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Debate Assignment #1

“The Economics of Private Prisons” is a policy report published in October 2016 by The Hamilton Project, a policy institute within the Brookings Institute. The Brookings Institute is a think tank associated with liberal and centrist leanings so the analysis in this article could be skewed in this way. All data in the report was provided by governments and prisons.

The article began by explaining how private prisons came about in the country. It detailed that with the explosion of incarcerated individuals in the 1980’s, many states running out of room in their own public prisons decided to contract with private prisons to address their increasing prison populations. Private prisons became increasingly used over time, as it was more convenient for legislators to send prisoners to private prisons rather than getting the votes necessary to fund new public prisons due to the already existing lack of space. Even though I knew a moderate amount about private prisons before I read the article, it was interesting to learn this. I had never considered this aspect of the political economy concerning this topic. Before I believed the reasons private prisons existed was mainly due to the proponents believing they were more efficient than public prisons so seeing that they may be a result of political convenience was intriguing and implicates that if you want to abolish private prisons you would have to address the political inconvenience of not having the votes to fund new public prisons when there is a lack of space for new prisoners.

The article also explained how there is an issue with the market concentration in the private prison lobby and that this was a result of the naturalistic monopolistic tendency of the industry due to governments most of the time only contracting with one prison firm. It said since 1999 there were 12 for-profit prison firms, and since then 8 have closed with only 2 new ones opening. It further explained that today the top 2 firms provide 55% and 30% of all private prison beds respectively and that with the next firm, all three possess 96% of all prison beds.

The report also illustrates the power of the private prison lobby. In 2015, the top 3 private prison firms spent $2 million while the largest public correctional officers association in comparison lobbied $66,000. One of the things the article described was how these lobbying efforts goes towards trying to increase mandatory minimum sentencing. They do this because increasing it would increase the incarcerated population since it’d take a longer time for prisoners to serve out their sentences which would increase the revenue and profits of private prisons. These policies lead to an increased burden on the taxpayer as they are paying for the increased incarceration.

The article explains there is not a lot of data on the cost and quality of private prisons to compare to public prisons because most states do not require that private prisons disclose this. This does not seem logical because private prisons are contracted through public expenditure, so it doesn’t seem reasonable that the public can’t see the results of their expenditure. The report said that there is data from Mississippi, but most of the reasons for the lower costs in private prisons there was due to understaffing, lower salaries for prison officers, and decreased safety and security.

Overall, this policy report seems to be, in my judgement, fair in its analysis of private prisons. It concludes that private prisons don’t offer a clear advantage and suggests adjusting the incentives offered to those running private prisons to better meet public needs and improve safety and security of the prisoners. In addition, I think private prisons should be required to disclose data in the same way as public prisons, some action like antitrust should be considered to address market concentration, the power of the private prison lobby should be limited, and increased oversight to examine the quality and care of private prisons should be taken.

References

Mumford, Megan, Diane Whitmore Schanzenbach, and Ryan Nunn. "The economics of private

prisons." *The Hamilton Project at the Brookings Institution* (2016).