

# Prisons for Profit: A Bad Idea Whose Time Has Come

■ Diane H. Schetky, M.D.

**P**rison populations in the U.S. are expected to double within the next five years. The number of youths, ages 10-15, incarcerated at any one time in the U.S. is now at about 69,000 and is rising steadily. At the other end of the spectrum is a growing population of geriatric inmates, many of whom will likely die in prison. Some states, in an attempt to relieve overcrowding and to cut costs, have turned to private prisons, even farming out prisoners to other states, such as Texas, who have such facilities. Of the 1.8 million Americans behind bars, about 77,500 are now housed in private prisons. The privatization of prisons has been lucrative for investors. Corrections Corporation of America, the biggest manager of private prisons, experienced a 41% increase in revenue and net income growth of 115%, according to their last annual report. However, thus far studies fail to show any substantial savings for states that contract with them at a set per capita fee.

Cost cutting measures in these facilities include cutting back on personnel, staff training, program development, and medical care. Prison staff are given stock options in lieu of pension plans. Ownership in the company acts as an incentive for staff to skimp on services including the quality of food. Many of these facilities lack any sort of rehabilitative or recreational facilities as a result of which there is more violence among inmates than in state run prisons. Staff may hand out overly harsh punishments that result in extended sentences which help to keep the house full and, in turn, increases profits. Nothing in the system rewards humane treatment or rehabilitation of inmates. Critics have cited sadistic treatment of prisoners, including juveniles, and the hiring of guards who have records of violent behavior.

Communities continue to welcome these facilities because they are good for the local economy. They provide employment



and potentially lucrative business ties. For instance, in Chattanooga, several commissioners who voted to renew a contract with Corrections Corporation owned businesses that profited from the ongoing operation of the prison. Oblivious to the conflict of interest in their own lives, it is doubtful whether they paid much heed to the inherent conflicts of interest within a for profit prison system. One wonders whether any of them even set foot inside the prison.

There are, of course, many parallels to managed care in the prison for profit system. Prisoners and juveniles are among the most disenfranchised members of our society and have no say about where they are sent or how they are treated. It is difficult, if not impossible, for many to seek legal redress. Unlike subscribers to managed care plans, prisoners do not even have a choice of prison plans. Similar to managed care, they have become the latest commodity in corporate America's quest for fast and easy profit.

As child and adolescent psychiatrists, we need to lobby for incarcerated youths and demand that they receive better treatment. We also need to alert prison administrators to the many inherent conflicts of interest and opportunities for corruption that are abound within private prisons and discourage their expansion. ♦

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## REFERENCES

Bates, E. Private Prisons. *The Nation*, Jan 5, 1998, p.11-18.

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