



Over 300 economists have signed on to an open letter to the President, Congress, Governors, and State Legislators asking them to allow this “country to commence an open and honest debate about marijuana prohibition.” The petition states that the undersigned “believe such a debate will favor a regime in which marijuana is legal but taxed and regulated like other goods.”

We, the undersigned, call your attention to the attached report by Professor Jeffrey A. Miron, *The Budgetary Implications of Marijuana Prohibition*. The report shows that marijuana legalization — replacing prohibition with a system of taxation and regulation — would save \$7.7 billion per year in state and federal expenditures on prohibition enforcement and produce tax revenues of at least \$2.4 billion annually if marijuana were taxed like most consumer goods. If, however, marijuana were taxed similarly to alcohol or tobacco, it might generate as much as \$6.2 billion annually.

The fact that marijuana prohibition has these budgetary impacts does not by itself mean prohibition is bad policy. Existing evidence, however, suggests prohibition has minimal benefits and may itself cause substantial harm.

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