5

Marketing Marijuana
Prohibition, Medicalization and the Commodity

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At first glance, marijuana prohibition does not appear to fit a neoliberal mould. It is based on prohibiting and distorting markets, not on promoting them; it incites to action criminal rather than economic subjects; and it does so through expansive state policies more characteristic of Keynesian modernism. Yet, if we only understand neoliberalism in positivist terms, as a singular economic orthodoxy, we may miss its character as a class politics, which David Harvey (2006) describes as a capitalist class project to redistribute wealth upwards and, by extension, to secure the social policies that facilitate that process. This definition encourages us to understand neoclassical economics as one among many rationales that facilitate a broader neoliberal class project and invites us to consider how other rationales achieve that class project in different ways.

Accordingly, in this chapter I argue that marijuana prohibition, which began well before the neoliberal period demarcated in this collection, attained a qualitatively different character after the 1970s, a character that was increasingly framed in market terms common to the neoliberal era. In this period, marijuana prohibition led not only to marijuana commerce but also to a state apparatus to administer, tabulate and survey this market. It did this in two ways. First, it instituted this market by making it visible and measurable in reports and enforcement actions, and by crafting the market institutions of risk and price. Second, it incited the formation of market subjects, or in the terms of this collection’s introduction, ‘self-reliant, gain-seeking market actors’. Although this market realm had its own unique constraints, in everyday terms it was not dissimilar to those idealized in microeconomics: a market of equal buyers and sellers, operating on rationales of supply and demand, with the government positioned ‘at a distance’ (Rose and Miller 1992). To the degree that prohibition was an economic policy that produced and administered social life in market terms, it was consonant with the broader neoliberal class project. Also, to the degree that marijuana-related actors were market actors, they could not simply be understood as irrationally deviant. Rather, they were attached to a pervasive market logic.

Since the disruptions of the 2008 global recession the market logic of marijuana has come to the fore, as dominant policy forms such as orthodox neoliberal policies and drug prohibition are challenged. The punitive approach to ordinary crime now makes little economic sense. Bloated prisons, mandatory minimum sentences and penalization of non-violent offences, particularly those resulting from the War on Drugs, have come under scrutiny since the 2008 economic crisis in the cost–benefit tradition of US law making (MacLennan 1997). These budgetary calculations dovetailed with other developments, ranging from prisoner strikes against solitary confinement and court-ordered reductions of state prison populations to the rise of #blacklivesmatter, culminating in a surprising potential for a realignment of the US criminal justice system.

Few trends illustrate this transformation better than the case of marijuana. Since 2008, the pace of change has accelerated, with numerous reforms including decriminalization bills, the easing of marijuana research restrictions and the federal government allowing marijuana commerce on tribal lands. Between 2008 and 2016, the number of states with medical marijuana laws increased from twelve to twenty-five, and the number of states allowing recreational marijuana increased from zero to eight, accounting for over 20 per cent of the US population in 2017. From where did this sudden about-face come? Is it simply that economic rationality prevailed after seventy-five years of prohibition? If so, what relation does this new rationality have to the rationales implicit within prohibition? Are they necessarily opposed, or might they be continuous with one another?

In this chapter, I reframe marijuana legalization as a moment in a longer arc of marijuana’s marketization, a process rooted in a neoliberal prohibitionism. I do this first by exploring how marijuana’s status as a prohibited commodity not just criminalizes but also marketizes the plant and its social administration, leading to a unique kind of economic governance of criminalized, deviant populations. I then explore this dynamic by arguing that the escalation
of the War on Drugs in the 1980s produced a field of intervention called ‘the marijuana economy’ and exerted a marketing force on relations among producers. Finally, I show how medical marijuana in California, which was the first state to medicalize marijuana and thus marked an important not-for-profit exception to prohibition, interrupted marijuana’s criminalized market dynamics, yet would itself be moulded into market form, culminating in the 2016 voter approval of recreational marijuana laws in California. While marijuana’s legalization is a moment of discontinuity, this chapter will show that it is also continuous with neoliberal processes at work under the War on Drugs. Public depictions celebrating the emerging marijuana economy and the ‘green rush’ are only the most recent efforts in a longer history of moulding marijuana to a market ideology. In the process, the potential for marijuana to be part of more radical social, economic and psychological stances is tamed.

Criminal Commodities

The decision to prohibit stigmatized things and activities is not only a moral matter. It also has economic dimensions. A rendering of marijuana prohibition is incomplete without a full consideration of its qualities as a commodity.

Of course, prohibition is moral. From Lyman Beecher’s denunciation of alcohol in the Second Great Awakening and H.L. Mencken’s denunciation of alcohol prohibitionists as prurient Puritans to the fixation on marijuana in the US culture wars of the late twentieth century, morality has been a polarizing frame through which prohibition has been debated, and around which forces have aligned. Implicit within this moral frame are notions of individual choice. Whether one chooses to produce, transact or consume a prohibited commodity carries moral weight. But a purely moral frame can obscure the ways that marijuana prohibition is a particular kind of market intervention that produces marijuana as a commodity.

The Marihuana Tax Act became law four years after the end of Prohibition, an effort to ban alcohol in the United States that turned out to be better at producing criminals and policing apparatuses than it was at stopping drinking (Schneider 2009). Following the failure of Prohibition, there was an understanding that seeking to prohibit trade in a commodity is impossible and undesirable in a liberal market society, and hence politically fruitless (Melzer 2004). Oddly, the Marihuana Tax Act, passed in 1937, reflects this shift in thinking. While the intent was to prohibit marijuana, the legal method was taxation, which, prima facie, permits commerce. De facto prohibition through de jure taxation was first tried in a 1934 law that sought to regulate machine guns through taxation, and in 1937 was upheld by the Supreme Court in Sonzinsky v. United States (300 U.S. 506) only months before the passage of the Marihuana Tax Act. The result was a new form of prohibition, one that prohibited through the market rather than against it, in ways that accorded with the market precepts of choice, individualism and consumption, rather than with the precepts of abstinence and moral composure.

Under the Act, marijuana was framed as a market commodity more intensively than it had been previously. Regulation, more aptly criminalization, construed it in terms of a series of commercial actions – cultivation, manufacture, importation, exportation, processing, distribution (‘transfer’), sale and use – a construction that would underlie the 1970 Controlled Substances Act, which replaced the Marihuana Tax Act and remains the foundation of marijuana and drug laws to this day. These economic actions appeared in legal documents, enforcement apparatuses and the psyches, job classifications and risk calculations of all those concerned with marijuana. They are modalities of economization, the process through which things are identified as commodities, and interactions are identified as markets (Caliskan and Callon 2009).

The framing of marijuana’s prohibition targeted a substance and the economic actions people took regarding it. The people who took those actions were dealt with as isolated individuals whose social contexts were immaterial. The common-sense basis on which courts assessed guilt or innocence was the market choice and the utility-risk calculation of the non-social, economic individual. In other words, the rational individual of the law was indistinguishable from the rational market actor, whose individual decisions should take into account potential risks and costs (Corva 2008). This is different from alcohol Prohibition, in which the individual was a morally deficient offender who did not heed authorized definitions of substances as immoral and socially dangerous.

Cast in terms of an abstract commodity divorced from its social bearings, marijuana prohibition did not, on the face of it, target particular types of people in the way that Jim Crow laws requiring racial segregation or immigration laws like the Chinese Exclusion Act did. Rather, it targeted a commodity that circulated through diverse social spaces. Wherever marijuana travelled, criminalizing forces could...
domestically produced marijuana was marginal to the overall market. For reasons I explain below, the 1980s saw the growth of substantial domestic marijuana production.

As Adam Smith argued long ago, countries that consume what they themselves produce are better off economically than those that rely on international trade. As well, he said that such domestic trade encourages the spread of liberal values and moralities of the market to the country’s citizenry. Marijuana prohibition and the domestic marijuana market it fostered in the 1980s illustrate how marijuana became an important, new and unorthodox market morality for an anti-drug society and illegal producers themselves. This market morality was suited to a post-Keynesian, neoliberal age.

Prohibition Markets

Numerous factors encouraged the formation of the domestic marijuana economy in the 1980s. Most immediately, it was stimulated by increased international activity by the Drug Enforcement Administration (DEA), particularly the spraying of paraquat over Mexican crops. This undoubtedly destroyed plants but, more importantly, it led US consumers to fear tainted marijuana, thus generating market demand for domestic product. While marijuana production in the United States was small at that time, there were dedicated farmers among the countercultural back-to-the-land movement in regions far from the reach of law enforcement, like rural Oregon and California, eastern Tennessee and parts of Hawaii, Maine and West Virginia. During the 1970s, these farmers developed new horticultural practices and acquired marijuana strains more suited to northerly latitudes. These developments dovetailed with other shifts in the rural United States in the early 1980s. Natural resource extraction industries and agriculture went into crisis (for workers and farmers, anyhow) amidst major shifts in global market dynamics and the growing power of finance capital. In response to this and the growing momentum of environmentalism, pressure built towards significant deregulation of rural lands (Cawley 1993). Rural America was primed for the emergence of a new economic resource, one it found in the unexpected guise of marijuana.

Were it not for prohibition, this economy would never have grown so rapidly. The federal government, often in coordination with local and state jurisdictions, focused on supply, based on the assumption that targeting drug producers and traders would cause
the price of the drug to rise, which in turn would reduce demand. In other words, the explicit aim of federal policy was to increase the price of drugs. While this may make them more expensive for consumers, it also made them more lucrative for producers and other commercial actors. With the drug war's escalation, the wholesale price of a pound of premium imported Colombian Red marijuana rose from $800 in the late 1970s to $4,000–$6,000 in the mid-1980s. Domestically produced *sinsemilla* (seedless) marijuana, once nearly worthless because its appearance put off consumers accustomed to the imported bricks of marijuana from Central and South America, similarly spiked in price. Although estimates are unreliable, the government's National Narcotics Intelligence Consumers Committee estimated that domestic production had doubled between 1986 and 1989, some of the most intensive years of drug-war activity, and that by 2002 it had risen to nearly five times 1986 levels (Gettman 2007). Despite the growth of production and producers, prices stayed stable and high, even as indoor production techniques spread to suburban and urban areas. In this way, the marijuana economy became a core American industry in a time characterized by farm crisis, de-industrialization and the ecologically devastating financialization of natural resources.

Yet, with marijuana eradication having only minimal impact on the total crop, supply-side interdiction did not raise prices by restricting supply but by increasing the perception of risk (Polson 2013). In 1984, federal legislation authorized an increase in marijuana-related penalties, allowed the seizure and forfeiture of related property and implemented mandatory minimum sentences, which were increased in 1986. While possession of marijuana could lead to a prison term of between fifteen days and three years, cultivation and sales could send a person to jail for life, thus heightening the risks and rewards for upstream economic actors. Spectacular raids, from the Lower East Side of New York City to the mountains of Hawaii, held prohibition up for all to see and increased the perception of risk.

As Christina Johns (1992) suggested, the War on Drugs required a new actuarial practice, as estimates of the marijuana economy relied upon contradictory claims that the war was both succeeding and failing. Seizure estimates had to be high enough to prove the efficacy of prohibition but low enough to justify further funding. The numbers resulting from this delicate actuarial logic became a kind of market index. This sort of discursive-actuarial production of the marijuana economy was just as important to market dynamics as were risk-induced price effects, arrests and laws.

This transformation in calculative techniques and approach is evident in the 1982 Domestic Marihuana Eradication Suppression Program (DMESP) report. The report was part of an effort by the Reagan administration to standardize data collection and assessment, and to establish an intelligence database on domestic marijuana. As a knowledge-producing apparatus, replete with acronyms and statistical figures, it revealed the contours of a previously unassessed entity: the domestic marijuana economy. Specifically, the report marvelled at the fact that the amount of domestically produced marijuana that the DMESP had physically eradicated, which was a mere fraction of the gross product, was 38 per cent more ‘than was previously believed to exist’ (DEA 1982: iii). The DMESP, in other words, discovered and quantified the marijuana economy in a way that radically transformed previous understandings and approaches. To the government, marijuana was suddenly abundant and in need of immediate rectification. Although the formulas used to calculate gross product would shift over time, 1982 marked the year when the federal government became not only the arbiter of knowledge about the marijuana economy, particularly through the press release and press conference, but also the producer of the data that underlay that knowledge. As the producer, tabulator and arbiter of that knowledge, the federal government gave birth to the marijuana economy as a discursive field into which interventions needed to be made successfully, but not too successfully.

The governmental administration of the marijuana economy required a massive institutionalization of prohibition. In anti-crime and anti-drug laws in 1984, 1986, 1988 and 1989, the Reagan and Bush administrations consolidated a drug-war apparatus that would reach from the White House down to local law enforcement. This was achieved in part by breaching jurisdictional and institutional boundaries, such as: facilitating cooperation between the Coast Guard and the Navy around drug interdiction, and between military intelligence and state and local law enforcement; forming task forces spanning local, state and federal agencies, such as the High Intensity Drug Trafficking Area committees organized under the Office of National Drug Control Policy; and allowing direct military involvement in domestic anti-drug operations (see Stelzer 1996; Campbell 2009). The anti-drug enforcement apparatus was facilitated by restricting judicial discretion in sentencing, such as in setting mandatory minimum sentences in drug cases, and in measures like California's Proposition 190 that established citizen review of judges and stronger methods to discipline judges. The institutionalization of prohibition extended
down to the level of workplaces and social service agencies (Garriott 2011) and, by extension, employees and clients. Federally coordinated prohibition consistently produced risk across the United States, and with it a consistently growing marijuana economy.

The foregoing argument contrasts with the popular ‘balloon effect’ theory, which argues that drug markets are produced through the unintended consequences of enforcement activities – push down on one area and another pops up (Seccombe 1995). The prohibition apparatus is not simply repressive; rather, it is productive of the marijuana market discursively, institutionally and economically. This surprising, perhaps ironic, outcome alters two common conceptions of neoliberalism and the War on Drugs.

First, market prohibition may contradict orthodox neoliberal economics but it aligns with neoliberalism’s substantive marketization of society. No longer performing its Keynesian role as regulator and macroeconomic coordinator, neoliberal government was retooled to ‘promot[e] the prosperity of the commonwealth’, as Adam Smith ([1759] 2002: 95) enjoined. This accords with recent scholarship arguing that the neoliberal state, rather than disappearing or being reduced to a minimum, actually increases its capacity to establish and facilitate markets and incite market behaviours through governance at a distance (Ferguson 2010; Peck 2010; Gane 2012). Prohibition appears to contradict this capacity. It is an illiberal, anti-market policy that violates the sovereignty of the consumer, seller and buyer. This contradiction only holds, however, if we assume that prohibition actually prohibits, instead of produces, markets. Rather, as I suggested, the post-1980 escalation of marijuana prohibition let loose the invisible hand of the market. Prices rose, a domestic-producer economy boomed and countless individuals sought their fortune. Though delimited by governmental enforcement actions, as are formal markets, the marijuana market mirrored free-market principles. It was unregulated, operated through a logic of supply, demand and market exchange, and was, in neoliberal fashion, governed at a distance through prohibition’s formation of risk and reward, disincentive and incentive, rule and exception. This prohibition, then, worked through the market, not against it, and in doing so it fostered market growth.

Second, while the War on Drugs can have a moralistic, neconservative face, it is not inconsistent with the less apparent moral precepts of neoliberalism. Commonly regarded as the outcome of a neoconservative culture war and its moral crusade to save the (White) nuclear family, especially its children – as represented in Nancy Reagan’s Just Say No campaign and periodic drug-related moral panics – the War on Drugs is in fact a 50-year policy regime with both neconservative and neoliberal expressions. Important differences exist between neoconservatism and neoliberalism, yet these differences are two expressions of a capitalist class project, namely to redistribute wealth upwards (Harvey 2006) and establish a marketized society (Brown 2006). As Don Robotham (2009: 228) argues, although neoconservatism abhors ‘the libertarianism and moral relativism that the market inescapably brings’, it nonetheless shares with neoliberalism a common aim of ensuring capital-friendly free markets. Further, both neoliberalism and neconservatism are underpinned by the same assumptions about the individual. Whether a criminal or a consumer, the individual is understood to be rational, choice-making, responsible and utility-maximizing (Corva 2008: 180), albeit with different orientations towards collective morality. Thus, even in repressive neconservative regimes, subjectivity is formulated through market logics. Finally, Dominic Corva suggests that these two ‘isms’ are interdependent. Neoliberal economic reforms leave behind populations that must be governed ‘in other ways’, namely illiberally (ibid.: 177; see Beckett and Western 2001). Thus, neoliberalism and neconservatism share class aims, epistemological assumptions and projects of governance. In these ways, we can reframe illiberal, neconservative strategies of governance, such as the War on Drugs, not as an exception to neoliberal market fundamentalism but as tightly linked, if not mutually constitutive (see Peck 2003).

By blurring the binary between neconservative moralism and neoliberal rationality, we can better see the moralities implicit within neoliberalism. For his part, Adam Smith did not simply argue for a free market. He argued that the government should also establish ‘good discipline . . . by discouraging every sort of vice and impropriety’ (Smith [1759] 2002: 95). Smith’s government was one of moral enforcement and the encouragement of proper market comportment, which has been noted as one of the founding conditions of liberal economic orders (e.g. MacPherson 1962; Gidwani 2008; Losurdo 2011). Despite Smith’s reinterpretation as a free-market fundamentalist, liberalism has always been moralistic and has not hesitated to use the law to enforce this morality (Thompson 1975; Linebaugh 1992; Hill 1996). This morality is occluded, however, when neconservatism is assigned the status of ‘moral’ and neoliberalism is regarded as simply (and deceptively) a reflection of economic laws and universal market rationalities and behaviours. The segregating of neconservative moralities from neoliberal rationality in the case of the War on Drugs
illuminates the moralizing authoritarian statecraft of neoconservative drug warriors, even as it obscures the important ways that actually existing neoliberalism supports and functions through prohibition.

In this section, I have described a domestic marijuana economy that was stimulated and facilitated by the supply-side tactics of prohibition, its risk-price effects, new calculative logics and representations, and institutionalization. I argued that marijuana prohibition produced the domestic marijuana economy, that it did not contradict the terms of neoliberal governance but were consonant with it, and that its neoconservative expression articulated with neoliberal understandings and practices. If we only focus on the articulated intentions of prohibition, we would miss its substantive achievement of neoliberal effects — not the least of which was the distant governance of the insecurity spawned in the demise of the Keynesian state.

Marketized Redistribution and the Political Economy of Producers

Having established that marijuana prohibition was productive of the domestic marijuana economy, what did this mean for those in that economy? First, it became a safety net in a period of post-Keynesian government retrenchment. Second, relations revolving around marijuana were increasingly organized in terms of market relations, causing them to be disembodied and, depending upon one's vantage point, re-embedded. Third, this marketization of relations produced forms of political action that centred on opposing government and free market policies, thus dovetailing with the broader neoliberal drive towards government retrenchment. I approach these points by turning directly to those at the centre of the price-risk nexus, namely producers in Northern California, one of the oldest and most established marijuana regions of the United States.

The Emerald Triangle, so named for its reputation in marijuana production, is made up of parts of Humboldt, Trinity and Mendocino counties in the North Coast region of Northern California. It was one of the first marijuana-producing regions targeted by federal forces in the early 1980s. As suggested above, the federal government effectively merged law enforcement jurisdictions, which in California appeared in the form of the Campaign Against Marijuana Planting (CAMP). CAMP was based in California's Department of Justice, so that it was, technically, a state programme. However, it received 75 per cent of its funding from the federal government, which meant that it was likely to reflect federal prohibition priorities and involvement. California had been receiving federal grants since the late 1970s for fixed-wing aircraft to spot marijuana, among other things. CAMP, however, introduced helicopters, which could not only spot marijuana but, by hovering above gardens, could facilitate instantaneous eradication in otherwise inaccessible areas. Counties were enticed to participate in these efforts not only because of the overtime pay they provided to employees and the common local disdain for counter-cultural growers, but also because it added to county coffers in the period following the passage of California Proposition 13 in 1979, which restricted property taxation and hence county revenue. After federal forfeiture laws came into effect in 1984, county law-enforcement bodies also benefited from the assets seized from drug producers. Indeed, forfeiture laws enabled the transfer of seized property among federal, state and local forces, thus becoming another way that federal drug-war priorities were propagated locally.

CAMP initially focused on the Emerald Triangle, from where over 75 per cent of CAMP-eradicated marijuana came (Leeper 1990). One effect of that was the doubling of marijuana prices between 1980 and 1985, after which it stabilized at roughly $4,000–$5,000 per pound for the next two decades (Corva 2014). As Corva argues, that doubling eventually resulted in more widespread production throughout California (ibid.: 2121).

CAMP radically rearranged local marijuana production. Gerri, a woman who moved to the Emerald Triangle in 1968, recalls that marijuana had been less an economic object than a symbol of cultural resistance to conventional society. She was part of the 'back to the land' (BTTL) movement, which emerged after 1968 as a splinter of the anti-war counter-culture movement (Turner 2008). It was a Romantic movement seeking to reduce people's alienation from their labour and land by creating utopian rural communities (Anders 1990; see also Danbom 1991; Olwig 2005). To Gerri, marijuana was a 'side project' and a 'medicine' originally intended for personal consumption, self-sufficiency and communal bonding. During the 1970s, growers in the Emerald Triangle began to use seeds imported from Afghanistan, which were better suited to the region. Also, people began to grow sinsemilla marijuana, which was superior to the imported 'stem and seed' bricks of brown marijuana that were dominant at the time. Because the new variety was so different from what people were used to, there was no market for it. Gerri described what producers did:
We drove it by the pounds to the city and the cops didn’t even know what it was. We had to introduce it to people to stop buying Mexican [product]. We actually had to go to San Francisco and show people good herb, and create the need for it. I remember going to a bar and hustling little buds to people, slowly, getting numbers. [I had to] introduce it like Campbell’s soup.

By the mid-1970s, marijuana became a cash crop, which enabled BTTL communities throughout the Emerald Triangle to flourish at a time when many BTTL communities elsewhere were collapsing. It was, as one retired grower remembered, a kind of ‘golden era of marijuana’ when prices for the superior seedless product were rising but had not yet spiked under CAMP. Community members built schools, established community centres and numerous volunteer fire departments, began improving roads, became important in US solar-panel distribution and started model reclamation and conservation projects for the area’s forests and watersheds, which had been degraded by a century of logging.

One marijuana broker and trafficker named Jim remembered that, for much of this period, the Emerald Triangle was a net importer of marijuana, with product from Thailand, Colombia, Afghanistan, Hawaii and Mexico. Jim remembers 1979 as the year when the Emerald Triangle became a net exporter, displacing Marin County as the locus of marijuana sales. Marin had been popular not only because of its proximity to urban consumers of the San Francisco Bay area but because the area’s ports and boat traffic allowed the smuggling of marijuana from abroad. The geographical shift to the Emerald Triangle signalled the rise of marijuana’s domestic production sector. Many growers, brokers and transporters I spoke with waxed nostalgic about this era as having been rooted in trust-based market relations, relative safety and a common system of ethical market conduct.

By 1980, marijuana eradication efforts were mounting, culminating in the launch of CAMP in 1983, driven partly by the nationally publicized murders of Kathy Davis, a social worker, and Clark Stephens, a marijuana farm worker, in 1982. The resulting political furor was stoked by California’s Democratic Attorney General John Van de Kamp and Republican Governor George Deukmejian, both of whom presented themselves as tough on crime (Corva 2014). This bipartisan anti-crime politics supported and propagated the self-perpetuating drug-war loop between law enforcement and producers, whereby police attempted to eradicate marijuana and thus increased its price, stimulated more production and made more eradication possible.

The cycle of policing and economy building was critical for the Emerald Triangle in the wake of the decline of timber, which had been its core industry. Although it had been in decline through the 1960s and 1970s, between 1979 and 1982 the price of timber plummeted by 48 per cent (Wells 2014). The industry underwent a major reorganization, as timber companies became just one of many holdings of financial investment groups. Waves of lay-offs struck the North Coast and whole forests were clear-cut, ‘liquidated’, as timber conglomerates sought to increase investor returns (Harris 1997; Widick 2009). Workers in the timber and ancillary industries who were laid off found that marijuana was one of the few alternative industries in the region, and it soon displaced timber as the source of jobs after secondary school.

This new socio-economic order filled in the economic gaps left behind by timber and the declining welfare state. Hannah, a migrant from Southern California in the early 1980s, retreated to the Emerald Triangle after the anti-nuclear organization in which she was involved fell into disarray after being infiltrated by federal agents (Gelbspan 1991). As a single woman living at the political and geographical edge of the nation, the proceeds of marijuana became a lifeline for her. She never made it big ($36,000 was her best year), but it helped her to ‘keep off welfare’.

Whether for the disaffected or deindustrialized, the marijuana economy became a safety net and employment generator. In other words, the War on Drugs served as a post-Keynesian answer to the shortcomings of neoliberal economic policy and the welfare state’s decline. While neoliberal governments facilitate and even produce markets, they disavow a role in redistributive policies that correct the failings of those markets. Yet it was the supply-side strategy of the War on Drugs that led to the high prices that became the core of a market-based but government-instigated system of redistribution that functioned to manage the human consequences of deindustrialization and the withdrawal of the welfare state. That system of redistribution, however, was not based on the idea of entitlements, rights and social benefits. Rather, it was based on notions of risk, reward, criminality and the ever-present possibility of arrest, incarceration and the loss of entitlements and rights. In the Emerald Triangle, this new system enabled the pre-emptive criminalization of restive unemployed White workers and disaffected back-to-the-landers who were increasingly battling the destruction of the region’s forests by a timber industry now guided by the financial logic of investor return.
More importantly, though less obviously, the marijuana economy became a place where alliances were formed between the outcasts of timber's reorganization and environmental activists. Karyl, who had been born and raised in the Emerald Triangle, remembers that it was in the economic reorganization of the early 1980s that 'locals' and 'hippies', as they often called each other, began to bridge the cultural divides that had kept them apart. Indeed, the children of back-to-the-land and local parents came together in the area's schools as they traded marijuana cultivation skills. For her part, Karyl, the daughter of Republican ranchers, married the pot-growing son of former activists in Students for a Democratic Society, symbolizing this cultural intermixing.

The potential for overt alliance came to a head in 1990 when Judi Bari, an environmentalist who advocated unity with unemployed and employed timber workers in the area, announced plans for a 'Redwood Summer' modelled on the 'Freedom Summer' of the Civil Rights movement. The Redwood Summer, and Bari's unifying vision, hobbled along after Bari was seriously injured by a mysterious, and uninvestigated, car bomb before the campaign began (Bari 1994; Harris 1997). In the same way that the contemporaneous spotted owl controversy pitted environmentalists against loggers, the foiling of Bari's vision of worker-environmentalist unity forestalled the nascent rural radicalism present in the marijuana economy from rising to the level of organized resistance to the region's still-dominant timber interests. Indeed, in the Redwood Summer the Emerald Triangle became the staging ground for the most aggressive marijuana eradication effort to date, Operation Green Sweep, which united local and state law enforcement with the US Army's 7th Infantry Division.

As a market-based policy, marijuana prohibition exerted a marketizing influence upon social relations in the Emerald Triangle. One second-generation grower, a son of back-to-the-land migrants, noted his friends' desire to 'build themselves big' with 'exorbitant castles and cars and everything [that] goes along with the lifestyle - the American dream, the consumerist mentality'. He thought that people now craved 'suburban amenities' - a big change in a region where water heaters were rare, many people used kerosene lanterns and cars were perpetually breaking down. Another environmentalist regretted the disappearance of open social relations:

Maybe only one person had a chainsaw and it would be loaned around. Two [people] would have a working vehicle and they would drive us around. It was far more convenient. First, then, people got a little bit of money and bought a chainsaw. This began the process of closing themselves off. It really wasn't obvious. It was very gradual.

For some, this marked a decline. One retired grower and schoolteacher explained: 'At parties, the only thing people [were] talking about was pot'. Another grower said that the atmosphere became more ominous, if not violent; gates appeared where none had existed, bullets ricocheted from semi-automatic guns, Rottweilers patrolled properties, roving hikers found themselves confronted by gun-toting marijuana grower patrols. For one marijuana broker, the rising price had two effects: it attracted more high-stakes entrepreneurs and it elevated the price to well beyond what he believed the product was worth. He retired as a broker soon after the price spiked because it violated his ethical commitments as a seller: 'I knew the value of the experience people were getting from it, and it wasn't worth it'.

Equally, though, others thought the change had beneficial aspects. Cole, an international trafficker, regretfully remembered his many friends who found themselves in jail or fleeing the country at the time, but he became enraptured by the thrill of outsma:ring customs inspectors and evading law enforcement. He believed that the heightened risk deepened, rather than degraded, the value of trust and reputation. Another person, who grew up around organized crime on the East Coast, echoed Cole's idea: the drug war imposed a higher standard of market ethics as well as an intensification of social bonds between people, because they had more to lose. For Karyl, the locally born grower, the booming marijuana market instigated a decades-long discussion with her partner over how to instil the values of thrift, confidentiality and prudence in her children. For Gerri, the back-to-the-lander, the drug war was an opportunity to teach her children, and the community's children, about imperialism, racism and capitalism, a kind of anti-capitalist (illegal) market ethics. So, while some saw the decline of community values and social relations, others saw a time of new ethics and intensified social relations. This was apparent in the ongoing internalization of state-like infrastructural projects by marijuana-producing communities that I mentioned above: road maintenance, fire departments, community schools, health care and community centres. Amidst the rise of a marketized social life, those I have just described remind us that Polanyi's (1944) disembedding commonly involves re-embedding (Carrier 1997; Granovetter 1985).

The marketization of social life produced two noteworthy new political forms, hemp activism and civil-liberties activism. Jack Herer's The Emperor Wears No Clothes (1985) helped to galvanize
activists around full legalization. On the North Coast, people organized an annual Hemp Fest and a Hemp Awareness Group, and provided community support for a hemp store in Garberville, in southern Humboldt County. Concurrently, the local chapter of the American Civil Liberties Union formed the Civil Liberties Monitoring Group, which was joined by the Citizens Observation Group and the local radio station in organizing resistance to law-enforcement operations in the area through the 1980s and 1990s. Property rights were central to this activism and served as a defence against the predations of law enforcement, which had to justify its invasion of privacy. Marijuana prohibition, then, inspired an anti-state, libertarian activism that advocated the free market and private property as the salvation and security of those in the marijuana economy.

In sum, the marijuana economy managed the human and potential political consequences of the decline of the welfare state and productive industries, broke down and rebuilt social relations in new marketized terms and fostered a pro-market, anti-state politics. While these dynamics continued well into the twenty-first century, during the 1990s another political force arose in another corner of California, reframing marijuana not as a market commodity but as a medicine.

Breaking the War System and Making the New Normal

After a decade of spectacular warfare throughout pot-growing regions in the United States, culminating in joint military-police campaigns like the Emerald Triangle’s 1990 Operation Green Sweep, the drug war became more routinized and more pervasive. Under President Clinton, the focus turned from major raids to low-level policing (King and Mauer 2006). The 1994 Violent Crime Control and Law Enforcement Act institutionalized the drug war throughout the federal government, with elements like the denial of education loans and welfare services to (drug) felons, increased funding for police and drug-focused “broken-windows policing” and mandatory drug testing for those under supervised release from jail. In California, prison construction continued to boom as White, rural, conservative reaction mounted following the 1992 Los Angeles riots, resulting in a 3-strikes law, the creation of a sexual-offender database and greater limitations on judicial discretion. Much of this seems to have focused on possession of marijuana, which accounted for 8 per cent of drug arrests in 1990 but 30 per cent two decades later (Macallair and Males 2009). As for those in the marijuana economy, the dynamics of prohibition, price and production continued to generate a steady stream of marijuana in California and throughout the country (California was estimated to be the largest exporter of marijuana to other states; Gettman 2006).

The relationship between prohibition and the marijuana economy was a variant on what Nazih Richani (2002) calls a ‘war system’. Like Gramsci’s (1971) ‘war of position’, a war system has a kind of equilibrium between opposing sides, where small manoeuvres are made but both sides recognize the impossibility of winning decisively. Warring conditions become a new kind of normal through which governance and social life take shape.

For instance, the employment of marijuana-spotting helicopters in eradication efforts led marijuana growers to move production indoors, which produced more potent marijuana and thus created new market demand. In turn, the development of new marijuana detection technologies like heat-seeking radar led some growers to build bunkers in hillsides or to grow marijuana on public land where plants could rarely be traced to individuals. Producers might be arrested but, lacking employment options and denied state benefits under anti-drug legislation, they often turned back to marijuana production. As for law enforcement, officials readily admitted that they detected only a small amount of the total marijuana being grown and went after only a fraction of that amount. In the fiscal-actuarial logic of drug-war funding, what was critical was not the elimination of marijuana production, but rather the production of numbers of arrests, plants eradicated and the value of seized property that would justify further funding.

Richani argues that when war systems reach an equilibrium they become especially susceptible to outside forces. This came in the 1990s, in the struggle to frame marijuana as a medical substance instead of a commodity. There was a long history to this framing. During the 1937 Congressional hearings preceding the Tax Act, the American Medical Association unsuccessfully attempted to get a medical exemption for marijuana. In the 1950s a move to medicalize, treat and provide social support for those who used marijuana and other illegal drugs gained ground among researchers and practitioners (Edman 2009). This culminated in a stand-off between the Commissioner of the Federal Bureau of Narcotics, Harry Anslinger, and Dr Alfred Lindesmith, a leading medicalization proponent and critic of Anslinger, which ended when President Kennedy pushed Anslinger to resign (Galliher, Keys and Elsner 1998; Sloman [1979]
necessity argument, encouraging those with HIV/AIDS around the
country to flood the federal government with applications to join
the federal marijuana programme that had been established under
court mandate in 1978, mentioned above (ibid.).

Despite the numerous findings by the federal government of
marijuana's medical efficacy in the 1970s, the National Institutes
of Health had been developing a synthetic alternative to marijuana,
which it would later sell to Unimed Pharmaceuticals. Synthetic THC
could defuse the medical necessity argument by providing an alterna-
tive to marijuana (Werner 2001). In 1991, the medical applications
of synthetic THC were expanded to cover ailments affecting those with
HIV/AIDS. The result was that the federal marijuana programme
was closed to new admissions. Not to be outmanoeuvred, activists
campaigned for, and won, a ballot for medical marijuana in San
Francisco in 1991 and then Proposition 215 on the California state
ballot in 1996 to create a medical exception to marijuana prohibition
(see Bock 2000; Geluardi 2010).

This authorization of medical marijuana in California was a
 crucial moment in turning marijuana from a market commodity
into a medical substance. While the criminal-economic frame cast
marijuana in terms of the economic choice of individuals, the medical
frame cast it in terms of medical necessity and value. Marijuana had
been a matter of cultivation, distribution, possession and (mis)use,
but now was being constituted by a different array of actions and
discourses, such as caregiving, medical recommendation, provisioning,
titration and medication. This construction of marijuana as a medical
substance provided an exception to the war system of prohibition
and markets.

Since medical marijuana had an economic dimension, it is worth
exploring briefly how this medical-economic system differed from
illegal market dynamics, the subject positions it enabled and the
political forms it inspired. First, 'Prop 215', as the medical mari-
juna proposition is commonly called, and its clarification in Senate
Bill 420 (SB420) in 2004, stipulated that marijuana could not be
exchanged for profit. It did, however, allow reasonable compensa-
tion of caregivers and others involved in marijuana provision for the
costs they incurred in their activities. Second, the potential consumer
or patient base of this medical exception was very large. Prop 215
allowed doctors to recommend marijuana for a series of illnesses and
for 'any other illness for which marijuana provides relief', wording
intended to anticipate future research that might show that marijuana
could treat illnesses not listed in Prop 215. Third, SB420 required
that each county establish a medical marijuana identification programme, which obliged localities to recognize the right of patients to medical marijuana uniformly across the state, thus suggesting a reasonable expectation of marijuana provisioning and acquisition. It also required law enforcement officials to recognize a doctor’s recommendation as legal grounds for having marijuana, thus freeing the growing number of people producing and consuming medical marijuana from legal jeopardy. Finally, SB420 determined that patients and caregivers, as well as ‘collectives’ and ‘cooperatives’, would be allowed to produce and distribute marijuana.

Cooperatives had a legal definition, but collectives did not. To some advocates, they were simply informal associations of people who agreed to provide marijuana among themselves, and the law’s invocation of collectives inspired a wave of associations for self- and collective-provisioning. This entailed the organizing of labour, time and product in a non-market form. What I have said of the terms under which marijuana was authorized, protected, produced, distributed and consumed shows how they diverged from the more conventional terms of the market in general, and the particular terms of prohibition markets. Marijuana was re-signified: not a commodity with (criminalized) market attributes, but a non-profit medical substance outside traditional market forms.

The legal authorization of medical marijuana and the growing number of provisioning cooperatives put pressure on producers to medicalize, much as they had been marketed in an earlier time. They did so chiefly by acquiring medical marijuana recommendations from patients corresponding to the plants they grew. Whether the marijuana was destined for patients or the underground market, producers utilized medical recommendations to forestall, if not foil, law enforcement. This had a profound impact on the risk profile of marijuana growing, which, in turn, placed a downward pressure on the prices producers could ask. For producers who wanted to maintain their income, this meant trying to sell to those who would distribute outside of California, where prices remained high. Inside the state, however, these developments facilitated the transfer of market power, particularly power over prices, from producers to distributors. I turn to that now.

Collective non-market provisioning opened a route back to more conventional market dynamics through the boom in medical marijuana ‘dispensaries’ following SB420. dispensaries usually defined themselves as collectives but operated more in the manner of a retail outlet. While the collectives comprised medical producers and patients, dispensaries required what small businesses routinely need - like lawyers, accountants, security staff, managers and electricians. Like a non-profit business, all cash earned from marijuana sales had to be reinvested, meaning that shareholders and investors were disallowed from this emerging division of labour. So, where the proceeds of marijuana sales used to go primarily to producers and brokers, now they were distributed to an array of economic actors clustered around distribution. This was intensified by the fact that many dispensaries grew marijuana on site, thus cutting pure producers out of the market altogether. The result was that even though the price of medical marijuana to the consumer remained approximately the same as it had been under prohibition, the earnings of producers fell precipitously, from a high of $4,000-$6,000 a pound to as little as $800 a pound (which dropped even more following commercial legalization). The difference went to those involved in distribution. This had important consequences for those who had been in the marijuana economy and those who now sought to make their fortunes in the emerging legal form of the industry.

Although the storefront dispensary model was not authorized in SB420 or Prop 215, three developments pushed medical marijuana towards this commercial model. First, the Board of Equalization issued guidelines in 2007 stating that all marijuana sellers must obtain a Seller’s Permit from the state to transact marijuana and collect sales tax. Second, the Attorney General issued guidelines for dispensaries and informal collectives, advising that they obtain business licences from local governments, maintain membership records and verify members’ identities, track the sources and movements of their marijuana and provide security. These two decisions pushed collectives towards a business form recognizable by the government (recognition was what many operators desired) and away from informal medical collective organization. While profit was still not allowed, medical marijuana began to look more like a formal market. The third development pushing towards a commercial model was the shoring up of a retail consumer politics and identity. Throughout the 2000s, the dispensary model was increasingly adopted and advocated by groups arguing for consumer rights, such as Americans for Safe Access, which were demanding that these retail institutions be protected from regulators and law enforcement alike. Many California consumers found it easy to obtain medical recommendations and safer to purchase marijuana in dispensaries rather than on the street, thus giving dispensaries a growing consumer base from which to make claims on local governments. Although dispensaries were insecure
because they were easy targets for federal raids and local persecution, they became an important arbiter of the interests of medical marijuana more broadly. Medicalization, then, was the outside force that breached the war system that existed under prohibition, yet this new system was soon drawn back into normalizing market forms, ultimately culminating in the voters’ approval of recreational marijuana in 2016.

For a decade, the medical model developed as an alternative, non-market way of dealing with marijuana. Yet, the media, legislators nationwide and even advocates themselves bemoaned California’s medical system as a ‘mess’ and a ‘failure’, terms that arose frequently during fieldwork. There were certainly ambiguities around medical marijuana, but the biggest issue was that collective- and self-provisioning operated in non-market terms, and so were illegible in a society that recognized the market and the business form as the primary vehicle of economic activity. It should be no surprise that by the late 2000s, marijuana was pushed towards this legible market form in order to clean up the supposed mess that medical marijuana represented. As I will explore in my conclusion, by 2010 a fully legal marijuana market was presumed to be the inevitable outcome of these developments. Although this presumption was dashed by a federal offensive against medical marijuana in California beginning in 2011, the market continued to emerge nationally, leading to the full legalization of recreational marijuana in eight states by 2016. This emerging market was accompanied by new market practices, discourses and relations, the sum of which was a new economic normality that followed the passage of marijuana from illegal to legal. Along with it came new forms of economic deviance.

**Conclusion: A New Economic Deviance**

In 2010, a pivotal report on the marijuana economy was released. Unlike the government reports that had been used to justify spending more on the War on Drugs, this report was issued by See Change Strategy LLC, a different kind of market intelligence group. While the DEA and other enforcement agencies measured property seized, people arrested and plants eradicated, See Change Strategy (2010) measured investments returned and augmented. It and the federal government shared a logic of escalation and market emergence (see Heyman 1999) that called for intervention – one in the form of interdiction, the other in the form of investment. The medical marijuana industry, See Change Strategy said, could reach $8.9 billion by 2016, attesting to the accuracy of the DEA’s claim, some thirty years earlier, that the United States ‘is becoming a major source for marijuana’ (DEA 1982: 6). I highlight these similarities to suggest that even though legalization marks a significant shift in marijuana, there are continuities between the marketized relations established under the War on Drugs and what is seen by many as the inevitable formal marketization of legal marijuana.

Since the See Change Strategy report and the marijuana investor and business conference of 2011 where I became aware of it, marijuana has been through a tumultuous period. The federal government intensified its interventions during this period even as it began to liberalize its approach to marijuana. State and local governments followed this chaotic approach, unevenly deciding to move with marijuana or move against it, depending on local dynamics. Although several states (including California) have now fully legalized marijuana, at a national level it remains illegal. In such a situation, it is more correct to say that marijuana has been decriminalized for medical and commercial use rather than actually legalized. Yet, as a social process by which an object gains a particular legal meaning (Comaroff and Comaroff 2006), legalization, like marketization, has been happening for some time.

In the uneven and capricious application of regulation and prohibition, this gradual legalization is changing the nature of the marijuana market. Labourers can be unionized, economic development and tourism campaigns can be launched, a wide cast of professional services can cater to firms, professional associations can hold meetings to strengthen each emerging sector of the broader industry and even capital can accumulate with relative freedom as marijuana businesses are quietly finding ways of accessing federally insured banks despite marijuana’s federally illegal status. As marijuana’s market valences develop, the plant’s other meanings — a sign of the counterculture, a symbol of resistance, an untaxed and home-grown medicine, an informal means of community development — diminish. Economic relations that are professional, respectable and reputable are valued, not those that exist in informal or illegal economies. Market and government discourses increasingly value economic actors who are compliant, environmentally sustainable and properly zoned over those who are labelled as irresponsible, polluting and disruptive. Market practices such as accounting, organic certification and quality-assurance testing are preferred to those that cannot be quantified, made transparent, certified or approved.
Those who violate the terms of this formalizing economy are cast as deficient and untrustworthy, even criminal. As time passes, the distinctions between good and bad market actors, discourses and practices become firmer. This new moral order is increasingly viewed as the inevitable outcome of economic rationality, while prohibition is portrayed (albeit only by some) as an irrational policy. The argument I have made, however, suggests that we interrogate, rather than simply presume, what is rational. As the Introduction to this collection suggests, expectations surrounding such things as rational behaviour, roles and policy are themselves situated and dependent.

All the while, the prohibitionist federal government lets marijuana evolve, deciding, apparently arbitrarily and often dramatically, when to intervene and when to leave things alone. That which has been criminally excluded is brought into the civic fold through a federally directed and locally enacted process of allowance: this person is proper, not that person; this way is approved, not that way; this set of rules applies, not that set. A feature of the neoliberal decentralization of policy making is that the federal government has the option of picking and choosing, targeting and allowing, such that some policy directions are enabled and others disabled. By not assuming any new national marijuana policy, this decriminalization allows the federal government in particular to appear as if it is tolerating, allowing and even enabling new freedom and liberty when, substantively, it is shifting policy elaboration onto subsidiary governments and placing individuals in jeopardy. This is the way in which the United States retreats slowly out of a failed prohibition, establishes a new normalized market and marks the new economic deviant.

The decline of the federal War on Drugs is a political activity that may differ from state to state and from county to county, according to which prosecutors or police officers one encounters and what jurisdictional powers they have, and what colour of skin or appearance one might have. The cost of these vagaries ultimately falls on individuals in the marijuana economy. Through this process, the federal government deflects charges that the War on Drugs was a mistaken policy that cost countless lives and livelihoods and years of human freedom, a policy that elsewhere might incite calls for a truth and reconciliation process or reparations. Instead, incrementally and in a monitored manner, decriminalization allows for the self-organization of marijuana’s economic and social structure into the economic morality of liberalism and its categories of respectable and unrespectable, compliant and non-compliant, permitted and forbidden. Instead of reparations or reconciliation, many simply desire a piece of the pie and the ability to make a living. At some point, presumably, the federal government will intervene, standardize and regulate that which has already been moulded into economic form.

The result is that new forms of economic deviance are being formulated as marijuana passes from criminal to civil governance. The new normal, it seems, is not the drug-free nuclear family but, rather, the independent consumer. The criminalized commodity and the system of governance it enabled now melts into the general commodity culture of consumerism, with its market and government surveillance. Yet, as consumers exercise their choice and individualism, it is incumbent on us not only to ask how control and dominance are structured anew, but also what new social worlds and new kinds of transformative deviance might yet be born?

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Notes
1. ‘Emerging’ is commonly used to describe the legal marijuana market, yet I use it provisionally. As I make clear in this chapter, the market is not emerging, it is transforming. Talk of emergence ignores marijuana’s prior social-economic existence.
2. This chapter is the result of nineteen months of fieldwork among marijuana producers, government officials and advocates in northern
California, and it draws upon broader histories, policies and events to illustrate the relation of the situation in California with the United States more broadly.

3. Over the three decades that the Marihuana Tax Act operated, it became apparent that taxation was in fact a backdoor method of making marijuana illegal, particularly given the harsh penalties contained in the 1951 Boggs Act and the 1956 Narcotic Control Drug Act. In 1969 the US Supreme Court ruled that this was the case in *Leary v. United States* (395 U.S. 6), and the Act was repealed as a violation of the constitutional protection against self-incrimination.

4. The most recent evidence of this emerged from President Nixon’s domestic policy chief John Ehrlichman, who stated: “We knew we couldn’t make it illegal to be either against the war or black, but by getting the public to associate the hippies with marijuana and blacks with heroin. And then criminalizing both heavily, we could disrupt those communities. We could arrest their leaders, raid their homes, break up their meetings, and vilify them night after night on the evening news” (Baum 2016).

5. Such fears have practical consequences. An ACLU report shows that despite having equal rates of use, African Americans were four times more likely than Whites to be arrested for marijuana (ACLU 2013: 4).

6. Although Margaret Thatcher and Ronald Reagan are often lumped together as purveyors of neoliberalism, there are important differences between the libertarian neoliberalism of Thatcher and the neoconservative neoliberalism of Reagan. While Thatcher’s philosophy is encapsulated in her statement that ‘economics are the method but the object is to change the soul’ (quoted in Harvey 2006: 17), Reagan’s philosophy might be summarized in reverse: ‘the soul is the method but the object is to change the economy’.

7. Policing that focuses on low-level infractions, like broken windows, to promote lawfulness and expectations of active police presence. In many places, marijuana was a target of such policing.

8. Laws that require extended prison sentences for three-time offenders. California was one of the first states to pass such a law.

References


