

July 24, 2019

Word Count: 202

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QuickPoint! – Why Is Oregon Centrally Planning the Cannabis Industry?

By Vlad Yurlov

Does the cannabis industry need central planning? The Oregon legislature thinks so.

On June 17, [Governor Kate Brown signed a bill](#) allowing the Oregon Liquor Control Commission to limit the number of marijuana production licenses, “based on the supply and demand for marijuana.” Senate Bill 218 actually declares the production of large amounts of cannabis an “emergency”—a legislative convention suggesting the issue at hand deserves immediate government intervention.

As cannabis businesses have increased in number, the price of legal weed has decreased. Lawmakers’ concern is that when marijuana supply is greater than demand, Oregon growers will turn to the black market and illegal interstate trade.

But the existence of a greater supply than demand for a product is not an emergency. A local cannabis grower recently stated that large supply has created “an intense pressure to come up with a really great product, to set yourself apart.”

Law enforcement should be responsible for ensuring growers comply with laws governing marijuana sales. Oregon already has statutes governing Cannabis Regulation, so why is the legislature turning to Soviet-style economic planning?

The government shouldn’t centrally plan business activities. Let law enforcement do its job, and let businesses succeed or fail on their own merits.

Vlad Yurlov is a Research Associate at Cascade Policy Institute, Oregon’s free market public policy research organization.