3. PRISON PRIVATIZATION

This Section of CORRECTIONS Features:
Judith Greene
Michael Hallett
James Evans

DEFINITIONS

PRIVATIZATION: To convert a public resource, industry, institution, task or service into the property of private individuals or business;

- a political process whereby certain functions of government are turned into for–profit businesses, given to private individuals or corporations;
- to make something that is available equally to the public the property of a private few.

'PRISON' PRIVATIZATION is when private businesses or individuals take over, own or operate prisons, for profit and as a business.

The first time *private prisons* were used in the U.S. was after the Civil War, when the South used imprisonment and criminalization to 're–enslave' freed African Americans and keep them as *free labor.*

These private prisons existed as *plantations, farms & work camps,* with torturous conditions, and where many prisoners were literally worked to death.

Because of this history and the ethical conflict that exists necessarily between *imprisonment and profit,* private prisons were finally outlawed in the early 1900s, tucked away as one of the most horrific chapters of U.S. history.

In this part of CORRECTIONS, ...we meet one of the biggest players at the ACA trade show and in the growing prison industry: *Private Prison Corporations.* Today's 'new' private prisons are the clearest example we have of the many powerful interests who add tremendous pressure and political influence to the Prison Boom, to keeping the prison system *growing.*

Today's private prisons are a hi–tech, corporate business, which adds over 250,000 beds to the capacity of the U.S. prison system. These extra beds, which now make up around 11% of the overall system, take pressure off the state, pressure that should lead them to seek alternatives to incarceration and solutions to the real roots of social problems. At the same time, they provide an added incentive to imprison people more.

States lease their prisoners to private prison companies, who offer "beds" to the state like a hotel rents beds to a consumer. They charge an average of $30 to $80 per day, per bed (per prisoner), and you can invest in the growth of this imprisonment by purchasing private prison stock on the Stock Market, adding further incentive for prison growth.

If you invest in a private prison company, your money goes into *operating prisons, paying high salaries to their corporate executives,* and *lobbying to pass new "tough–on–crime" laws,* so as to "grow the market."

Private prison corporations claim they are necessary for saving tax payers' money, by running their prisons like "a business" instead of a "*costly* bureaucracy." If they do run their prison's for less than the state pays them (they generally don't), then what's left over is their source of profit. This, of course, is where the biggest problems begin, because when private prison companies try to maximize their profits, like any for–profit business does, what is at stake are people's lives, the protection of their rights and their access to freedom.

1984: PRISON PRIVATIZATION RETURNS TO THE U.S.

Today's prison privatization began when the Prison Boom was reaching its initial limits in the 1980s. The original system of private prisons — the **Convict Lease System** — had been abolished since the early 1900s, and it had not been allowed again since that time.

Before 1980, as the Prison Boom would fill prisons past their capacities, citizens around the country voted for costly **prison bonds** to build new prisons. But by the mid–80s, after this first wave of new prison construction, prisons continued to grow more overcrowded, the money for building new ones ran out, and voters began saying "No" to building more new prisons.

Soon, the Supreme Court had declared numerous states to be in violation of the U.S. Constitution, classifying 'prison overcrowding' as 'Cruel and Unusual Punishment.' Faced with huge fines from the Courts, the states were ordered to end their overcrowding, but they were *out of space* and *out of money* — the Prison Boom was in crisis.

Usually, when there is an overcrowding crisis, the state begins to **de–carcerate.** This means it would look closely at its prisons, jails, courts, its police and its laws, to see why there is overcrowding, and see who can be moved *out of prison* as a result.

SAMPLES OF POLITICAL INFLUENCE

In the 2000 elections, private prison companies contributed more than **$1,125,598** to **830** candidates in **Southern states**, and **$96,432** to both the *Republican & Democratic party committees.*

THE GOVERNORS:

- NORTH CAROLINA:
  $40,675 to Gov. Michael Easley, most from *Cornell Corrections* and prison builder *Ray Bell Construction;*
  - **$22,156** to Candidate Richard Vinroot of North Carolina, who lost to *Easley* in the general election;
  - **$14,155**, to Candidate Dennis Wicker of North Carolina, who lost in the primary to *Easley.*
- LOUISIANA:
  $20,000 to Gov. Mike Foster (1999), from *Corrections Corporation of America;*
- MISSISSIPPI:
  $7,300 to Gov. Ronnie Musgrove most from prison builder, *Carothers Construction.*

LEGISLATION

NORTH CAROLINA: legislators approved an expensive expansion of its prison system using private prison builders.

MISSISSIPPI: lawmakers overrode the governor's veto to fund private prisons.

GEORGIA AND FLORIDA: legislators killed laws the would limit private prisons and industry influence.

OKLAHOMA: a sentencing reform measure increased the number of crimes that get long sentences, ensuring large prisoner populations.

Some states did this, interpreting their voters' rejection of the prison bonds as a demand for de–carceration; but other states were invested too deeply in prison building and their tough–on–crime politics. So despite the voters and despite the crisis, they found *loopholes* in the rules, and managed to keep on booming and building.

As they realized that the normal, more democratic process for building prisons was based on control of prison *financing* (prison bonds), they looked for new ways to raise the money, *methods that wouldn't require voter approval.*

These states found two methods to build their new prisons: using **revenue bonds** instead of prison bonds, and **privatization.**

LOOPHOLE #1: REVENUE BONDS — 'Bonds' are a way of raising money for a government project, and **revenue bonds** are used for projects that will generate revenue, or "pay for themselves," like a toll bridge and many **public works projects.** Since 'revenue projects' make money and can pay–back their cost to the public, revenue bond projects *don't have to be voted on by the public.*

LOOPHOLE #2: PRIVATIZATION — Private Prisons are not built with public money upfront, but with money rasied by the corporation, sometimes through a 'construction' subsidiary or 'real estate trust.' The public winds up paying this money back themselves however, they're just not told that; *this process doesn't require voter approval either.*

Neither of these methods mean that the public doesn't pay, and ultimately they cost the public more, because both methods charge much higher interest than do actual prison bonds. But they look cheaper up front, and both are used as loopholes to get around a public vote, are adopted behind closed doors.

Revenue bonding began in states like New York and California, while **privatization** was introduced to other states, mostly in the South, beginning with Tennessee, and the Prison Boom continued upon its way, with new capacity new incentive, and stronger — picking up speed.

DOWNSIZE, LIBERALIZE, PRIVATIZE:
WHAT IS PRIVATIZATION?

*"...it's important to see prison privatization as part of a larger 'free market agenda': **De–regulation, Privatization, Globalization**...[they're] sold as money savers, but empirical evidence has shown that the opposite in fact is true."*

JUDY GREENE

PRIVATIZATION & THE NEO–LIBERAL STRATEGIES

The general strategies of neo–liberalism are *De–Regulation, Downsizing, Outsourcing* and *Privatization.* These strategies work through confusion:

- **Confusing *big–business* with *small businesses;***
- **Confusing the *health of the economy* with *corporations' ability to increase profits;***
- **Confusing *corporations* with *'individuals';***
- **Confusing "*freedom from regulation"* with *individual freedoms & democratic, political rights.***

De–Regulation is where the rules and regulations that govern business and our resources are removed. These rules, which are meant to protect consumers, workers, the environment, and the public in general from harm and exploitation, keep big–business from fully 'maximizing' their profits, through systems like slavery, child labor, monopoly, etc.

To big–business, this appears only as an unfair "limitation" on their ability to profit. So in order to "stay competative" (increase profits), they *de–regulate,* attacking our ability to recognize exploitation, and rolling back all rules that protect us and our resources.

Downsizing basically means firing people, in order to cut labor costs. Not only does downsizing (firing people) cut costs by letting business pay fewer people, but it also makes the rest of the work force *insecure,* afraid that they too might lose their job. This 'worker insecurity' makes people in general more likely to accept pay cuts, wage freezes, and less likely to struggle for benefits, fair and safe working conditions, or other "unpleasant expenses" that can cut into maximum profits for big–business.

Global Outsourcing is pushed through the language of "free trade." It works along with *downsizing* and *de–regulation,* by closing factories and plants in the U.S., and moving them to Third World countries where they can *pay less for labor* and *get around most regulations.*

Through various "free trade" arrangements, the power of organizations like the World Trade Organization (WTO), and new, inexpensive shipping and distribution technologies, corporations have rigged it so they can *downsize* in the U.S., move their factories overseas, produce and ship their products for cheaper than they could have done it all in the U.S.

This strategy not only lets them reduce costs through downsizing, it also gets them out of paying taxes, obeying environmental regulations or respecting labor laws in the places they moved to.

This strategy works because it exploits the historic 'underdevelopment' of the Third World by the First World, largely through colonialism, and bringing un–sustainable, sweat–shop style labor to desperate economies in the same way that, as we'll see in the next chapter, prisons are brought as "economic tools" to the rural areas of the U.S.

Privatization turns public things into private property. It hands the

PRIVATIZATION came to the prison industry after already being implemented in other parts of government. As a major part of the larger, economic project of **neo–liberalism**, today's privatization emerged in the 1970s, and took hold in the '80s, under the economic recession that plagued Ronald Reagan's early presidency.

The main goal of this controversial 'neo–liberal' model is to *postpone* major *profit crises* that began to confront corporate America in the 1960s. These crises came from a decline in profit–making, or their ability to accumulate wealth at the rate they're used to. Since then, big–business has been searching for new sources of wealth to accumulate, to maintain the high profits they're used to. The main strategies they've employed have been ***de–regulation, downsizing, global outsourcing,*** and ***privatization.*** These methods accumulate wealth by:

- Controlling **new** resources;
- Monopolizing **already existent** resources;
- Eliminating all **rules** (regulations) that restrict profit;
- Cutting **'costs':** including **wages & benefits** for workers, and the **taxes** corporations pay;
- Gaining access to, creating, and taking control of **new markets.**

Privatization corresponds to the first bullet point on this list: *accumulating wealth by 'controlling new resources.'* Here, private industry and businesses identify public resources as sources of wealth. Ranging from land and mines to oil fields, privatizing these resources would allow private interests to monopolize their value, without having to share that value with the public.

But the brand of privatization that was brought to prisons was different, a variation on privatizing land, mines or oil fields. Instead, wealthy individuals and businesses, usually with strong ties to the government, looked to the government itself — its administration, its services, institutions — as a 'resources' to be exploited.

Suddenly, *health care, garbage pick–up, schools, public squares, museums, public TV and radio* and *parks* were all sought by corporations and investors, as sources of profit and accumulation. Little public debate was held, mostly just press releases for the media to regurgitate without debate, announcing only the "savings" that would come to the public under the heroicized management skills of corporate America, without mentioning what the public might loose in the long run.

This began a whole new way for the country's elite to redistribute wealth to themselves, giving them unprecedented access to public tax money, as a source of investment capital and profit. It allowed them to convert public resources into private wealth without having to pay anything back to the public, and gave them more control over public policy, so they could further public's tax money, land, services and resources over to private corporations for their own profit.

In *outsourcing,* it takes a country's resources and makes them the property of the Wal–Mart, Costco or whatever company is oursourcing there. In many places, First World corporations are taking possession of other countries' water supplies, to use that for their own profit. In this way, privatization always means that someone is being dispossessed of something that is theirs.

It works the same way within the First World countries, making the public's wealth the property of private businesses and corporate executives, making that wealth available to businesses for profit, or for their own investment, as finance capital.

The language of privatization claims that public things mean "big government," which costs too much to do its job, and that's why we have recessions. It claims that private businesses and corporations can do it cheaper, saving taxpayers money, when really the public loses that wealth for good, losing its own investment power, its own resources and power.

Historically, privatization is the opposite of socialist models for managing industries and resources, such as nationalization or socialization, where industries and their profits are shared collectively among the public, without any one person or group of individuals monopolizing that wealth.

Privatization is the capitalist opposite, in which property, industry and resources are given over to private indivuduals — not to the public — to be developed and

reject their tax obligations. Privatization allowed for a new concentration of the nation's wealth among an increasingly rich minority, while starving dry all of the parts of government that had been intended to benefit and protect poor, working class and even middle class people.

WHEN PRIVATIZATION CAME TO THE PRISON INDUSTRY

CORRECTIONS presents two corporations which started up in order to profit from the prison crisis, capitalizing on it instead of encouraging solutions. Together, they represent the two main tendencies we see within prison privatization: one company coming from the world of finance and venture capital, the other coming from the culture of excess and surplus state power: former FBI and CIA agents, Attorney Generals and public sector prison chiefs, military officers and so on. The first company is CORRECTIONS CORPORATION OF AMERICA (CCA), and the second WACKENHUT CORRECTIONS CORPORATION (WCC).

CCA was started in Tennessee as it was under order by the Supreme Court to reduce its overcrowding. Its founders were business partners and Republican Party allies of then Governor, Lamar Alexander, a politician notorious for making money off the public and his political career. They were backed by the money of a Nashville based investment firm named the Massy Burch Investment Firm.

In previous years, a similar crisis had hit Tennessee's health care system, where severe cuts in the state's funding for health care was creating disfunction and mis–management in its hospitals. But instead of taking responsibility for the crisis and connecting it to the crisis in funding, it used the opportunity to privatize. They handed the problem over to business people backed by the same Massy Birch Investment Firm, who called themselves Hospital Corporation of America.

Backed by Massy Birch, Lamar Alexander and his business partners, CCA was modeled after this same political deal. It was originally met with distrust in Tennessee's legislature, although part of the distrust was do to the back door route being taken by the Governor. One senator, Senator _______ ______, reminded his fellow legislators of the original private prisons, whose inhumanity had been outlawed in Tennessee at the turn of the century, and provided them with a thick reading packet on the brutal **convict lease system.**

For a mixture of political and ethical reasons, the legislature refused contract with CCA. But one rural legislator did allow CCA to build a prison, a **spec prison** in his district, Hamilton County, Tennessee. As pressure on Tennessee's prison system grew, CCA's empty prison beds provided an attractively simple political solution. The legislature finally caved–in and began leasing their prisoners to CCA, fulfilling what CCA founder, Tom Beasley had predicted, "If you build them, they will come."

While CCA is a good example of capital looking to profit from the growth of the state, here in terms of prisons, WACKENHUT is an example of how the private sector helps the state grow beyond its visible limits. Through private security, Wackenhut has helped to supplement the state's capacity for control and security beyond what voters and their budgets allow for over 50 years.

Wackenhut got into the prison business in 1988, after 33 years in the business of private security. After the US had formed the FBI by turning its world war espionage structure inward and onto domestic citizens, a retired FBI agent named George Wackenhut formed the Wackenthut Corporation for private security. Some of its original jobs included strike–breaking— providing 'goons' to big corporations, to intiimidate and brutalize workers who would strike for fair wages and working conditions. They've also had extensive contracts at contraversial nuclear sites, oil and energy sites, and have built the world's largest privately owned database of surveillance and intelligence on private citizens. In addition, they provide covert intelligence and security services throughout numerous third world countries, including Latin America, and it is rumored that they do dirty work for the CIA. It was in the 1980s that Wackenhut saw the prison crisis as an opportunity to expand its business, and it created a subsidiary corporation, Wackenhut Corrrections Corporation.

Both CCA and Wackenhhut, as well as the majority of their competitors, including Cornell Corrections, MTC, Correctional Services Corporation and others, have had extremely troubled histories, filled with incidents of mismanagement, riots, suicides, brutality and "losing prisoners," all of which have brought down their Stock Market value to near nothing. They have all flirted with bankruptcy, have been re–financed and mortgaged numerous times by investment banks, and through political corruption, they have been bailed out of collapse by both Federal and State governments.

HOW IS A PRIVATE PRISON BUILT?

A private prison is built in two ways, through an *bidding process,* or *on speculation* (spec prisons). In the first case, a bidding process begins with an announcement from the federal government, a state or municipality, requesting proposals for a prison or jail of a certain size and security level, to be built by a certain date. Private prison corporations then submit proposals, including how much they would charge, and their plans and their own history. A proposal is chosen, and a contract is written, usually stating how the prison should be run and what kind of programs it should have, while guaranteeing a minimum number of prisoners to owner (the company's income). In recent years, these contracts have also contained

managed at their discretion, with the wealth from those resources being theirs to share or hoard.

NOT THE RIGHT TO PRIVACY

All of this was pushed through in disguise, hidden in the language of democracy. Anything that didn't benefit the wealthy was attacked as "opprressive," "totalitarian" or even "communist," while blaming the poor for the recession. It valorized corporate culture as the 'savior' of society, while confusing privatization and corporate tax breaks with the values of freedom, liberty and democracy, while viciously attacked all those parts of government that serve and protect the public — the social infrastructure that includes education, labor laws, public assistance and health care — with racist stereotypes and hate–filled language.

Anything public or social was labelled "costly" and "inefficient," as part of a government that was growing "too big" to be accountable to its people, and ironically, were replaced with the biggest and most expensive government ever — centered around corporate welfare, the military, police and prisons.

PRIVATE PROPERTY: KEEP OUT

The language of privatization is itself borrowed from democracy. It borrows the term "private" from idea of a "private citizen," where 'privacy' distinguishes a domain of 'private life' that the state cannot invade or intrude.

Students of U.S. elementary schools learn early on about the unwelcomed intrusions of Brittish soldiers into the homes of the colonists as one of the problems that led to the American Revolution.

The 'Right to Privacy,' as established in the U.S. Constitution, requires that search warrants and 'probable cause' be acquired before violating our privacy. Therefore, we understand 'privacy' as a limit to state power, a protection from the state, a space where we are protected from the abuse of power, making the state more accountable.

This is the same way that the 'private' in 'privatization' is presented to us, leading us to believe that privatization upholds these values, making the government more democratic and accountable to citizens, by putting it in the hands of private citizens.

But the way that privatization really works is taking power out of the hands of private citizens, consolidating it into the hands of an elite few. It is not private in terms of the right to privacy, but private as opposed to public — public meaning democratic, the collective property of all people; privatizate as in private property, "members only." Privatization is the country club versus a public park, where that private property keeps most all citizens out.

This is how privatization works in terms of democracy, taking those things that are resources for all people — the institutions of all people, services and programs and governance intended for and by "the people" — being monopolized by a few, without accountability to the many, but described in the language of democracy.

escape clauses and performance standards, handing the prison over to the state if certain standards aren't met. In the second case, a spec prison is built, without a bidding process or even an invitation from the government. Using Tom Beasley's "If you build them they will come" philosophy, a prison company will simply buy some land—usually in a poor, rural town which is looking for **economic development**—and build a prison there, with the promise of jobs and profit to the local town. They then begin to advertise their empty beds to overcrowded prisons in jails in that state, looking for a contract, or to get prisoners **'imported'** from other states around the country.

DR. MICHAEL HALLETT

"Prudential Securities did an analysis of the private prison industry and found that there were three main threats to the industry: #1. Falling Crime; #2. Shorter Prison Sentences; #3. Alternatives to Incarceration; #4. An ending of mandatory minimum sentencing guidelines for drug violations. Now, it seems to me these are all things that we need right now, and these are all things that are a threat to the industry."

HOW DOES A PRIVATE PRISON MAKE MONEY?

The simplist answer to this question is that private prisons generally *don't* make money. That is to say, prisons don't produce anything or increase in value, but people make money off them through 'creative financing.' The private prison industry is highly **subsidized** by the government (corporate welfare). These subsidies come in the form of tax breaks and abatements, money for "development," breaks on local water and other utilities supplied by the town or county, government grants for job training and other expenses, and access to "government only" bonds, like the revenue bonds mentioned earlier.

In theory, private prisons make their money by charging the state one price to operate, while operating for less; keeping any money left over as profit. But privatization schemes usually work by 'cutting the fat out of a budget,' by eliminating extra or unnecessary costs within the system being privatized. Prisons, however, have no 'fat' to cut; what little there was to cut was cut long ago.

This has inability to really profit over time has also led to complicated financial tricks, raising money to re–finance themselves and 'hide' their debt in other projects and shelters, so they look like they're doing well to the stock market. They have tight connectoins with stock analysts, who give the recommendations to investors about what stocks will do well and which will do poorly, inflating the price of the companies beyond the 'true value.' This is the same type of financial trickery that brought down Enron and other corporations, but the spotlight has yet to be turned fully on the private prison industry.

DO PRIVATE PRISONS SAVE THE STATE MONEY?

No studies (aside from some conducted by the private prison industry itself) have shown a noticeable or worth while difference in the costs of private and public prisons. The study of the Federal Government's own General Accounting Office showed that they save close to nothing, and sometimes cost more. The only studies that have shown the industry to save money were by Dr. Charles Thomas, who was discredited by an ethics scandal, getting paid by the industry and being invested in it, at the same time that he was analyzing it 'objectively.' In addition to the lack of savings, private prisons also bare hidden costs to the public. In addition to the subsidies and tax breaks that the companies get, they often 'cherry pick,' demanding the prisoners who cost the least to lock up, rejecting high security prisoners and prisoners with health care issues. And once public money goes into private hands, the public loses that wealth, whereas, when it stays in the public sector, it continues to serve the public.

FINANCING THE PRISON BOOM & ENCOURAGING GROWTH

The private sector has helped the Prison Boom pay for itself, but since it capitalizes on prison growth, it encourages the Prison Boom to grow as well. Since private prisons are based on the model of investment, and investors assume that what they invest will grow into more, the private sector stimulates growth

POLITICAL INFLUENCE, POLITICAL ACTION COMMITTEES AND A.L.E.C.

In addition to all of this, the private prison industry's political pull goes beyond getting friends in high places to set up sweet deals for the industry. They have a much greater political influence on who gets elected as well as on what legislation is passed. Most all law enforcement and prison industry interests, be they public or private, corporations or unions, benefit from a similar influence, and as stated in the previous chapter, have been quite successful at monopolizing how we talk about these issues and act on them. In addition to the extremely successful public relations capabilities that law enforcement have developed since the 1970s, which allow them to intervene directly in public opinion and the media, they can also give money to political campaigns, for both individual politicians and pieces of legislation. Of course, all of these interests place these moneys behind tough–on–crime politicians, and laws that will lock up more people for longer. There are limits to legal campaign contributions though, so they also contribute to what are called, **political action committees,** or PACs. PACs are a funds of money that

CHARACTERISTICS OF PRISON PRIVATIZATION

FRIENDS IN HIGH PLACES

The process of privatization and the building of private prisons cannot be separated from the hidden aspects of the government: power brokering behind closed doors and cronyism, friends doing friends favors. Amongst the business executives and salespeople who work in the private prison industry, many of them are previous employees of the public sector—either for the prison industry or law enforcement, or were even public officials. Many of them are 'bought' from their public sector jobs by the corporations and their lobbyists, or are seduced out of retirement, and bring along with them their connections within government and politics. The building of each private prison and the general willingness to privatize corrections overall is closely tied to this level of corruption, campaign contributions and political pay–offs, enough dealing between the public and private sectors to where the differences between them begin to dissolve. The proponents of privatization frequently emphasize the differentce between the public and private sector, and that the "competition" brought by the private sector makes the public sector more accountable. What we see upon closer examination, however, is a mutual relationship between the two, where the private sector is merely an extension of the state, one which helps the state grow itself beyond the will and awareness of the public, confuses who's responsible for what, and ultimately allows the state to function with less accountability and less culpability.

individuals and organizations can contribute to, beyond their contribution amounts, which also give handsome rewards to the tough politicians and bills. One such PAC is called the American Legislative Exchange Council (ALEC), which also functions as a right wing think tank, devising "model legislation" for politicians to pick up and emulate. The private prison industry is well implicated in ALEC and its underwriting of new tough laws and policies, which aren't limited only to criminal justice issues, but generally make life for working and poor people and people of color much more difficult.

A few additional facts on privatization: prisoners remain under the jurisdiction of the state, but the prisons themselves are typically private property. The staff of the prison are private employees instead of public employees, and the services that are used are also private instead of public. The state, or the public for that matter, are still liable for abuse that happens to prisoners held at private prisons and jails.

NOTES:

GETTING PRISONERS: QUOTAS & GHOST INMATES

As we said before that private prisons interfere with the normal process of de–carceration when prisons become overcrowded, the empty 'beds' that private prison companies make available to the state also act as an incentive to incarcerate more—like a vacuum that pulls on the courts to give 'tougher' sentences that lock more people up for longer. This is partly because privatization makes the option of an empty prison bed suddenly there for a judge when it wouldn't have been there otherwise. But also, it is due to the contracts between the states and private prison companies, which typically guarantee a certain number of prisoners, a quota based on projections made by the state and its department of corrections. But who makes those projections? What happens if the number of prisoners declines and those prisoners aren't there? Can the state be enticed to inflate or exaggerate its projections for a contract?

When this happens, and a state has contracted to send a certain number of prisoners to a private prison, but then, doesn't have enough prisoners to send, one result is the phenomena of 'ghost inmates.' A ghost inmate is a non–existant inmate — an empty bed at a private prison which gets paid for as if a prisoner had been sent there anyways, in order to fulfill a private prison contract. It is a way of guaranteeing money to the prison industry even when the numbers are going down or reforms take place, or to make reforms more difficult. It has frequently meant a significant drain on other limited state and local budgets, including education budgets.

PRISONERS AS IMPORTS & EXPORTS

Another way that private prison companies seek extra prisoners to fill their beds is through importing and exporting prisoners from other states. Just as privatization helps discourage de–carceration to solve overcrowding in the states where they're built, private prisons also offer their empty beds to other states who face overcrowding, even if they're hundreds and thousands of miles away from those prisoners' homes. This practice puts additional pressure on prisoners and their families, while letting politicians who've let their own system get overcrowded off the hook. Prisoners' families often cannot afford to travel far to visit, while the removal of individuals far from their communities enhances the damage of imprisonment to the communities that are supposed to be helped. This practice has influenced the public sector of the prison industry to increase their profits as well, where departments of corrections and sherrif's departments will 'over–build' their facilities on purpose. They build extra beds they know they won't fill, then offer them up to other states and cities, other government agencies or systems who are suffering overcrowding.