



Private Prisons Fight Back

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In recent years, the prison-industrial complex has been dealt some serious blows. Some states have phased out private-prison contracts following past controversies and claims that private prisons are not cheaper or safer and do not provide better outcomes for either prisoners or states. Presidential hopeful Sen. Bernie Sanders even introduced legislation that would altogether ban private prisons across the country, while Hillary Clinton has vowed not to accept campaign donations from for-profit corrections operators.

With bipartisan criminal-justice reform ramping up, which could drastically cut overall inmate populations, logic might suggest that the private-prison industry would be on its heels. It's not. Because what does any good business do when its customer base shrinks? It widens its net, of course.

While state and federal prison statistics show a recent decline in the number of Americans who are behind bars, there are still roughly 5 million people under correctional supervision. Many more are in rehab and mental-health hospitals, while hundreds of thousands of illegal immigrants are shuffled through detention centers – potentially big markets for private facilities. So the correctional industry is diversifying. “The scope of how big this is hasn't even been anywhere near made clear,” says Caroline Isaacs, who closely tracks the private-prison industry for the American Friends Service Committee, an advocacy group that opposes corrections privatization.

Though the services may be evolving, the concerns remain much the same. As with many for-profit entities, the top priority is the bottom line, which is often at odds with the purpose of

community corrections. Rehabilitation – whether in a prison or half-way house – is not typically in the operator’s best interest, because that means fewer clients. As such, some private prisons have been found cutting corners on training and dangerously understaffed, even leading to riots. And you may remember the kids-for-cash scandal, where two Pennsylvania judges received kickbacks for sentencing juveniles to time behind bars.

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But there’s still money to be made. In October, Corrections Corporation of America – the largest proprietor of the for-profit bunch – purchased Avalon, adding to its growing network of halfway houses. GEO Group, the second largest in this field, several years ago purchased BI, an electronic monitoring company, and is now moving into health care. Such companies are even targeting contracts in the purely mental-health sector. Opponents have dubbed the latter the “treatment-industrial complex.” Around 90 percent of incarcerated individuals are eventually released; however, mental health hospitals have the potential for lifetime confinement. The fear, some say, is that we’ll simply start funneling people from prisons to alternative care institutions and surveillance programs that will perpetuate many of the same issues — and, in some cases, be even more harmful to those who end up stuck in a vicious cycle.

As in any competition for government contracts, lobbying plays a role in the industry’s flexibility and resilience. Official, on-the-books lobbying numbers have gone down across the board over the decades, though CCA hired 199 lobbyists in 32 states over the past decade, while GEO employed 72 lobbyists in 17 states, according to the National Institute on Money in State Politics. But many believe that lobbying activity has simply gone underground. Lee Drutman, a lobbying expert with New America and professor at Johns Hopkins University, says to tell the story of a \$3 billion industry fighting for legislative survival, you have to look at the indirect ways it lobbies, from unlikely alliances to innovative media strategies.

CCA Director of Public Affairs Jonathan Burns points out the company has a longstanding corporate policy not to lobby for or against any policy that would determine the basis or duration of an individual’s incarceration or detention. Plain speak: The corporations are not supposed to influence the length of sentences or what counts as an offense punishable by prison. GEO, meanwhile, noted in a statement that it doesn’t advocate for or against any specific criminal-justice policy. Still, federal lobbying disclosure statements show that over the past decade the industry has spent almost \$10 million on state persuasion efforts and close to \$22 million lobbying Senate and House representatives, and it has contributed more than \$3 million directly to candidates and PACs. “With the election coming, 2016 should be a very interesting year,” says Paul Ashton, a research associate at the Justice Policy Institute in Washington, D.C., which aims to reduce incarceration.

One of the industry's more successful campaigns has been immigration. Private interests operate nine of the 10 largest federal detention centers, with a Congressional mandate requiring at least 34,000 immigrants be housed daily, a quota that has steadily grown despite the flow of undocumented foreigners leveling off. The Gang of Eight — the group of senators tasked with writing 2013's comprehensive immigration-reform bill — received especially handsome campaign contributions; Gang of Eight member Sen. John McCain is the fourth highest career recipient of CCA campaign cash, according to OpenSecrets.org, and GEO has given Marco Rubio nearly \$40,000 in campaign donations — more than any other senator. (Neither would comment to OZY.) Meanwhile, two of the top advisers on Arizona's SB1070 committee were former CCA lobbyists. The ties also go the other way. Operators have been known to open prisons in small counties, where they become the primary employer and county revenue contributor. In Arizona's Pinal County, CCA even pays the county a per-prisoner, per-day kickback.

It's not a black-and-white issue, of course. In the Pinal County example, CCA says it brought growth to an otherwise stagnant region. It's debatable whether private prisons save public money in the long term, but it's hard to argue that the government does a better job of running the show. And Jonathan Blanks, who studies criminal-justice reform at the Cato Institute, points out that private operators make up only about 10 percent of the overall prison system. While he finds some of the capacity terms and incentives disturbing, he says, "The fact that police and prosecutors are keeping up the demand regardless if they're feeding private or public systems is of much larger concern to me."