How to Reduce the Opioid Epidemic: Legalize Recreational Marijuana

By Audrey D. Kline

There has been no shortage of research over the years to substantiate the claim that prohibition doesn’t work, and drug prohibition is no different. Mark Thornton’s 1991 book, *The Economics of Prohibition* (available for free download at Mises.org) provided a detailed analysis of the failures of prohibition, and he extends the economic analysis to drug prohibition and crime. Thornton recently wrote about the opioid epidemic, calling for elimination of the government policy that is the root cause of the epidemic (Mises Wire, August 20, 2017). Thornton calls for legalization of marijuana once more. New evidence adds support to legalization as a solution.

Introductory microeconomics courses routinely teach about substitute goods, namely, two goods that could be used for the same purpose. Considering that legalized marijuana is a much safer alternative for pain management than opioid prescriptions or illegal opioid use, in states where marijuana is legal (medical or recreational), we would expect to see individuals substitute away from opioids and towards marijuana if it was legal to do so.

What if recreational and medical marijuana were federally legalized? Research has shown that there are positive impacts from medical marijuana, but more recently, as recreational marijuana use has started to be legalized in a handful of states, can it serve as a substitute good for opioids too? The lower-risk associated with marijuana would seem to be an attractive alternative to the much riskier opioids that many people use for pain management. It’s nearly impossible to fatally overdose from marijuana use, while evidence has shown it’s relatively easy to overdose on opioids.
Recently, studies have started to show this substitution trend as a promising solution to the opioid epidemic. Marijuana is often used for pain management in states where medical marijuana has been legalized. A 2014 study by Bachhuber, Saloner, and Cunningham established that between 1999 and 2010, the incidence of fatal overdose from opioid use was nearly 25% lower in states that had legalized medical marijuana. Another study found a 23% reduction in hospitalizations related to opioid abuse in states that had legalized medical marijuana. There was no increase in hospitalization related to marijuana use.

Another study just released analyzed the impact of marijuana legalization on opioid deaths in Colorado, where marijuana is legal for recreational use. In the year immediately following legalization of recreational marijuana in Colorado, data indicate a decline of over six percent in opioid-related deaths. While the study relies on only two years of data, the difference between this and other studies is that this result is based on legalization of recreational marijuana, not medical marijuana.

Recreational marijuana has been recently approved for legalization in several other states, including California, Maine, Massachusetts, and Nevada. These states will join Colorado, Washington, Alaska, and Oregon. In 2015, twelve states showed a statistically significant increase in opioid deaths from the prior year. The trend has not reversed, yet only eight states to date have legalized recreational marijuana. Overall, 29 states and D.C. have some sort of marijuana legalization on the books, though some states ‘legalization’ laws are so narrow that they are largely irrelevant.

In September, 2017 the Centers for Disease Control and Prevention (CDC) announced an increase in funding to the states of nearly $29 million to help in the fight against the opioid overdose epidemic. Clearly, the federal government has learned little from the past efforts of failed prevention campaigns. Wouldn’t this money be better spent on helping to cultivate a less harmful substitute with virtually no incidence of fatal overdose? While there are likely to be some negative effects from increased use of marijuana, providing a legal substitute that is effective in pain management can serve to mitigate the devastation from the opioid epidemic. Moreover, as Colorado has clearly demonstrated, legalization has been a boon to the state budget. Marijuana has become a billion dollar industry there in three years since legalization, contributing $200 million in tax revenue in 2016. It seems redirecting tax revenue generated from marijuana sales is a more efficient mechanism for funding prevention and mental health assistance programs than utilizing federal funding programs such as the CDC’s approach.

Some claim that legalizing marijuana has increased automobile accidents. However, a study published in the August 2017 issue of the American Journal of
Public Health found no increase in vehicle crash fatalities in Colorado and Washington states relative to similar states after they legalized marijuana.

While it’s still relatively early, the fact that reductions in opioid overdose fatalities are apparent as marijuana legalization has expanded lends support to the notion that marijuana is contributing to saving lives as well as reducing hospitalizations. If we saw these results with a cancer drug sold by a major pharmaceutical company, we’d likely see a push to get the drug to market as soon as possible. Cancer patients would be lining up to get their hands on the potentially life-saving drug. Similarly, it’s time for a broader look at the benefits of federal legalization of recreational (and medical) marijuana as a means of mitigating the opioid epidemic.

Note: Abstract marijuana plant illustration is by Carole E. Scott.