News Release

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NEW REPORT BY NATIONAL FAMILIES IN ACTION RIPS THE VEIL OFF THE MEDICAL MARIJUANA INDUSTRY

Research Traces the Money Trail and Reveals the Motivation Behind Marijuana as Medicine

- <u>Tracking the Money That's Legalizing Marijuana and Why It Matters</u> documents state-by-state financial data, exposing the groups and the amount of money used either to fund or oppose ballot initiatives legalizing medical or recreational marijuana in 16 U.S. states.
- NFIA report reveals three billionaires—George Soros, Peter Lewis and John Sperling—who contributed 80 percent of the money to medicalize marijuana through state ballot initiatives during a 13-year period, with the strategy to use medical marijuana as a runway to legalized recreational pot.
- Report shows how billionaires and marijuana legalizers manipulated the ballot initiative process, outspent
 the people who opposed marijuana and convinced voters that marijuana is medicine, even while most of the
 scientific and medical communities say marijuana is not medicine and should not be legal.
- Children in Colorado treated with unregulated cannabis oil have had severe dystonic reactions, other movement disorders, developmental regression, intractable vomiting and worsening seizures.
- A medical marijuana industry has emerged to join the billionaires in financing initiatives to legalize recreational pot.

Atlanta, Ga. (March 14, 2017)—A new report by National Families in Action (NFIA) uncovers and documents how three billionaires, who favor legal recreational marijuana, manipulated the ballot initiative process in 16 U.S. states for more than a decade, convincing voters to legalize medical marijuana. NFIA is an Atlanta-based nonprofit organization, founded in 1977, that has been helping parents prevent children from using alcohol, tobacco, and other drugs. NFIA researched and issued the paper to mark its 40th anniversary.

The NFIA study, <u>Tracking the Money That's Legalizing Marijuana and Why It Matters</u>, exposes, for the first time, the money trail behind the marijuana legalization effort during a 13-year period. The report lays bare the strategy to use medical marijuana as a runway to legalized recreational pot, describing how financier George Soros, insurance magnate Peter Lewis, and for-profit education baron John Sperling (and groups they and their families fund) systematically chipped away at resistance to marijuana while denying that full legalization was their goal.

The report documents state-by-state financial data, identifying the groups and the amount of money used either to fund or oppose ballot initiatives legalizing medical or recreational marijuana in 16 states. The paper unearths how legalizers fleeced voters and outspent—sometimes by hundreds of times—the people who opposed marijuana.

Tracking the Money That's Legalizing Marijuana and Why It Matters illustrates that legalizers lied about the health benefits of marijuana, preyed on the hopes of sick people, flouted scientific evidence and advice from the medical community and gutted consumer protections against unsafe, ineffective drugs. And, it proves that once the billionaires achieved their goal of legalizing recreational marijuana (in Colorado and Washington in 2012), they virtually stopped financing medical pot ballot initiatives and switched to financing recreational pot. In 2014 and 2016, they donated \$44 million to legalize recreational pot in Alaska, Oregon, California, Arizona, Nevada, Massachusetts and Maine. Only Arizona defeated the onslaught (for recreational marijuana).

Unravelling the Legalization Strategy: Behind the Curtain

In 1992, financier George Soros contributed an estimated \$15 million to several groups he advised to stop advocating for outright legalization and start working toward what he called more winnable issues such as medical marijuana. At a press conference in 1993, Richard Cowen, then-director of the National Organization for the Reform of Marijuana Laws, said, "The key to it [full legalization] is medical access. Because, once you have hundreds of thousands of people using marijuana medically, under medical supervision, the whole scam is going to be blown. The consensus here is that medical marijuana is our strongest suit. It is our point of leverage which will move us toward the legalization of marijuana for personal use."

Between 1996 and 2009, Soros, Lewis and Sperling contributed 80 percent of the money to medicalize marijuana through state ballot initiatives. Their financial contributions, exceeding \$15.7 million (of the \$19.5 million total funding), enabled their groups to lie to voters in advertising campaigns, cover up marijuana's harmful effects, and portray pot as medicine—leading people to believe that the drug is safe and should be legal for any use.

Today, polls show how successful the billionaires and their money have been. In 28 U.S. states and the District of Columbia, voters and, later, legislators have shown they believe marijuana is medicine, even though most of the scientific and medical communities say marijuana is not medicine and should not be legal. While the most recent report, issued by the National Academies of Sciences (NAS), finds that marijuana may alleviate certain kinds of pain, it also finds there is no rigorous, medically acceptable documentation that marijuana is effective in treating any other illness. At the same time, science offers irrefutable evidence that marijuana is addictive, harmful and can hinder brain development in adolescents. At the distribution level, there are no controls on the people who sell to consumers. Budtenders (marijuana bartenders) have no medical or pharmaceutical training or qualifications.

One tactic used by legalizers was taking advantage of voter empathy for sick people, along with the confusion about science and how the FDA approves drugs. A positive finding in a test tube or petri dish is merely a first step in a long, rigorous process leading to scientific consensus about the efficacy of a drug. Scientific proof comes after randomized, controlled clinical trials, and many drugs with promising early stage results never make it through the complex sets of hurdles that prove efficacy and safety. But marijuana legalizers use early promise and thin science to persuade and manipulate empathetic legislators and voters into buying the spin that marijuana is a cure-all.

People who are sick already have access to two FDA-approved drugs, dronabinol and nabilone, that are not marijuana, but contain identical copies of some of the components of marijuana. These drugs, available as pills, effectively treat chemotherapy-induced nausea and vomiting and AIDS wasting. The NAS reviewed 10,700 abstracts of marijuana studies conducted since 1999, finding that these two oral drugs are effective in adults for the conditions described above. An extract containing two marijuana chemicals that is approved in other countries, reduces spasticity caused by multiple sclerosis. But there is no evidence that marijuana treats other diseases, including epilepsy and most of the other medical conditions the states have legalized marijuana to treat. These conditions range from Amyotrophic lateral sclerosis (ALS) and Crohn's disease to Hepatitis-C, post-traumatic stress disorder (PTSD) and even sickle cell disease.

Not So Fast – What about the Regulations?

Legalizers also have convinced Americans that unregulated cannabidiol, a marijuana component branded as cannabis oil, CBD, or Charlotte's Web, cures intractable seizures in children with epilepsy, and polls show some 90 percent of Americans want medical marijuana legalized, particularly for these sick children. In Colorado, the American Epilepsy Society reports that children with epilepsy are receiving unregulated, highly variable artisanal preparations of cannabis oil recommended, in most cases, by doctors with no training in pediatrics, neurology or epilepsy. Young patients have had severe dystonic reactions and other movement disorders, developmental regression, intractable vomiting and worsening seizures that can be so severe that their physicians have to put the child into a coma to get the seizures to stop. Because of these dangerous side effects, not one pediatric neurologist in Colorado, where unregulated cannabidiol is legal, recommends it for these children.

Dr. Sanjay Gupta further clouded the issue when he produced *Weed* in 2013, a three-part documentary series for *CNN* on marijuana as medicine. In all three programs, Dr. Gupta promoted CBD oil, the kind the American Epilepsy Society calls artisanal. This is because not one CBD product sold in legal states has been purified to Food and Drug Administration (FDA) standards, tested, or proven safe and effective. The U.S. Congress and the FDA developed rigid processes to review drugs and prevent medical tragedies such as birth defects caused by thalidomide. These processes have facilitated the greatest advances in medicine in history.

"By end-running the FDA, three billionaires have been willing to wreck the drug approval process that has protected Americans from unsafe, ineffective drugs for more than a century," said Sue Rusche, president and CEO of National Families in Action and author of the report. "Unsubstantiated claims for the curative powers of marijuana abound." No one can be sure of the purity, content, side effects or potential of medical marijuana to cause cancer or any other disease. When people get sick from medical marijuana, there are no uniform mechanisms to recall products causing the harm. Some pot medicines contain no active ingredients. Others contain contaminants. "Sick people, especially children, suffer while marijuana medicine men make money at their expense," added Ms. Rusche.

Marijuana Industry – Taking a Page from the Tobacco Industry

The paper draws a parallel between the marijuana and tobacco industries, both built with the knowledge that a certain percentage of users will become addicted and guaranteed lifetime customers. Like tobacco, legalized marijuana will produce an unprecedented array of new health, safety and financial consequences to Americans and their children.

"Americans learned the hard way about the tragic effects of tobacco and the deceptive practices of the tobacco industry. Making another addictive drug legal unleashes a commercial business that is unable to resist the opportunity to make billions of dollars on the back of human suffering, unattained life goals, disease, and death," said Ms. Rusche. "If people genuinely understood that marijuana can cause cognitive, safety and mental health problems, is addictive, and that addiction rates may be three times higher than reported, neither voters nor legislators would legalize pot."

The paper and the supporting data are available at www.nationalfamilies.org.



About National Families in Action

National Families in Action is a 501 (c) (3) nonprofit organization that was founded in Atlanta, Georgia in 1977. The organization helped lead a national parent movement credited with reducing drug use among U.S. adolescents and young adults by two-thirds between 1979 and 1992. For forty years, it has provided complex scientific information in understandable language to help parents and others protect children's health. It tracks marijuana science and the marijuana legalization movement on its Marijuana Report website and its weekly e-newsletter of the same name.