

## **Real Money: Legalizing marijuana makes sense, moneywise, otherwise**

**Rob Rikoon | Posted: Monday, July 1, 2013 10:00 pm**

The states of Colorado and Washington face a dilemma about whether or not to collect hundreds of millions of dollars in revenue from the “legalization” of pot. Since it is still a federal crime to possess or sell the substance, a classic state versus national law case is shaping up. Most states are running budget deficits, with public employee pension plans severely underfunded and social service programs needing to be cut over time unless something drastic changes. The inclusion of marijuana into the mainstream economy could be just such a change.

In addition to potential revenue received from the taxation of billions of dollars of production, passing untaxed through the underground economy, many states see this as an opportunity to vastly reduce their costs as well. The inclusion of people who break current laws against the possession or sale of pot requires states to build and maintain costly prison systems. It costs as much to keep a prisoner in jail for a year as it does to send someone to a top-notch private university: approximately \$60,000 per year.

The allocation of scarce law enforcement resources to pursue marijuana offenses is a fact of life that many top prosecutors and sheriff’s departments recognize. The behind-doors debate about when to come clean with the public regarding the absurdity of current laws manifests itself as law enforcement officials turn a blind eye to small scale pot offenses. Still, most people in the criminal justice system recognize that the “war on drugs,” insofar as pot is concerned, is not worth fighting.

The economic effect of legalization on marijuana users and producers would be profound. Patients suffering from conditions for which cannabis has been shown to be an effective treatment would benefit from lower prices and a more readily available supply as sources multiply and diversify. Regulating the production and distribution will face logistical challenges, as current illegal marijuana producers are a wily lot and their cash society benefits local businesses to a great extent, especially during harvest season. The businesses that grow pot legally would adapt and likely become larger, employing more people.

Clearly, the use of cannabis needs to be restricted in much the same way as alcohol, with similar penalties in place for driving under the influence or underage use. Experts are divided on the question of whether or not legalization will increase use overall. The studies I looked at show an expectation of a short-term spike in marijuana use after a change in legal status followed by a leveling off at current consumption rates.

The frequency and type of ancillary criminal acts surrounding the current growing scene, from robberies to serious violence including shootings between rival growers, is expected to dramatically diminish after legalization. Many small growers will go out of business and in at least one community that I know of, that will put a lot of young people back into the job market.

New Mexico is neither a leader nor a laggard in regard to its attitude toward marijuana. The state's board that deals with medical uses has been fairly progressive. Our Republican governor has, like many of her party's political peers, stepped back from the public debate and learned to live with the fact that marijuana is part of the mix of substances that need to be controlled but not prohibited from the mainstream of public life.

It makes sense to legalize cannabis, because like alcohol, it is not going away. Its use is widespread across social and economic classes and the cost of partially enforcing laws that a broad cross section of America does not believe in is essentially throwing money away. Why not have states collect money from regulating and taxing it, rather than wasting money unsuccessfully trying to prohibit its use? At the same time, we can require students to get educated about marijuana's potential beneficial and harmful aspects. This seems to depend on who uses it, at what age and under which circumstances.

We have a responsibility to face the reality that pot is here to stay, just like our fiscal deficits. Maybe the solution to the two issues is one and the same?

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