



The Threat of Big Tobacco in Cannabis

The story of Big Tobacco is perhaps the most notorious cautionary tale in the history of regulated substances. For decades, tobacco companies bypassed government regulations, misled the public about the dangers of smoking, and marketed increasingly addictive products to vulnerable groups like youth, people of color, and LGBTQ+ communities. Even the World Health Organization credits tobacco companies with mastering the playbook of resisting government regulation through "front groups" and "buying scientific and other expertise to create controversy."

With cannabis legalization gaining momentum, Big Tobacco is poised to replicate predatory practices in the name of maximal profits if we don't take action. Opponents of federal cannabis legalization often point to the history of Big Tobacco as an argument for preserving cannabis prohibition. However, these arguments ignore an essential fact—policymakers have the agency to choose differently. We can transform the future of cannabis by choosing a regulatory framework that protects against the looming shadow of Big Tobacco.

Parabola Center has laid out an alternative policy framework for legalization, banning Big Tobacco from ownership and investment in marijuana. By implementing sensible safeguards against corporate monopolization and influence on regulations (regulatory capture), we believe a radically different future is within reach. Federal legalization is an opportunity to learn and grow from our past. We're asking policymakers to pursue a path that focuses on repairing the harms of prohibition and promoting public health rather than corporate greed.

Big Tobacco's Interest in Legal Cannabis

Tobacco companies have been anticipating cannabis legalization for more than 40 years. In 1983, an era when marketers targeted young adult Hispanic populations, an industry list titled "[New Product Ideas](#)" pondered the possibility of blending marijuana into cigarettes. With cannabis legalization fast becoming a reality, groups like Altria, which owns the Marlboro brand, are beginning to enter the fray. Altria invested [\\$1.8 billion](#) in the Canadian cannabis company Cronos Group and later registered to [lobby](#) on "Equitable Regulation of Cannabis Sales in Virginia."

Tobacco and alcohol giants are also investing in lobbyists to influence the legalization conversation at the federal level. The Coalition for Cannabis Policy, Education, and Regulation (CPEAR), which portrays itself as an innocuous advocacy group, included Altria among its initial members and recently added Reynolds America. The CPEAR executive director wrote in a 2022 Washington Post [op-ed](#) that "regulated tobacco and alcohol markets are a good starting point for the cannabis industry" and, in 2023, advocated for re-implementing "[tax stamps](#)" to suppress the illicit market.

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Big Tobacco's Playbook in Action

The tobacco industry has mastered resisting government regulation, co-opting experts, and engineering products to be more addictive while using vast marketing budgets to maximize profits at the expense of public health. Its known playbook includes hiding behind front groups such as CPEAR. Indeed, CPEAR has been invited to [closed-door meetings](#) with associations of sitting government officials, such as the Cannabis Regulators Association (CANNRA) and the Attorney General Alliance, and has presented at the Amazon-sponsored Congressional Black Caucus Foundation Annual Legislative Conference. The group does not disclose that it represents tobacco companies in these presentations.

Allowing Big Tobacco to dominate the cannabis industry puts consumers at risk, hinders the ability of regulators to do their jobs, and risks undermining decades of grassroots cannabis advocacy. It's worth noting that despite over a million dollars in lobbying [expenditures](#) so far, legalization bills that would allow the tobacco industry to profit off marijuana have not progressed in Congress. We still have an opportunity to shift course.

What Can Be Done?

First, mandatory disqualifications based on individual cannabis convictions should be replaced by mandatory disqualifications based on relevant corporate conduct. Companies that have been bad actors in manners related to running a cannabis business – particularly those companies that have caused substantial harm to public health by lying about the hazards of their products – should be barred from the industry.

Parabola Center provides detailed, suggested language in our formal [comments](#) to Senators Schumer, Wyden, and Booker. The provision would disqualify companies and their subsidiaries and officers from obtaining a marijuana permit if the company has violated the Racketeer-Influenced Corrupt Organization (RICO) statutes. Tobacco companies were found to have violated RICO because they had known for years about the damage caused by their products but had conspired to suppress the information and mislead smokers, the general public, and public officials.

Today's policy choices dictate the shape of America's post-prohibition cannabis era. To prevent what some call "[Big Tobacco 2.0](#)", we must take intentional, strategic action. We hope you will join us in organizing on behalf of a more just and equitable cannabis landscape.

Parabola Center is a nonpartisan think tank of legal professionals and drug policy experts coming together to protect people, not corporations. Our mission is to provide everyone with the education, access, and expertise to support cannabis legalization policies that put people and small businesses first. Find our work at parabolacenter.com/resources

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APPENDIX: For more information

If you want to learn more about preventing monopolization by Big Tobacco (as well as Big Pharma and alcohol), check out these resources from our team and other experts:

[How to Ruin Marijuana Legalization: Put Big Alcohol And Tobacco Corporations In Charge](#)

This op-ed provides a concrete example of a federal bill (The PREPARE Act) that looks innocuous, but effectively reads as a handout to alcohol and tobacco trade groups, allowing those industries to tilt the new regulatory framework to their favor. It creates a clear conflict of interest.

[Proposed Amendments and Alternatives to the MORE Act of 2021](#)

You can find sample language for what a disqualification of tobacco companies would look like in our model bill rewriting the MORE Act, along with a summary explaining our rationale.

[Big Tobacco Shouldn't Be Welcome At Marijuana Regulators' Closed-Door Meeting](#)

In this op-ed, we explain why we cannot in any good conscience attend any invite-only marijuana policy even, particularly those organized by sitting public officials, that includes representatives of Big Tobacco.

[Bigger is Not Better: Preventing Monopolies in the National Cannabis Market](#)

Our paper argues for intentionally applying well-developed antitrust principles to federal cannabis reform now, before monopolization of the market takes place. Published by the Drug Enforcement and Policy Center, it ranked #2 on the world's most downloaded antitrust and competition articles on SSRN in 2022.

[The Master Settlement Agreement: An Overview](#)

This fact sheet by the Public Health Law Center provides a valuable primer on the lawsuit by 46 states against the largest tobacco manufacturers, to recover costs to treat sick and dying cigarette smokers. It resulted in the largest civil litigation settlement in U.S. history.

[Perils of the tipping point of Big Tobacco 2.0 taking over the legal cannabis industry](#)

As we point out in the British Medical Journal blog Tobacco Control, there are alternatives available to prevent Big Tobacco from utilizing its profit-driven product engineering of addictive and deadly products, predatory marketing practices, and anti-regulatory expertise to dominate the legal cannabis industry.

[Sign-On Letter to Members of Congress](#)

The issues involving personal freedom, economic justice, social justice, public health, and criminal justice reform are complex enough without centering the voices of corporations who put their own profits above each one of those values. If you agree, please get in touch with us to sign on to our letter asking members of Congress not to invite representatives of the alcohol and tobacco industries into conversations about national marijuana legalization.