

Microeconomics in Legalizing Marijuana

Marijuana or also known as Cannabis consists of colors such as green and brown and is a leafy substance that contains sticks and seeds. Marijuana contains a chemical called THC. THC has an effect on the brain even altering it. Marijuana is the most popular drug of choice amongst all drugs. Even though the Federal government has declared this drug illegal it remains popular throughout the United States. In this paper I am going to discuss the Economic value we as a country have at hand based off the popularity that exists. Not only could it further improve the hard economic times we currently live in, but could also help stop the violence occurring on our borders to Mexico.

Marijuana does not come from the United States originally. It originates from Asia and Africa. The Neolithic Chinese used the plant's strong hemp fibers to make clothes and fishing nets, but many ancient civilizations, including the Chinese, Indians and Scythians, unlocked the hallucinogenic powers of the drug as they believed it would help them communicate with their gods. (French, 2011) Since then has been used widely in western medicine even being prescribed to the Queen of England for her menstrual cramps. Marijuana was first used in the U.S. for medicinal purposes in the 1800's. However, in 1937 the US government banned possession and use of this popular drug with The Marihuana Tax Act of 1937 which was signed into law by President Roosevelt. Marijuana has been illegal under federal law ever since 1937.

. To say that marijuana has been given a bad rep over the past few decades is an understatement. Like most Americans we have been led to believe that marijuana is a dangerous

and addictive drug that has destroyed the lives of millions of teens and adults. You have been encouraged to believe that marijuana causes lung cancer and is a “gateway” to harder drugs. The government has even tried to convince you that most people who use marijuana are losers who sit around on couches all day and do nothing. The truth is we are being lied to in more ways than one. Marijuana is not without harms, yet it is far less harmful than what we are convinced by our government to be.

According to research being done around the globe we are finding out that there are many benefits to Marijuana. Medically we have started seeing benefits, which is something that can help a vast amount of people with a variety of illness's verses paying for expensive pain medication. A clinical study of 30 adult patients with multiple sclerosis (MS) at the University of California and San Diego School of Medicine, has shown that smoking cannabis may be an effective treatment for spasticity – a common and disabling symptom of this neurological disease (Center for Medicinal Cannabis Research). Studies have shown marijuana helps a number of different types of cancer. The American Association for Cancer Research found the marijuana actually works to slow down tumor growth in the lungs, breasts, and brain considerably. For people living in hard times as it is, having sky high medical expenses can harden an already hard time. Giving people a less expensive option with high benefit will lead to the supply and demand method that ultimately causes a huge market that can be taxed and benefit the government as well.

It is an opportunity for the government to become the suppliers of the good. They can produce on the true supply or marginal cost curve and then replace the "cost". Since the government is not at risk of being fined or jailed, they can take the surplus from the higher price

and add it to tax revenue. Instead of paying large amounts to fight the war on drugs the government should find a way to regulate it to be both beneficial to society as well as revenue for the government. There is a limit to this; however, as setting taxes too high will cause marijuana growers to sell on the black market to avoid excessive taxation. (Moffatt, Mike) Finding a balance is crucial; prohibition of alcohol was resolved and can be used as an example or guideline to a resolution with Marijuana. Our government is facing a major debt issue in the trillions of dollar amounts. They need to be actively looking into new and innovative ways to resolve it. Legalization of Marijuana will not solve the entire problem. However it will change the dynamics into a regulated and taxed market.

We are already seeing progress in the movement to legalize Marijuana. After the 2012 Presidential election, two states, Colorado and Washington, legalized recreational use of Marijuana. The remaining forty-eight states will watch with eyes wide open to see the effects on the current economy as well as on society, for better or for worse. The new measure is expected to bring the two states more than \$550 million combined, with more than 300 economists previously estimating that legalizing pot could save the U.S. up to \$14 billion a year (Bradford, 2012). These numbers could seriously impact the current situation of our economy as well as the trillion dollar debt the U.S. has.

In conclusion the legalization of Marijuana is already started and going to continue to grow and effect our economy and society. Marijuana does not have the negative implications that alcohol even has had on our society; including not hurting your health but helping it medicinally. All states across the U.S. should look into what Colorado and Washington have done and look at the research done to legalize their states. The demand is there not only in the U.S. but worldwide.

We are shorting ourselves the benefits at hand behind false statements and beliefs. We need to focus our policing into more important crimes and save money fighting to keep it off the streets. The revenue would be huge as we are about to witness and see as history is taking place in Colorado and Washington for all involved.

Works Cited

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