

# 'Private prisons' is Newspeak for 'Auschwitz'

by Marianna Wertz

Slave labor in American prisons is increasingly being carried out in what are called "private prisons." In his campaign to "reform" Virginia's penal laws, Gov. George Allen pointed to prison privatization as the wave of the future, a money-making enterprise for the investor, and a source of good, cheap labor for Virginia's municipalities. Indeed, after taxes, pay-back to the prison, and victim restitution are removed, the inmate earns an average of \$1 per hour in these facilities.

William Barr, former Bush Attorney General and co-chair of Allen's Commission to Abolish Parole and Reform Sentencing, is also, not accidentally, a prominent spokesman for the American Legislative Exchange Council, a Washington, D.C.-based think-tank involved in prison privatization efforts. Barr is pushing prison privatization in Virginia and nationwide, where it has become one of America's "growth industries"—over \$30 billion a year—since it began in the 1980s Reagan-Bush "free-enterprise" era.

In another variant of this, Richard Cullen, former Bush administration U.S. Attorney and co-chair of the parole abolition commission with Barr, heads the "Weed and Seed" program for Richmond, Virginia, which is bringing "free enterprise" (virtual slave labor) zones into inner cities of the United States, from which real industry disappeared decades ago.

According to the most recent edition of the *Private Adult Correctional Facility Census*, published semi-annually by the Private Corrections Project at the University of Florida, there was "robust growth" in the private corrections industry during 1993. Currently, there are 55 American prison facilities being run by private concerns, 24 of them in Texas alone, with at least 13 new facilities under construction. In Virginia, which is just beginning to enter the privatization field in corrections, one new prison has been approved, in poverty-stricken rural Brunswick County, and a second has been proposed for Halifax County. Typical for such minimum-security prisons, each is expected to create about 85 jobs in corrections and an annual payroll of \$2 million.

The two biggest private corrections firms, Corrections Corp. of America (27.6% market share in the United States) and Wackenhut Corrections Corp. (17.5% market share), are listed on the New York Stock Exchange. Involved in the financing of this "industry" and promoting its growth, are major Anglo-American banking and investment houses, in-

cluding E.F. Hutton, Shearson Lehman/American Express, Merrill Lynch, and Citicorp/Daniel.

As Lyndon LaRouche pointed out in his Oct. 6 interview with "EIR Talks," "private prisons" are nothing new. There are two precedents in recent history: post-Civil War southern prisons and Nazi concentration camps. In the accompanying interview with corrections administration expert Paul W. Keve, who wrote the definitive history on post-Civil War private prisons in Virginia, he insists emphatically on the dangers inherent in such private prisons: "What we've found in previous experience is that you farm people out to private operators as a desperation measure, and then if they're being abused, the only recourse you have is to pull the prisoners out. But with several hundred prisoners and you don't have any other place to put them, you're stuck."

The likelihood of such abuse today is overwhelming. Of the 55 private facilities now operating in the United States, only 25 have received accreditation by the American Correctional Association, and 23 have *no firm plans* to pursue accreditation. Even with accreditation, the abuse of prisoners in state-run institutions—with rape, murder, and mayhem a daily occurrence, tolerated if not encouraged by staff in almost every American high-security prison—is so common that it is no longer even a topic of public discussion.

"Model" federal legislation for private prisons, which has been drafted by Barr's American Legislative Exchange Council, clearly anticipates such abuse. The "Private Correctional Facilities Act" specifies that the "contractor shall provide an adequate plan of insurance, specifically including insurance for civil rights claims."

## 'Punishment for profit'

In 1985 hearings on the subject of privatization of corrections, held before the House Subcommittee on Courts, Civil Liberties and the Administration of Justice, Richard Crane, then vice president of legal affairs for the largest of the private prison companies, Correctional Corp. of America, said the following:

"The concept of contracting with private companies to provide government services is not new. . . . There is, though, an aspect of privatization of corrections which sometimes gets us in trouble and that is the abuses prior to 1900 of inmates who were leased out as slave labor. In 1871, a court

just near here in Virginia handed down a ruling in which it said prisoners were no more than *slaves of the state*. You then had states selling the labor of prisoners to private companies who were going to make a profit on the backs of inmates. Obviously, you are going to have abuses of that type of system.”

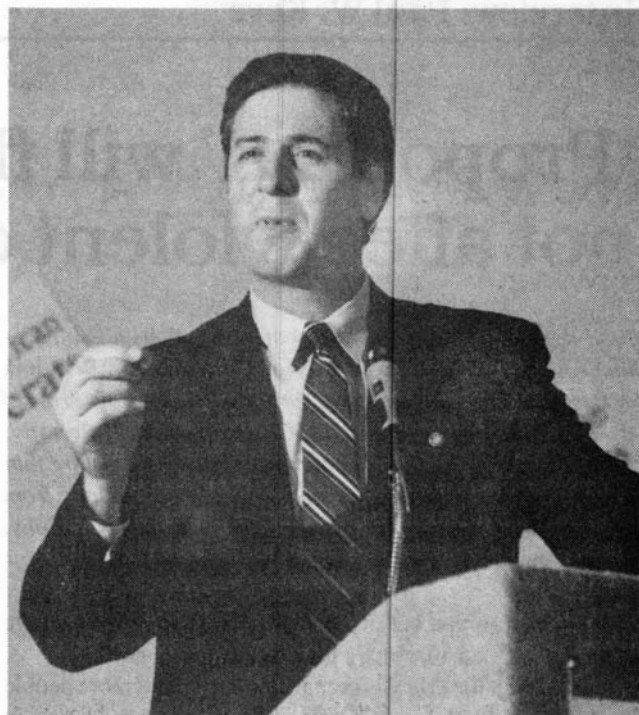
At the same hearings, Cliff Steinhoff, legislative chair of the American Federation of Government Employees’ National Council of Bureau of Prison Locals, warned that private prisons were merely “punishment for profit.” He stated, “Before looking at the legal, practical, and economic concerns surrounding the issue of ‘prisons for profit,’ I would like to bring out some broader philosophical and ethical questions. Our Declaration of Independence declares that there are ‘certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. . . . That to secure these rights, governments are instituted among men.’ The government, and only the government, can deny individuals these rights and only to protect these rights for the majority. Since the Civil War, we have not given any other institution the legal authority to deny these fundamental rights to individuals. . . .

“When societies moved from justice based on might and individual revenge to justice based on law and government, it was a giant step forward for civilization. Steps in the opposite direction should not be taken lightly. Remember, unlike other governmental functions, prisons don’t do things for people, they do things to people. They deny criminals the essence of our society, freedom. These acts cannot—should not—be trivialized. They cannot—should not—be sold to the highest bidder like lawn furniture before the first show. . . . For the first time, it is [now] in someone’s self-interest to foster and encourage incarceration. It does not take an accountant to figure out that they will act in their self-interest.”

### Death of the ‘rehabilitative ideal’

The move toward prison privatization was actually begun in the mid-1970s, by the Law Enforcement Assistance Administration, a fascist grouping within the Justice Department, established to launch “community control” self-policing projects in the United States. At the same time, sociological propaganda began to pour out of such establishment think-tanks as the Heritage Foundation, announcing the “death of the ‘rehabilitative ideal,’ ” and preparing the way for George Bush’s later “thousand points of light” abandonment of government’s role in any aspect of American life, especially social services. All of this was further spurred by major prison riots such as at Attica, New York in 1971, which were associated with the growth of the black nationalist movement in the United States.

A major hurdle that had to be overcome was resistance from organized labor, which rightly viewed convict labor as unfairly competitive. In 1979, Sen. Charles Percy introduced and won passage of the so-called Percy Amendment, under



*Virginia Gov. George Allen has abolished parole in his state, and is touting the privatization of the prisons as the wave of the future.*

which pilot programs in five states—Arizona, Kansas, Minnesota, Nevada, and Utah—were exempted from both the ban prohibiting interstate commerce of prison-produced goods and the ban on the use of inmate labor in government contracts for \$10,000 or more. At first, prison labor was confined to license plates and the like, but in the 1980s, with overcrowding becoming a major problem, privatization of prison construction—using prison labor to build their own prisons—became increasingly popular.

In the model legislation, “Private Correctional Facilities Act,” the problem of competition with free labor is circumvented by specifying that American inmate labor may be used only if more than 80% of a particular type of product sold in the United States is manufactured outside the country. A second condition is that none of that product may be manufactured in the state where the prison is located. Thus, American convict labor is only competing with slave labor overseas.

Lease/purchase arrangements on such prisons are the latest, and least tested option for expanding state and local corrections capacity. New York investment banking firms, which are otherwise taking enormous risks in derivatives trading, regard such investments as relatively absolutely sound. What matter is it to them that, in order to guarantee that somebody will use their facility, there has to be a constant and increasing growth in the crime and incarceration rates? As long as the profits come in, and the wages are low, hey, it’s good business.