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Shellie Anna Shimmel

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The Role of the Prison-Industrial Complex in Demilitarization, Corporate Outsourcing, & Immigration Policy

Shellie Anna Shimmel

Abstract
The traditional system of justice in the United States, based on the goals of retribution, incapacitation, rehabilitation, deterrence, and restitution, has been replaced with a corporate model of mass punishment based on profits, expediency, and the exploitation of free labor. This corporation is known as the “Prison-Industrial Complex,” and is made up of an enormous, interweaving system of correctional institutions, profit-driven corporations, and politicians (Davis, 1998; Schlosser, 1998). Some question whether the creators of the Prison-Industrial Complex could have predicted or anticipated the outcome of their actions (Reinarman & Levine, 2004). I will show their actions were in fact orchestrated to produce certain results. Corporate executives and politicians are well educated, intelligent people. The Prison-Industrial Complex did not just happen by chance. It was all planned out. The goal of the PIC is not the social good of imprisoning the minimum number of inmates possible for the least amount of time necessary to maintain public safety, deter crime, and rehabilitate offenders. Rather, the PIC profits from having as many prisoners as possible for as long as possible, and housing and caring for them as cheaply as possible. Our criminal justice system has been hijacked to increase the wealth and power of the corporate state, as well as to replace low-to mid-range jobs lost to military downsizing and corporate outsourcing.

Keywords: Demilitarization, Immigration Policy, Corporate Outsourcing, Prison-Industrial Complex

Author Interview

What are your research interests?
My research interests are the culture of poverty, the culture of violence, addiction, and how they intersect with the criminal justice system.

What are your plans after earning your degree?
What is your ultimate career goal?
I plan on applying to the MS in Clinical Counseling Psychology program in January. My career goal is to own my own private practice as a Marriage & Family Therapist (MFT); in particular, working with victims of crimes and their families, as well as helping to rehabilitate offenders.
The Current Crisis

The United States now has the largest prison system in the world, and incarcerates more of its own people than China, and even Russia (see Figure 1). Roughly 1,000 new jails and prisons have been built across the U.S. over the past few decades, including almost two dozen in California, but the U.S. correctional system is more overcrowded today than it was when the building spree first began (Davis, 1998; Schlosser, 1998). The prison system in California has been kept packed to the rafters with inmates for decades, incarcerating almost 175,000 inmates at its peak in 2006, and is the most overcrowded prison system in the U.S. (Hayes, 2012; Schlosser, 1998).

Figure 1: Prison Populations by Country:

![Graph showing prison populations by country](image)

Worldwide Prison Populations


According to the Criminal Justice Center at Stanford Law School (2010), “California’s prison population has grown from 20,028 in 1975 to 167,264 in 2010 (an increase of approximately 735%). During that same time period, California’s overall population grew from 21,537,000 to 36,961,664 (an increase of roughly 72%).” As a result, the Department of Corrections is now one of California’s largest employers with 33 state prisons, and 33,000 employees (NPR, 2009). Likewise, the California Correctional Peace Officers Association is now the largest and most powerful labor union not only in California, but in the entire United States (UC Berkeley, 2010). It costs California taxpayers $10 billion dollars a year to support the Prison-Industrial Complex at the expense of spending for higher education (NPR, 2009).

Several lawsuits for civil rights violations have been brought by California inmates in recent years citing cruel and unusual punishment due to the severe overcrowding. One of these cases, Brown, et al. v. Plata, et al. (2011) was appealed to the U.S. Supreme Court because the PIC refused to comply with orders from the lower courts. It has required a ten year legal battle, and repeated intervention by the U.S. Supreme Court to force the PIC to begin the process of releasing inmates to ease the inhumane overcrowding (Brown v. Plata, (2011)). The Court was shocked to discover, among other things, that prisoners were being kept in cages the size of telephone booths, the state was routinely failing to provide at least minimal health care services to inmates, and that 15-20 inmates were forced to share a single toilet (Brown v. Plata, (2011)).

In order to restore California’s prison system to compliance with the Eighth Amendment, the Court ordered that the prison population, which was at over 200% of design capacity, be reduced to 137.5% of design capacity within 2 years (Brown v. Plata, (2011)). In response, California Governor Jerry Brown signed AB 109 and AB 117 earlier this year, ordering that low-level, non-violent inmates be transferred from the state prison system to county jails. Being that California’s jails are also suffering from severe overcrowding, the state has now begun the process of releasing inmates from custody, and putting them on probation instead.

Why did the PIC fight so hard for so long to hold onto the people in its custody? Because not only does the PIC provide much needed jobs for correctional officers and prison staff, as well as economic support to their local communities, but it also provides prison labor to dozens of large U.S. corporations. Labor formerly performed by unionized U.S. workers is now performed by inmates in U.S. prisons instead (Chang & Thompkins, 2002; Davis, 1998).
Slavery was officially abolished in the U.S. with the passage of the 13th Amendment in 1865. However, California’s State Constitution (Article 1, § 6), like all other U.S. states, has an exception to abolition in the form of penal servitude. Every state in the U.S. currently owns and operates prison industries (Chang & Thompkins, 2002). Slavery is alive and well, only now it’s kept out of sight behind prison walls. Eve Goldberg and Linda Evans (1998), prisoners at the Federal Correctional Institution in Dublin, California wrote:

For private business, prison labor is like a pot of gold. No strikes. No union organizing. No health benefits, unemployment insurance, or worker’s compensation to pay. No language barriers, as in foreign countries. New leviathan prisons are being built on thousands of eerie acres with factories inside the walls. Prisoners do data entry for Chevron, make telephone reservations for TWA, raise hogs, shovel manure, make circuit boards, limousines, water beds, and lingerie for Victoria’s Secret – all at a fraction of the cost of ‘free labor’ (Davis, 1998).

A few other U.S. corporations taking advantage of prison labor include Microsoft, Motorola, Texas Instruments, Honeywell, Boeing, IBM, and Revlon (Chang & Thompkins, 2002; Davis, 1998). Many of the empty factories and office buildings common on the U.S. landscape today are a result of the shift to prison industries.

Background

How did all this happen? Let’s take a look at some recent history. U.S. President Dwight D. Eisenhower warned us in his famous 1961 Farewell Address to the Nation that we needed to be careful not to create a “military-industrial complex,” but the U.S. government built an enormous war machine anyway (Kurth, 1999). After the end of the Cold War in the 1980s, continued financial support of the Military-Industrial Complex became difficult to justify politically, so the government began downsizing it by closing several military bases. California was hardest hit, shouldering the loss of almost 100,000 military and civilian jobs within the Department of Defense, and suffering 53.8% of the military cuts for the entire country (Freedman & Ransdell, 2005). The Prison-Industrial Complex soon replaced the Military-Industrial Complex (Davis, 1998), and several events were coordinated to make this happen.

The drug laws signed in 1973 by then-New York Governor Nelson Rockefeller are the starting point of the Prison-Industrial Complex. They established strict mandatory prison terms for the possession or sale of illegal narcotics based on the drug’s weight. The U.S. prison population began to skyrocket as a result (see Figure 2).

Figure 2: Sentenced Male Offenders 1920-2012

President Ronald Reagan continued the movement by declaring a “war on drugs,” and appointing a “drug czar” to oversee the battle. The passage of President Reagan’s Anti-Drug Abuse Acts of 1986 and 1988 established much tougher mandatory prison sentencing for crack cocaine versus powdered cocaine (Chang & Thompkins, 2002; Clear, 1999; Reinarman & Levine, 2004). These new anti-crack laws helped to drive the most massive wave of imprisonment in United States history (Reinarman & Levine, 2004).

Crack cocaine is used primarily in lower class African-American and Latino communities. Powdered cocaine is more prevalent among middle to upper class Whites. Therefore, these biased laws work to ensure an overrepresentation of low income African-Americans and Latinos in
the prison population (Reinarman & Levine, 2004).

California’s prison population is currently 29% African-American (CDCR, 2009), even though African-Americans only comprise 6.6% of the total population in California (U.S. Census, 2011). At the national level, African-Americans are incarcerated at five times the rate of Whites (Chang & Thompkins, 2002; Clear, 1999), while Latinos are incarcerated at three times the rate of Whites (Clear, 1999; see Figure 3).

**Figure 3: Lifetime Chances of Going to State or Federal Prison for the First Time**

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>White Male</td>
<td>2.2%</td>
<td>4.4%</td>
<td>5.9%</td>
</tr>
<tr>
<td>White Female</td>
<td>0.2%</td>
<td>0.5%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Black Male</td>
<td>13.4%</td>
<td>29.4%</td>
<td>32.3%</td>
</tr>
<tr>
<td>Black Female</td>
<td>1.1%</td>
<td>3.6%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Latino Male</td>
<td>4.0%</td>
<td>11.1%</td>
<td>17.2%</td>
</tr>
<tr>
<td>Latino Female</td>
<td>0.4%</td>
<td>1.5%</td>
<td>2.2%</td>
</tr>
</tbody>
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Additionally, an estimated 60-80% of prison inmates in the U.S. have substance abuse problems (Schlosser, 1998). However, since the PIC profits from recidivism, drug treatment programs have been cut by more than half since 1993. This has turned California’s prison system into a revolving door for “poor, highly dysfunctional, and often illiterate drug abusers” (Schlosser, 1998).

While the U.S. government was downsizing the military in the late 1980s to mid-1990s (Freedman & Ransdell, 2005), U.S. corporations had already begun downsizing by outsourcing manufacturing jobs to Third World countries. Nationally, 5.3 million manufacturing jobs have been lost since 1979 (Johnson, Burtkey, & Ghorm, 2008). U.S. corporations have created windfall profits for themselves by exploiting cheap labor, including child and prison labor, in foreign countries such as China, Mexico, and India (Johnson, et al., 2008).

Manufacturing was the mainstay industry for blue collar workers in the U.S., a disproportionate number of whom were African-American (Johnson, et al., 2008). Many workers who were laid off due to corporate outsourcing resorted to selling drugs, particularly crack cocaine, to provide for their families. This lead to the infamous “crack wars” of the 1980s (Reinarman & Levine, 2004).

These people were the intended targets of President Reagan’s new anti-drug legislation (Chang & Thompkins, 2002), which was created by politicians in cooperation with corporate executives to further the expansion of the Prison-Industrial Complex. African-Americans and Latinos, the segments of the U.S. population hit hardest by manufacturing outsourcing (Johnson, et al., 2008), were then used for political and corporate profit through the PIC. This racist repression and exploitation eroded the legitimacy of the U.S. criminal justice system (Reinarman & Levine, 2004).

In order to continue the expansion of its prison-for-profit empire, the PIC launched the “tough on crime” movement in the early 1990s. They utilized a media campaign of scare tactics to frighten voters into passing new state legislation. Their use of inaccurate inmate stereotypes in creepy political ads, as well as the politicizing of the disturbing Polly Klaas child abduction and murder case in Sonoma County, California in 1993, caused Californians to believe that harsher prison sentences were needed in order to keep the public safe from predatory career criminals.

By this time, the PIC was showing significant profits, and small companies such as Wackenhut and the Correctional Corporation of America (CCA) were turned into mega-corporations (Chang & Thompkins, 2002; Davis, 1998; Schlosser, 1998). With money comes power, and now the PIC had the power to send lobbyists to Washington, D.C. to lobby for stricter laws to keep those already behind bars in prison for longer periods of time, and to increase the penalty for recidivism (Golash-Boza, 2009). These new laws condemned millions of Americans, mostly poor African-Americans and Latinos (Chang & Thompkins, 2002; Davis, 1998; Reinarman & Levine, 2004; Schlosser, 1998), to longer prison terms with the passage of the “Truth in Sentencing” and “Three Strikes” Laws in 1994 (NPR, 2009).
The “Truth in Sentencing” Law requires that prison inmates serve a minimum of 85% of their sentence before becoming eligible for parole. Time off for good behavior (“good time credits”), work furloughs, halfway houses, and even the model of rehabilitation itself became a thing of the past. The “Three Strikes” Law, before it was later modified by the U.S. Supreme Court, mandated a 25-years-to-life prison sentence for any third offense, which resulted in “third strikers” receiving life sentences for petty theft or drug abuse (Davis, 1998), while doing nothing to deter or reduce crime (Males, Macallair, & Taqi-Eddin, 1999).

Additionally, President Bill Clinton did his part to keep the PIC’s empire growing by advocating for and signing the Violent Crime Control and Law Enforcement Act of 1994. This act created new federal crimes, and mandated even more severe prison sentencing. It also budgeted $30 billion dollars to hire more police officers, and to build more prisons (Chang & Thompkins, 2002).

**The Major Player**

The PIC’s largest corporation, the Correctional Corporation of America (CCA), is headquartered in Nashville, Tennessee. It was co-founded by Thomas W. Beasley, the former chairman of the Tennessee State Republican Party (Chang & Thompkins, 2002). Mr. Beasley’s political connections gave CCA the positioning it needed to aggressively lobby for lucrative government contracts. Several high-ranking state government officials own stock in CCA (Chang & Thompkins, 2002), giving state government leaders a financial incentive to imprison their own citizens.

CCA currently has custody of approximately 80,000 prisoners in 64 facilities across the U.S. (CCA, 2012), and has profited so greatly from political cronyism, the “war on drugs,” and massive new legislation that they have expanded globally. CCA now provides full management services for prisons in such countries as Puerto Rico, Venezuela, the U.K., France, Australia, and South Africa (CCA, 2012; Schlosser, 1998). They openly market prison building as a way to replace lost manufacturing jobs, and to create economic development in impoverished rural areas. Additionally, there are more than 1,000 private vendors in the PIC, providing everything from food to toilet paper (Schlosser, 1998).

**Illegal Immigration Profits the PIC**

Harsher laws created and continue to support the Prison-Industrial Complex, but now the problem of immigration does as well. As of 2009, the number of undocumented immigrants in the U.S. totals over 12 million. Those that argue against the PIC claim the reason our government has failed to pass an effective and fair immigration policy is because the PIC profits from keeping undocumented immigrants detained (Chang & Thompkins, 2002; Golash-Boza, 2009). The California state prison at Lompoc is now entirely devoted to the imprisonment of illegal immigrants.

Tanya Golash-Boza, Ph.D., Associate Professor of Sociology at the University of Kansas, and author of the above-cited article, summed up the current immigration crisis in Arizona in a “tweet” she made on Twitter on March 27th, 2012, stating, “Prison economics help drive Arizona immigration law SB 1070/CCA.” Dr. Golash-Boza is implying that the Correctional Corporation of America is making money off of imprisoning illegal immigrants in Arizona, and is helping to drive that state’s immigration laws.

**Conclusion**

In understanding the interconnectedness of all these elements it becomes clear there must have been some grand design to the predicament the U.S. criminal justice system finds itself in today. The U.S. corporations and politicians who have built fiefdoms for themselves off profits from the Prison-Industrial Complex (Schlosser, 1998) have been willing to routinely violate the civil rights of American citizens, subjecting our prison inmates to torturous living conditions on a daily basis in order to maximize their profits (Brown v. Plata, 2011)).

It has required repeated intervention by the U.S. Supreme Court over the past ten years to force the PIC in California to begin the process of bringing our state’s prison system back into
compliance with the U.S. Constitution (*Brown v. Plata, (2011)*). Hopefully, the action taken by the Court, combined with California’s devastating economic struggles (of which the PIC is largely responsible), will force the PIC to restore our state prison system to its intended and proper purpose, rather than continuing to corrupt it as a means to oppress and exploit poor minorities in order to enrich themselves.

**References**


