MARIHUANA LEGALIZATION

ITS EFFECTS ON CONSUMPTION AND TEENAGERS' PERCEPTION
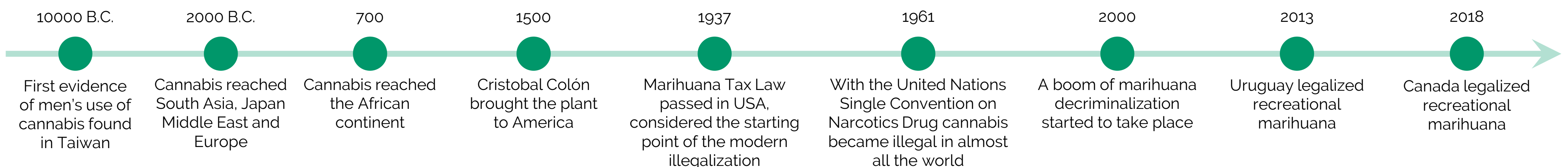
INTRODUCTION

Legalization of recreational marihuana is a controversial topic that is being discussed and seen in the news constantly nowadays. The measure has its detractors and advocates which, respectively, criticize and praise it.

Due to the implementation's recency of the policy in some countries, its effects and consequences on the society are still unclear.

OBJECTIVES

The study aims to see if:

- Legalization of recreational marihuana implies an increase in the number of new consumers.
- Legalization of recreational marihuana affects the level of acceptance regarding the use of the substance among teenagers.

10000 B.C. First evidence of men's use of cannabis found in Taiwan

2000 B.C. Cannabis reached South Asia, Japan Middle East and Europe

700 Cannabis reached the African continent

1500 Cristobal Colón brought the plant to America

1937 Marihuana Tax Law passed in USA, considered the starting point of the modern illegalization

1961 With the United Nations Single Convention on Narcotics Drug cannabis became illegal in almost all the world

2000 A boom of marihuana decriminalization started to take place

2013 Uruguay legalized recreational marihuana

2018 Canada legalized recreational marihuana

METHODOLOGY

The study uses data from the National Survey on Drugs Use and Health (NSDUH) from 2002 to 2017 in the United States. The dataset is presented on a biannual basis.
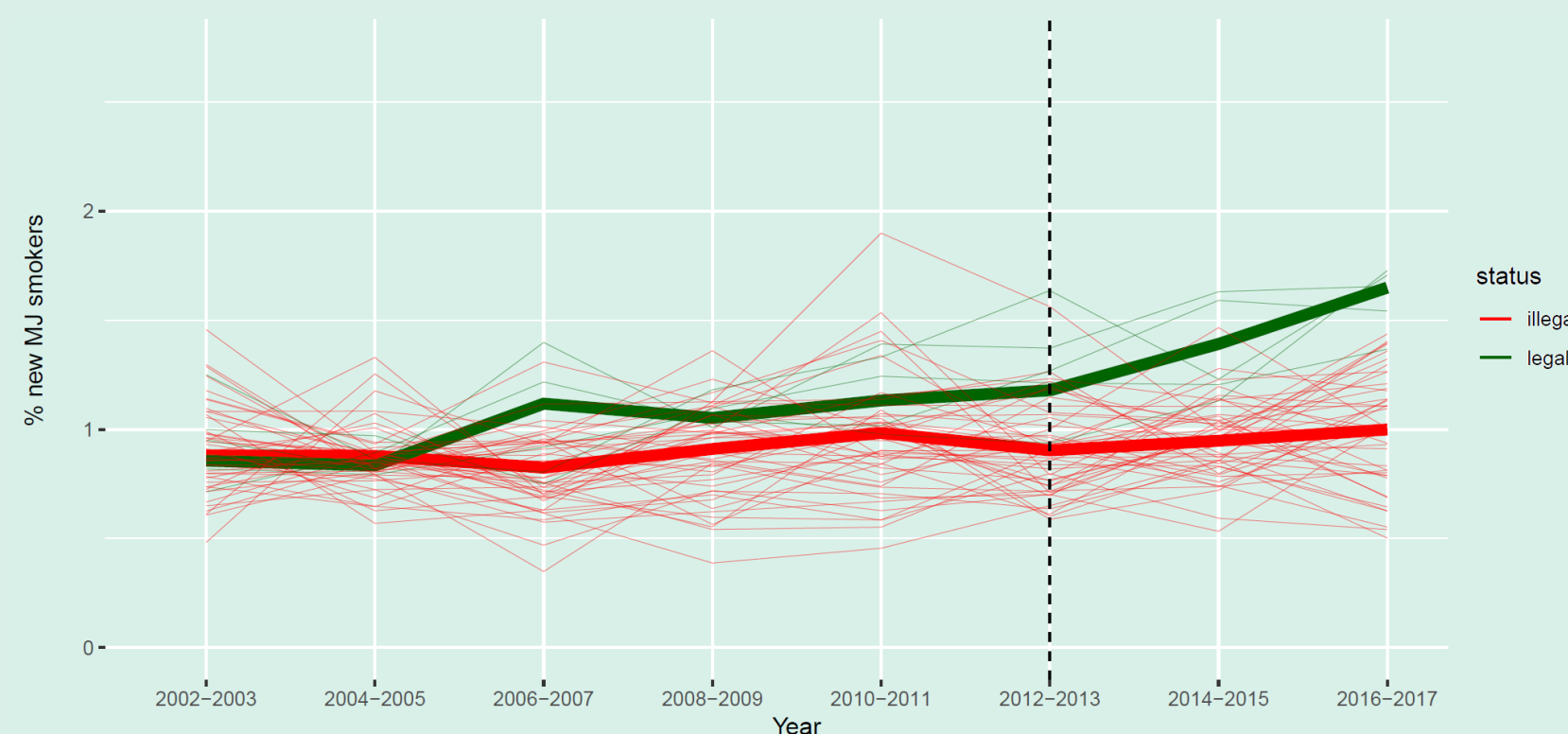
CONSUMPTION

- A variable that indicates if a person can be considered a recent cannabis consumer was created.
- Observed the evolution of the variable throughout the time, paying special attention to the changes after the legalization.
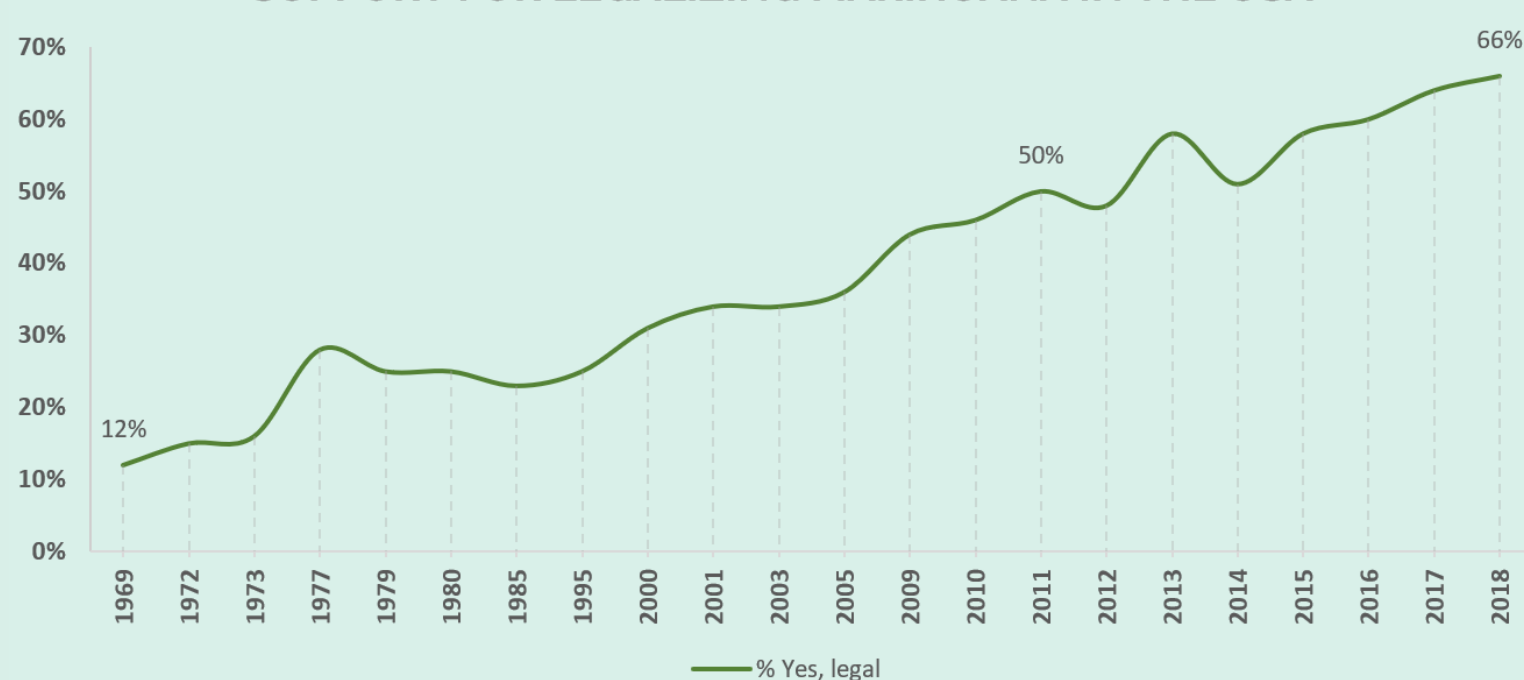
TEENAGERS' PERCEPTION

- A scoring of six qualitative variables was performed, creating a new variable that captures the level of acceptance of the drug among the teenagers.
- Difference-in-Difference model was used to see how the variable was affected by the legalization.
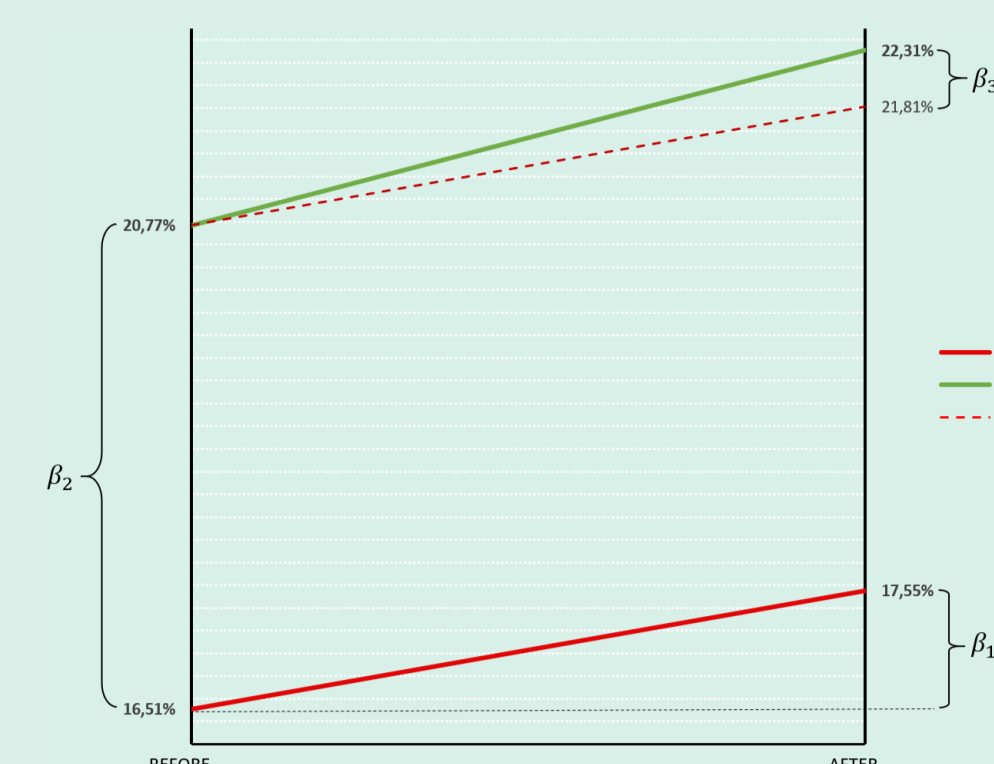
RESULTS

$$STIGMA_{tg} = \beta_0 + \beta_1 * (PERIOD)_t + \beta_2 * (GROUP)_g + \beta_3 * (PERIOD * GROUP)_{tg} + \varepsilon_{tg}$$

SUPPORT FOR LEGALIZING MARIHUANA IN THE USA

Model 1: OLS, using observations 1-102
Dependent variable: STIGMA

	Coefficient	Std. Error	t-ratio	p-value	
const	16.5081	0.509045	32.43	<0.0001	***
PERIOD	1.04231	0.719898	1.448	0.1508	
GROUP	4.25982	1.62576	2.620	0.0102	**
PERIODxGROUP	0.498099	2.29917	0.2166	0.8289	

Mean dependent var	17.47127	S.D. dependent var	3.699652
Sum squared resid	1168.143	S.E. of regression	3.452510
R-squared	0.155008	Adjusted R-squared	0.129141
F (3, 98)	5.992471	P-value(F)	0.000859
Log-likelihood	−269.0798	Akaike criterion	546.1596
Schwarz criterion	556.6595	Hannan-Quinn	550.4114

CONCLUSIONS

- Legalization coincides with the increasing support of the citizens.
- States where recreational marihuana is nowadays legalized were more prone to consume the substance even before the legalization. But after the legalization, these differences become greater.
- Therefore, marihuana legalization potentially implies an increase on the number of new consumers.

- Teenagers from the states where recreational marihuana is nowadays legalized tended to accept more the use of the substance than teenagers from the rest of the states.
- Legalization increased in 0,50% the level of acceptance on the use of marihuana among teenagers, although the result is not significant at a confidence level of 95%.
- Recent adoption of the legalization may be the cause of the low significance.

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