the “one-pot” method. Law enforcement officials also recovered a child’s fishing pole that tested positive for methamphetamine.

Transportation

Traffickers use various methods and means of conveyance to transport illicit drugs into and through the Michigan HIDTA region, principally from sources of supply along the Southwest Border and from Canada, but also from other domestic drug markets. Private and commercial vehicles are the most common type of conveyance used by traffickers transporting drugs to the region. Private automobiles and motor homes are often equipped with false compartments or contain manufactured voids in which traffickers conceal drugs. Drug shipments in commercial vehicles are also hidden in false compartments and manufactured voids and are often commingled with legitimate products such as building materials, car parts, heavy machinery, or produce. Traffickers also hire couriers to transport illicit drugs on aircraft, buses, trains, and watercraft. Some traffickers ship drugs into the region through the U.S. Postal Service and parcel delivery services.

African American and Mexican drug traffickers are the primary transporters of illicit drugs to Detroit and other major drug markets in the Michigan HIDTA region; they generally smuggle illicit drugs from various locations along the Southwest Border and from other drug markets in the United States. These traffickers have developed connections to Mexican sources of supply for multihundred-kilogram quantities of cocaine and marijuana that they distribute primarily throughout the Michigan HIDTA region or in neighboring domestic markets. They also smuggle some of the cocaine to Canada. African American and Mexican traffickers also transport heroin from sources in Chicago; Miami; New York City; Newark, New Jersey; and southern California, and from other sources along the Southwest Border.

Asian traffickers are the primary transporters of high-potency marijuana and MDMA into the region from Canada. Asian traffickers often recruit Indo-Canadian truck drivers to transport these drugs into Michigan and to transport cocaine and drug proceeds derived from sales in the United States to Canada. Asian traffickers recruit college age individuals at Windsor area nightclubs that are frequented by Detroit area residents; many of these clubs admit individuals as young as 19. The traffickers pay the recruits to smuggle drugs across the U.S.–Canada border and deliver them to specific locations in Detroit. To maintain control over the recruited couriers, traffickers obtain their names and addresses and use this information to threaten them or their families if the drugs do not reach the intended destination. These traffickers also recruit members of the NEXUS program,⁴ an international air, land, and maritime border crossing initiative, to transport illicit drugs across the U.S.–Canada border.

4. Under the Western Hemisphere Travel Initiative, the NEXUS program allows prescreened, low-risk travelers to be processed with little or no delay by U.S. and Canadian officials at designated highway lanes, airports, and marine locations.

Other criminal groups also transport illicit drugs into the Michigan HIDTA region for local distribution. Albanian drug traffickers transport high-potency Canadian marijuana and MDMA into the region. Caucasian, African American, and Middle Eastern criminal groups also smuggle MDMA into Michigan from Canada. College age individuals in Michigan travel to Canada to purchase small quantities of MDMA for personal use and limited distribution to friends and associates. Caucasian and Middle Eastern criminal groups transport cocaine and marijuana. West African criminal groups, particularly Nigerian groups, transport limited quantities of heroin into the region.

Distribution

African American, Mexican, and Asian traffickers who transport drugs to the Michigan HIDTA region are also the primary wholesale distributors of these drugs. African American and Mexican traffickers are the principal suppliers of cocaine, Mexican marijuana, and SA and Mexican heroin in most areas of the HIDTA region. Asian and, to a lesser extent, Albanian traffickers are wholesale suppliers of high-potency marijuana and MDMA produced in Canada. Caucasian and Middle Eastern traffickers are wholesale distributors of cocaine and marijuana in the region, but to a lesser extent.

African American drug traffickers are the primary retail-level distributors of crack cocaine and heroin throughout the region; they also distribute marijuana and, to a lesser extent, MDMA in urban areas of the HIDTA region. MDMA distribution by African American traffickers is quite likely contributing to increased MDMA availability and abuse among African Americans in Detroit. Some African American crack cocaine dealers in Detroit and Flint are selling smaller rocks of crack known as nicks or nickels, which sell for \$5, in order to stretch supplies

and increase profits. Additionally, this marketing technique provides a more affordable drug to users in response to weak economic conditions. African American traffickers typically sell heroin to abusers in urban areas but are increasingly distributing the drug to suburban and rural abusers, particularly young Caucasians. Drug sales at the retail level, especially sales of crack cocaine, occur in private homes, public bars, nightclubs, hotel rooms, and drug houses, as well as on street corners. Some African American dealers operate drug houses where multiple illicit drugs are available, including crack cocaine, marijuana, and MDMA.

Mexican, Hispanic, Caucasian, Middle Eastern, and West African criminal groups and independent dealers distribute illicit drugs at the retail level throughout the HIDTA region. Mexican criminal groups distribute cocaine and marijuana throughout the entire region and distribute MDMA in Flint and the Kalamazoo-Grand Rapids area. They also distribute heroin, particularly in western counties of the HIDTA. Some Hispanic traffickers are distributing MDMA in southwestern Detroit, where a large Hispanic population resides. Caucasian criminal groups and independent dealers distribute marijuana, MDMA, and methamphetamine throughout the region. Middle Eastern traffickers distribute cocaine, marijuana, and MDMA in Detroit. Nigerian drug traffickers distribute heroin at the retail level in the area. Some street gangs operating in the region distribute cocaine, heroin, and marijuana at retail drug markets; OMGs distribute cocaine, marijuana, and methamphetamine. Various independent dealers and some unscrupulous doctors distribute diverted CPDs in the HIDTA region.

Drug-Related Crime

Drug distributors often engage in various criminal activities to sustain their drug-related activities; crack cocaine dealers, in particular, are

the distributors most associated with violent and property crimes in the HIDTA region. According to the NDTs 2009, 30 of the 48 state and local law enforcement respondents in the Michigan HIDTA region identify crack cocaine as the drug most associated with violent crime; 26 respondents report the same for property crime. Drug distributors often commit violent crimes such as assault and homicide in order to maintain control of their drug distribution territories. For example, law enforcement officials in Detroit report that some drug dealers and customers in Detroit kill other dealers that they have robbed in order to avoid violent retaliation. Some young distributors are unwilling to work for established distributors and instead resort to theft from, and violence against, established distributors to begin their own criminal enterprises.

Drug abusers typically commit crimes including burglary, retail fraud, robbery, and identity theft in order to obtain drugs or money to purchase drugs. Drug abusers steal a wide variety of items that they can sell, including scrap metal, window air conditioners, catalytic converters, and grounding bars from cellular phone and radio towers, in order to acquire drug funds. Law enforcement officials in eastern HIDTA counties report a noticeable increase in the level of property crimes, partially attributed to both drug abusers and the weakened economy. They further report that criminals are increasingly breaking into cars to steal garage door openers that they use to gain entrance into houses to commit burglary. Law enforcement officials suspect that some of these criminals are using the proceeds from these burglaries to purchase drugs. Additionally, law enforcement officials in Washtenaw County report that heroin abusers are increasingly committing property crimes to sustain their drug use. According to the NDTs 2009, 10 respondents identify heroin as the drug most associated with property crime. Some drug abusers resort to violence to maintain their drug

habits. For example, a teenage drug abuser in Canton Township, Wayne County, killed and beheaded a 26-year-old man who failed to pay a \$400 drug debt.

Drug producers also commit crimes in order to sustain their drug production in the region. Marijuana producers who operate indoor grows often steal electricity by reversing or bypassing meters. Methamphetamine producers steal precursor chemicals or obtain them through illegal sources in order to produce the drug in the region.

Abuse

Marijuana is the most widely abused illicit drug in the HIDTA region; however, cocaine poses a more significant concern to law enforcement and public health officials because of its highly addictive nature, the high number of abusers seeking publicly funded treatment, and the drug's common association with violent and property crime. Crack cocaine is the most frequently abused type of cocaine in the region. According to Michigan Department of Community Health 2008 data, crack was identified by individuals seeking treatment for cocaine abuse as the primary type of cocaine that they used in more than 80 percent of cocaine-related admissions to publicly funded treatment facilities in Michigan HIDTA counties.

Heroin abuse is increasing in the Michigan HIDTA region. The number of treatment admissions to publicly funded facilities for heroin increased 13.6 percent from 2004 (7,618) to 2008 (8,651) (see Figure 5 on page 14). Law enforcement officials report that African Americans are the primary heroin abusers in the Michigan HIDTA region, particularly in Detroit; however, heroin abuse among young Caucasians has increased over the past few years. Many heroin abusers began opioid abuse with prescription opioids and then switched to heroin, which is typically

lower in price. Other users abuse both heroin and prescription opioids.

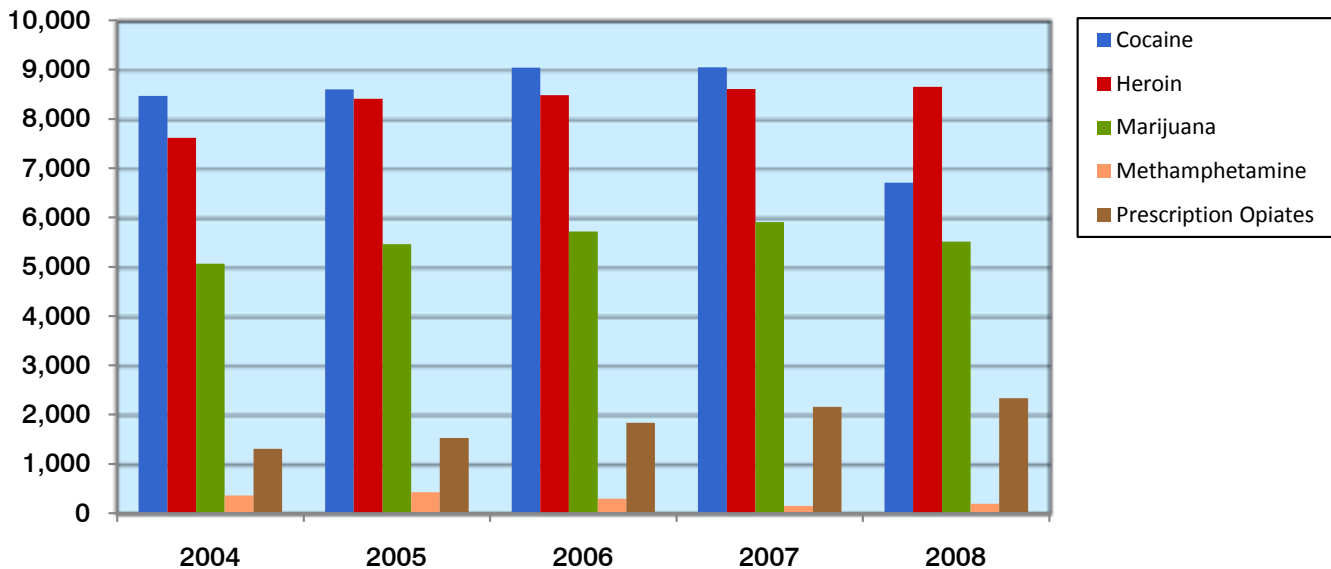
Methamphetamine abuse is increasing in the region, after a steady decline since 2005. In Michigan HIDTA counties, treatment admissions to publicly funded facilities for methamphetamine increased nearly 30 percent from 2007 (148) to 2008 (192). (See Figure 5 on page 14.) This rise in methamphetamine treatment occurred concurrently with increasing local methamphetamine production. Methamphetamine abuse typically occurs in the western HIDTA counties; Caucasians are the predominant abusers of the drug. Methamphetamine is most often smoked or snorted by individuals who also produce the drug locally in limited quantities.

The availability and abuse of other dangerous drugs, including MDMA and diverted CPDs, also pose a significant problem in the Michigan HIDTA region. MDMA is abused throughout the region, often by high school and college age individuals. However, African Americans are increasingly abusing the drug in Detroit, where it is often sold at drug houses where multiple illicit drugs are available. OxyContin, Vicodin, and Xanax are the most often abused CPDs. CPDs are diverted for illicit use by abusers and distributors through various methods, including doctor-shopping, copied or scanned prescriptions, forged prescriptions, theft, and unscrupulous physicians.

Illicit Finance

A large portion of the proceeds generated by drug sales in the Michigan HIDTA region are transported by traffickers in bulk to drug source locations; however, money services businesses and front businesses are also commonly used by traffickers to launder illicit drug proceeds. Mexican DTOs use private and commercial vehicles to transport bulk currency shipments to source locations including California, Mexico, and

Figure 5. Publicly Funded Treatment Admissions in the Michigan HIDTA Region by Drug, FY2004–FY2008



Source: Michigan Department of Community Health.

*Note: The state of Michigan fiscal year (FY) begins October 1 and concludes September 30.

other areas along the Southwest Border; they also use money orders and wire transfers to move illicit drug proceeds out of the HIDTA region. Canadian traffickers transport bulk currency across the U.S.–Canada border. African American drug traffickers commonly own and operate local cash-intensive businesses such as car washes, clothing stores, and hair and nail salons through which they launder illicit drug proceeds. Middle Eastern traffickers generally use wire transfer services housed in convenience stores owned by Middle Eastern criminals to transmit illicit drug proceeds out of the region. Some traffickers use casinos in Detroit to mask the nature of illicit funds; they gamble for short periods of time before converting illicit funds into seemingly legitimate gambling receipts. Some drug traffickers purchase luxury items such as real estate, vehicles, and jewelry in an attempt to legitimize funds. In June 2008, for example, a New York City jeweler was sentenced to 30 months in federal prison for assisting members of the Black Mafia Family DTO in the Detroit metropolitan

area in concealing ownership of a portion of \$5 million worth of jewelry. Forfeitures associated with this DTO included jewelry valued at several million dollars, 13 residences, 35 vehicles, more than \$3 million in cash, numerous bank accounts, and a money judgment totaling \$270 million.

Outlook

The abuse of heroin among young abusers in the Michigan HIDTA region quite likely will increase, particularly among young Caucasian individuals who currently abuse prescription opioids. According to law enforcement reporting in the HIDTA region, many individuals who developed dependence on prescription opioids have switched to heroin because it is less expensive than prescription opioids. This trend most likely will increase as prescription opioid abuse continues among new users and heroin availability remains high. The increase in heroin abuse and

related property crimes may strain public health services and law enforcement resources in the HIDTA region.

Local methamphetamine production most likely will sustain local methamphetamine demand and abuse in the Michigan HIDTA region as local producers who also abuse the drug continue to use the one-pot method of producing methamphetamine.

Marijuana production in the HIDTA region will most likely increase as local indoor cannabis growers attempt to profit from increased demand for higher-potency marijuana.

African American drug traffickers will most likely continue to distribute MDMA in Detroit. As a result, the availability and abuse of MDMA among African Americans who previously did not have access to the drug is likely to increase.

Sources

Local, State, and Regional

Allegan County Sheriff's Department
 Ann Arbor Police Department
 Auburn Hills Police Department
 Berkley Police Department
 Bloomfield Township Police Department
 Burton Police Department
 Canton Township Police Department
 Chelsea Police Department
 Chesterfield Township Police Department
 City of Plymouth Police Department
 City of Troy Police Department
 City of Wixom Police Department
 Clinton Township Police Department
 Dearborn Heights Police Department
 Dearborn Police Department
 Detroit Police Department
 Farmington Hills Police Department
 Flint Police Department
 Flushing Police Department
 Genesee County Sheriff's Department
 Genesee Township Police Department
 Grand Rapids Police Department
 Grosse Pointe Farms Department of Public Safety
 Grosse Pointe Woods Department of Public Safety
 Hamtramck Police Department
 Kalamazoo County Sheriff's Department
 Kalamazoo Public Safety
 Kalamazoo Valley Enforcement Team
 Kent County Sheriff's Department
 Kentwood Police Department
 Livingston and Washtenaw Narcotics Enforcement Team
 Livonia Police Department
 Macomb County Sheriff's Office
 Madison Heights Police Department
 Mundy Township Police Department
 Oakland County Sheriff's Office
 Pontiac Police Department
 River Rouge Police Department
 Riverview Police Department
 Rochester Police Department
 Roseville Police Department
 Royal Oak Police Department
 Saugatuck-Douglas Police Department
 Southfield Police Department/OCSO Net
 St. Clair Shores Police Department

State of Michigan
 Department of Community Health
 State Police
 Sterling Heights Police Department
 Sumpter Township Police Department
 Taylor Police Department
 Trenton Police Department
 Village of Holly Police Department
 Warren Police Department
 Washtenaw County Sheriff's Department
 Waterford Police Department
 Wayne County Sheriff's Department
 Westland Police Department
 Wixom Police Department
 Wyoming Police Department

Federal

Executive Office of the President
 Office of National Drug Control Policy
 High Intensity Drug Trafficking Area
 Michigan
 U.S. Census Bureau
 U.S. Department of Homeland Security
 U.S. Customs and Border Protection
 U.S. Immigration and Customs Enforcement
 U.S. Department of Justice
 Drug Enforcement Administration
 Detroit Field Division
 Domestic Cannabis Eradication/Suppression Program
 El Paso Intelligence Center
 National Seizure System
 Heroin Domestic Monitor Program
 Federal Bureau of Investigation
 U.S. Attorneys Office
 Eastern District of Michigan

Other

The Ambassador Bridge
 Canada Border Services Agency
 Canadian Press Newswire

**Questions and comments may be directed to
Great Lakes/Mid-Atlantic Unit, Regional Threat Analysis Branch.**

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