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## The American Prison System: It's Just Business

BY L.B. WRIGHT ON DECEMBER 9, 2018

BLOG

What entity generates over \$74 billion a year<sup>[1]</sup> and is funded by both the U.S. government and American taxpayers? If you said the American Prison System ("APS"), then you would be correct.

sentence, which can range from 5 to 15 years, if an individual is caught with a certain amount of narcotics.<sup>[3]</sup> While more individuals are being convicted and serving long sentences, more space is required to support the increasing number of convicts.

Another reason why the prison population has increased is because of three strikes laws.<sup>[4]</sup> which means someone commits who commits three felonies can go to jail for life.<sup>[5]</sup> The APS can also force prisoners to perform hard physical labor at a low cost, thus creating more revenue.<sup>[6]</sup> Prison laborers have done a variety of work, such as creating license plates, with little pay. More recently, it was discovered that in exchange for fighting wildfires in California earlier this year, inmates were paid \$1 an hour or able to reduce their prison sentence.<sup>[7]</sup>

Currently there are over 2.2 million people in the APS and each inmate brings in about \$6,000 to \$14,000 in revenue.<sup>[8]</sup> Currently, the two biggest privately owned prison corporations are Corrections Corporation of America and GEO Group which generated \$2.5 billion in 2012 alone.<sup>[9]</sup>

Private prisons are surrounded by controversy. While private prisons were meant to save the government money, critics argue that inmates are treated inhumanely and seen solely as dollar signs for corporations. Another issues with the current state of APS is that funding it costs Americans over \$39 billion in taxes.<sup>[10]</sup> Given the amount of money made through the APS, it strongly appears that incarceration is incentivized.

Prison facilities are able to generate more revenue by charging prisoners for minuscule things like phone calls, which range from 20 cents to \$1 per minute depending on the facility.<sup>[11]</sup> Prisons also reduce the costs of holding inmates by removing services (i.e. cleaning services) thus, saving facilities large amounts of money.<sup>[12]</sup>

Currently, many think that the goals of APS are to rehabilitate inmates and help them function properly in the real world. However, the APS's high recidivism rate and methods of revenue creation support the conclusion that increasing the prison population may be the real goal of the APS.<sup>[13]</sup>

With the seemingly deliberate increase in the number of inmates, reduced prison maintenance costs, higher sentences, and high recidivism rates, it is clear that the American Prison System is not in the business of rehabilitation nor punishment but in the business of generating revenue.

[1] Brian Kincade, *The Economics of the American Prison System*, Smart Asset, <https://smartasset.com/mortgage/the-economics-of-the-american-prison-system> (last visited Dec. 1, 2018).

[2] Peter Wagner & Wendy Sawyer, *Mass Incarceration: The Whole Pie 2018*, Prison Policy Initiative, <https://www.prisonpolicy.org/reports/pie2018.html> (last visited Dec 19, 2018).

[3] Vicky Peláez, *The Prison Industry in the United States: Big Business or a New Form of Slavery?* Global Research, <https://www.globalresearch.ca/the-prison-industry-in-the-united-states-big-business-or-a-new-form-of-slavery/8289> (last visited Dec. 1, 2018).

[4] *Id.*

[5] Jo Ann Harris, Assistant Attorney General, *Memorandum for All United States Attorneys, Sentencing Enhancement- "Three Strikes" Law*, United States Dep't of Justice, <https://www.justice.gov/jm/criminal-resource-manual-1032-sentencing-enhancement-three-strikes-law> (last visited Dec 19, 2018).

[6] See Peláez, *supra* note 3.

[7] Abigail Hess, *California is Paying Inmates \$1 an Hour to Fight Wildfires*, CNBC, <https://www.cnbc.com/2018/08/14/california-is-paying-inmates-1-an-hour-to-fight-wildfires.html> (last visited Dec 19, 2018).

[8] See Kincade, *supra* note 1.

[9] *Id.*

[10] *Id.*

[11] *Id.*

[12] Aimee Picchi, *Prisons Inc.: The Big Business of Incarceration*, CBS News, <https://www.cbsnews.com/news/prisons-inc-the-big-business-of-incarceration/> (last visited Dec. 1, 2018).

[13] *Id.*

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