

Team 6 Executive Summary

The purpose of this report is to shed light on a very prevalent issue in the United States; for-profit private prison system. The Prison-Industrial Complex (PIC), is a profiteering system mainly driven by financial incentives of private corporations, correctional facilities, and politicians. With the privatization of correctional facilities, only private prisons will be focused with the primary goal of educating the public on the PIC, its major players and the current flaws in the system.

The United States accounts for a quarter of the world's prison population but they only represent around 5% of the world's human population. This shows that the US prisons have ridiculously high occupancy and this report questions the intent behind this. There are two different types of US prisons, Federal and State prisons, where the State prisons hold the more violent prisoners and those who violate only state laws. Initially, the main purpose of these prisons was for deterrence and rehabilitation. With the privatization of the industry, financial incentives led to treating prisoners as commodities and using them for other purposes. Cheap labour was the main reason to why the industry was privatized and many corporations such as IBM, Nortel, among others abused this.

Organizations such as CoreCivic, and the GEO Group made the most profit from this industry equating to around \$4 billion USD which shows the magnitude of the PIC. Since 1987, there was a significant spike in the number of incarcerations and it is of no coincidence that these organizations were founded 3-4 years prior to the spike. The top management of these corporations earned millions along, along with secondary profiteers such as inmate educational, healthcare, and catering services. Monopolizing companies such as Securus and JPay specialize in communication and money transfers within inmates. Their intent was questionable as they made a significant profit off these products rather than simply helping their inmates which deviates from the initial intentions of rehabilitation.

Issues facing the private prison model are primarily ethical, in which financial profits conflict with business ethics. Treating prisoners as commodities is morally incorrect, and although it is financially logical to cut costs, the dire consequences to society could be of great significance. For a positive impact in the future, modern day slavery is not a sustainable approach; even though they are prisoners, they should still have the opportunity to work for reasonable wages.

Incentives based on inmate output rather than inmate capacity would require more efficient work from prisoners regardless of the number of inmates. This would redirect the intentions of having more prisoners to making them more efficient. That would also consequently lead to higher wages.

Having prisoners work is a constructive way to approach the rehabilitation process of imprisonment but paying them ridiculously low wages is not ethical. The for-profit model is not sustainable and deters from the primary goal of rehabilitation.