



Legal Marijuana Could Be a Solution to the Opioid Epidemic! 1 Pharma Company That May Wish to Get Into the Weed Space

Description

Ignoring the [immense hype](#) drawn by marijuana of late is hard. Canada is going to be the first G7 nation to legalize the drug, and that's going to have a substantial positive impact on the Canadian economy, as tax revenues come pouring in. All eyes will be on Canada and its producers, like **Canopy Growth Corp.** ([TSX:WEED](#)), in the coming years, as the nascent industry has the opportunity to mature, but the most remarkable part about legal weed isn't the positive effect on the economy; it's the profound positive it'll have on society as well.

Think about the pharmaceutical industry for a moment.

Consider the massive profits they've enjoyed at the expense of consumers, many of whom have had no other choice but to open their wallets and pay whatever price is commanded by a particular ailment-relieving drug that's prescribed by a doctor. Such favourable or patented drugs are what economists refer to as "perfectly inelastic goods," or goods whose demand doesn't change in conjunction with its price.

If a pharmaceutical company has a patent on a drug, or if it's been proven to be the most effective at treating a particular ailment through clinical trials, a firm has the freedom to set its price, and that's all there is to it. And if it's been shown to improve the quality of life for a suffering individual, they'll pay up for it.

We've witnessed some greedy business practices in the past that have taken advantage of the fact that some drugs are perfectly inelastic.

Think Martin Shkreli of Turing Pharmaceuticals, Michael Pearson of [Valeant Pharmaceuticals Intl Inc.](#) (TSX:VRX)(NYSE:VRX), and Mark Thompson of **Concordia International Corp.** (TSX:CXR)(NYSE:CXRX). They've set prices through the roof, and many suffering customers have had no choice but to pay the obscene amounts for drugs or continue to suffer.

It's not just drug pricing that's a cause for concern, though; the more insidious part of the story is the

fact that many of today's drugs have detrimental side effects that patients may not be aware of when their doctor prescribes a specific medication to them. Patients trust their doctors, and they take the medicines prescribed to them. It's that simple.

For many of the patients who suffer from debilitating ailments like chronic pain, opioid-based medications prescribed by doctors may lead a patient down a very dark path to opioid addiction.

You've probably heard the stories of people whose lives were ruined because a simple opioid prescription from their doctors ended up spiraling into a full-blown addiction that led them to seek black market opioids on the streets.

The opioid crisis is a depressing story, and the most tragic part is that many cases of unintentional addiction could have been avoided had marijuana or cannabinoid-based medications been prescribed as a substitute.

Despite the decriminalization of medical marijuana, the drug has still had a stigma in the eyes of some physicians; in some instances, a doctor may even have the incentive to prescribe a particular medication for their benefit, whether or not it's in the best interest of their patients.

That's a significant reason why there's an opioid epidemic right now, but the good news is that Canada's legalization of marijuana will erode the taboo that's been placed on marijuana for decades. Moreover, the education of the general public will likely increase as people become more comfortable discussing the topic of marijuana and its use in therapeutic purposes, not to mention that Canada can become a pioneer in the field of marijuana research.

With this in mind, Canadian pharmaceutical firms like Valeant ought to be interested in incorporating some marijuana-based products into its roster of drugs.

Valeant was domiciled in Canada because of tax purposes in the past, but now that the tax advantage is all but gone with U.S. corporate tax cuts, Valeant may wish to take advantage of the fact that it can produce marijuana and run clinical trials involving marijuana.

Who knows? Valeant may become like a **GW Pharmaceuticals, plc** as a pioneer in the field of medical marijuana research.

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Author

joefrenette

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