

Businessmen banking on 2 states legalizing pot

By Tony Dokoupil, Newsweek

Full dark in downtown Denver, and inside one of the twinkling high-rises that make the skyline, drug dealers are putting money into envelopes. They're trying to be discreet. No one signed the security logbook in the lobby. All assume the room could be bugged. But if your image of the drug trade involves armed gangs or young men in parked cars, these dealers offer a surreal counterpoint. There's a finance veteran, two children of the Ivy League, multiple lawyers, and the son of a police chief. At their side is a Pulitzer Prize-winning communications consultant, two state lobbyists, and a nationally known political operative. And the guest of honor: a state senator who likes the look of those envelopes being stuffed.

"What's the maximum contribution?" one of the dealers asks. "Do you take cash?" wonders another. A third man breaks into a smile. "You better," he says, eyebrows dancing, "because the banks don't like doing business with us." Laughter fills the room as the envelopes are passed forward and slipped into a briefcase. "Huge thank you, everyone," the politician says, guiding the conversation back to the next legislative session and the kinds of legal changes this group would like to see. Here again, it's not what you'd expect: there's talk of a youth drug-abuse-prevention program and a bill to define "drugged" driving. When the politician finally rises to leave, after more than an hour, the dealers, in their pressed shirts and suit jackets, clap heartily. The average participant looks to be about 35, white and male, and on good terms with a barber. "Thank you," the politician says, bowing slightly. "Thank you for what you do."

What they do is sell marijuana. And not on street corners. Colorado is the developed world's only regulated for-profit cannabis market, and sales—to the 100,000 residents who have a thumbs up from their M.D.s—are closing in on \$200 million this year, a sum that generates tens of millions of dollars in local, state, and federal taxes. (Yes, the IRS taxes marijuana operations, even as the Justice Department attempts to shut them down.) Colorado is not the world's only experiment in free-market pot, but it's the most sophisticated, pushing beyond the Netherlands' confusing ban on wholesale and California's hazy nonprofit status. Denver's former city attorney has called it California "on steroids."

While the cannabis market remains illegal under federal law, attitudes are changing quickly, and it's that fact that the Colorado growers are banking on. The number of regular pot users is up by 3 million in the past five years, and the rate of high-school experimentation is at a 30-year high. When a kid first lights up at about age 16, it's usually not with a cigarette. Twelve states now treat a personal stash like a minor traffic offense, 17 allow medical marijuana, and this Election Day, if current polls hold, voters in Washington State and Colorado will vote to legalize marijuana—not for medical purposes but, as Rolling Stone recently enthused, "for getting-high purposes."

That would close out a 40-year fight launched by boomers and carried through by a big tent of talented reformers, growing bigger all the time. "Weed is the new gay," says Ted Trimpa, a Democratic strategist who helped engineer Colorado's flip from red state to blue. He's now focused on marijuana reform. But what I saw in Colorado was something altogether new: self-described "social entrepreneurs," the Sergey Brins and Mark Zuckerbergs of the Green Rush. They could have done almost anything with their lives—"my brother is a physician" is the kind of thing one hears from them—but they chose to enter the pot business because they see it as a boom market, miracle

cure, and social movement decades in the making and suddenly, thrillingly, near.

“This is our Facebook,” says one of my hosts, Norton Arbelaez, the owner of two dispensaries and a commercial grow. “This is the same kind of environment, the same kind of setting, and the same kind of people.” He was a founding member of the Medical Marijuana Industry Group (MMIG), a powerful young lobby that’s buried the age of drum-circle activism and instead strives to partner with law enforcement and politicians. It was their board meeting in the high-rise downtown, a weekly gathering two blocks from the Capitol dome. And it is their goal to dress legal pot in a style as conservative as their own.

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