

# Memorandum

**To:** Phil Bryant, Mississippi State Governor  
**From:** Nickolas Racha  
**Date:** March 20, 2019  
**Subject:** Review of Corrections Privatization

---

## **Introduction:**

Private prisons, also known as for-profit prisons, were originally established by the Corrections Corporation of America (CCA) in 1983. CCA claimed the ability to build and operate state and federal prisons with the same quality of service provided in publicly operated prisons, but at a lower cost.<sup>1</sup> In 1987 CCA garnered contracts in Tennessee, Texas, and Kentucky and began to build and operate the first ever 100% privately owned prisons. Seeing this success, other startups and more established corporations such as Wackenhut Corrections Corporation (now the GEO Group, Inc.), also entered into the prison-privatization business to make a profit.<sup>2</sup> By 2010 these two companies collectively managed more than half the private prison contracts in the United States, with combined revenues over \$2.9 billion and managing over 75,000 inmates and detainees in 66 facilities.<sup>3</sup> Although private prisons sound promising, they have led to many mishaps and mistakes with the quality, services, and savings that private prisons offer. Therefore, Mississippi should evaluate its private prison contracts and ultimately look to shut down or hand over to the state its privately run prisons.

## **Private Prisons in Mississippi:**

According to the Mississippi Department of corrections, the state of Mississippi has three private prisons that are currently open and operational. They include the East Mississippi Correctional Facility located in Meridian, the Marshall County Correctional Facility located in Holly Springs, and the Wilkinson County Correctional Center located in Woodville.<sup>4</sup> These three prisons were all established between 1996-1999 and are managed by the Management and Training Corporation (MTC). According to the Mississippi Department of Corrections, these facilities offer programs ranging from alcohol and drug abuse classes, art classes, bible studies, culinary arts, and general education development. The East Mississippi Correctional Facility is the largest of the three prisons and holds 1,362 male beds, the Marshall County Correctional Facility holds 1,000 male beds, and the Wilkinson County Correctional Center holds 900 beds total.<sup>5</sup>

Although it may appear on paper that these prisons offer a service to the state government by providing almost 4,000 beds for inmates, programs to teach individuals basic life skills, and

---

<sup>1</sup> Yinger, J. (2019). *Lockup Quotas for Private Prisons* [Class Handout] Retrieved from [https://joyinger.expressions.syr.edu/wp-content/uploads/PAI735ECN635.Case2\\_.LockupQuotas.pdf](https://joyinger.expressions.syr.edu/wp-content/uploads/PAI735ECN635.Case2_.LockupQuotas.pdf)

<sup>2</sup> Yinger, J. (2019). *Lockup Quotas for Private Prisons* [Class Handout] Retrieved from [https://joyinger.expressions.syr.edu/wp-content/uploads/PAI735ECN635.Case2\\_.LockupQuotas.pdf](https://joyinger.expressions.syr.edu/wp-content/uploads/PAI735ECN635.Case2_.LockupQuotas.pdf)

<sup>3</sup> Yinger, J. (2019). *Lockup Quotas for Private Prisons* [Class Handout] Retrieved from [https://joyinger.expressions.syr.edu/wp-content/uploads/PAI735ECN635.Case2\\_.LockupQuotas.pdf](https://joyinger.expressions.syr.edu/wp-content/uploads/PAI735ECN635.Case2_.LockupQuotas.pdf)

<sup>4</sup> (2019). Retrieved March 20, 2019, from <https://www.mdoc.ms.gov/Institutions/Pages/Private-Prisons.aspx>

<sup>5</sup> (2019). Retrieved March 20, 2019, from <https://www.mdoc.ms.gov/Institutions/Pages/Private-Prisons.aspx>

most importantly saving money, there has been large abuse and mismanagement issues. The East Mississippi Correctional Facility has specifically been accused and sued by its own inmates for abuses and violations. According to the lawsuit, “The number of abuses include rampant rapes, prisoners placed in poorly supervised solitary confinement for months at a time, stabbings, beatings, and other acts of violence occurring on a regular basis, whether the guards are involved or turning a blind eye”.<sup>6</sup> Juveniles were also put in cells with adults where they were assaulted, malnourishment and chronic hunger has been reported, and prisoners have been maced and beaten by officers they died.<sup>7</sup> These poor conditions speak volumes as to why private prisons should not be operational in Mississippi. These incidents happen because the main goal of private prisons is to make as much profit as possible, even by cutting corners.

### **Economic Assumptions of Private Prisons:**

One of the main reasons that private prisons are so popular is because they save state and local governments money that can be spent elsewhere. For example, the state’s contract with the Management & Training Corporation is particularly economical. Mississippi pays the company just \$41 a day, or about \$14, 965 a year, for each minimum-security inmate, opposed to \$50 per day, or about \$18,250 a year, for each minimum security inmate held at public prisons.<sup>8</sup> This is well below the average that many other states pay such as Alabama and New York. Although there are major cost savings happening for the state, it is coming at the cost for the inmates and for the prisons quality of life. The state of Mississippi also requires that its private prisons operate at a minimum of 10 percent lower cost than its state run facilities in order to save money.<sup>9</sup> This can come from spending less on food, clothing, transportation, monitoring, medical care, and prison guards. With these lower operating costs comes a shortage of correctional officers, inadequate living conditions, confused lines of oversight, and weak training of prison guards. As a result, Mississippi’s private prisons often face many challenges, but the owners and managers overlook these challenges because they are making money off the suffering of other individuals while the state supposedly saves money.

With the correction of these harsh conditions that private prisons face, it might be desirable to keep private prisons operational in Mississippi in order to save money; but studies show that private prisons may not even save the state any money at all. Supporters claim that private prisons save costs through greater efficiencies such as lower salaries for guards and officers, and benefits by employing mostly nonunion employees.<sup>10</sup> In order for the state to actually lower its costs, it must spend less for the same quality of service, but since the services are decreasing in quality, there is no cost savings, just less spending, which results in harsh conditions for inmates and lower pay for staff. Less spending is drastically the opposite of

---

<sup>6</sup> Hicks, B. (2013, July 15). The Dangers of Private Prisons. Retrieved March 20, 2019, from <https://www.outsiderclub.com/the-dangers-of-private-prisons/80368>

<sup>7</sup> Hicks, B. (2013, July 15). The Dangers of Private Prisons. Retrieved March 20, 2019, from <https://www.outsiderclub.com/the-dangers-of-private-prisons/80368>

<sup>8</sup> Williams, T. (2018, April 03). Inside a Private Prison: Blood, Suicide and Poorly Paid Guards. Retrieved March 20, 2019, from <https://www.nytimes.com/2018/04/03/us/mississippi-private-prison-abuse.html>

<sup>9</sup> Williams, T. (2018, April 03). Inside a Private Prison: Blood, Suicide and Poorly Paid Guards. Retrieved March 20, 2019, from <https://www.nytimes.com/2018/04/03/us/mississippi-private-prison-abuse.html>

<sup>10</sup> Cody Mason, “Too Good to be True,” The Sentencing Project, January 2012. So are the first three paragraphs in the next section. Available at: [http://sentencingproject.org/doc/publications/inc\\_Too\\_Good\\_to\\_be\\_True.pdf](http://sentencingproject.org/doc/publications/inc_Too_Good_to_be_True.pdf)

efficient and promotes nonunion job recruitment and a stigma for lower pay and worse working conditions than that of state prisons. According to a 1996 report by the U.S. General Accounting Office (GAO), private prisons may not even save the state large amounts of money if any at all. According to the report, “two prisons showed no major difference in efficiency between private and public prisons, a third showed that private facilities resulted in savings to the state of seven percent, and the fourth finding the cost of a private facility falling somewhere between that of two similar public prisons”. Another study also found that private prisons do produce significant cost savings, but the GAO criticized the report because it was using hypothetical facilities in its comparison.<sup>11</sup> Therefore, one of the main arguments for private prisons can be proven false on multiple accounts from credible organizations that claim there are little to no savings through private prisons. Without generated savings for state governments, there is little to offer from private prisons at all.

### **Reasons to End Mississippi’s Prison Privatization:**

Private prisons need to be closed across the United States, but Mississippi is a good place to start. The evidence shows that the private prisons in Mississippi have suffered from inadequate care as well as inhumane conditions for prisoners while saving little money for the state. All of this is happening while private organizations such as MTC make millions of dollars in revenue and bonuses.<sup>12</sup>

1. *High Profits*- Private prisons prove the most economically profitable for the private industries that own them instead of the government. So for example, the state saves a small amount of money through their contracts with private prisons because they have to pay them less amount of money per prisoner per day than they do with public prisons. In order to have lower costs, these private prisons cut services, salaries, and programs in order to charge the state a lower price per prisoner. What studies show is that these private prisons are cutting corners even more to generate revenue from the states payments per prisoner. Not to mention, lockup quotas that are if not met, must be paid to the private prison companies as well.
2. *Staff Turnover*- According to the justice policy institute, “Private prison employees earn an average of over \$5,000 less than their government-employed counterparts and receive 58 fewer hours of training”. This leads to an exceptional amount of turnover and most importantly unqualified prison guards and decreased security in prisons.<sup>13</sup> With turnover being a major problem for private prisons, they often face more aggravated assaults, weapons, abuse, and violence than state run prisons. Because the owners of private prisons wish to make a profit by reducing salaries and benefits, turnover has become a major problem which causes a shortage of medical staff as well. Some private

---

<sup>11</sup> Cody Mason, “Too Good to be True,” The Sentencing Project, January 2012. So are the first three paragraphs in the next section. Available at: [http://sentencingproject.org/doc/publications/inc\\_Too\\_Good\\_to\\_be\\_True.pdf](http://sentencingproject.org/doc/publications/inc_Too_Good_to_be_True.pdf)

<sup>12</sup> Hicks, B. (2013, July 15). The Dangers of Private Prisons. Retrieved March 20, 2019, from <https://www.outsiderclub.com/the-dangers-of-private-prisons/80368>

<sup>13</sup> Joy, T. (2018, February 2). The Problem with Private Prisons - Justice Policy Institute. Retrieved March 20, 2019, from <http://www.justicepolicy.org/news/12006>

prisons went without medical staff for months which endangers the lives of inmates as well as decreases the availability of healthcare options.<sup>14</sup>

3. *Low Quality Service*- Most of the benefits that come from private prisons go to the corporations that own the prisons instead of the government, and they will go to horrifying lengths to keep their profit. For example, in the Eastern Mississippi prison four out of five inmates receive psychiatric medication, but the facility has not had a psychiatrist since November.<sup>15</sup> Therefore patients are receiving medication from untrained staff that don't know the correct amounts or limits. There is also high levels of violence in Mississippi private prisons that is not seen as often in their public prisons such as stabbings, beatings, assaults, killings, and guard abuse.<sup>16</sup>

### **Recommendations:**

In summary to the reasons listed above, it would be of benefit for Mississippi to shut down its privately owned prisons or to remodel them into public owned prisons. One of the main concerns is how to handle the current prisoners that are currently in private prisons. According to the Department of Justice in 2016, "they now only have approximately 195,000 inmates in bureau or private contract facilities, which is down from a high in 2013 of approximately 220,000" .<sup>17</sup> This decline in prisoners in privately owned prisons means that resources can be reallocated to better ensure that inmates are in the safest facilities and are receiving the best rehabilitative services possible.<sup>18</sup> Better services and conditions will allow prisoners to adapt to the outside world easier and will result in less reincarceration.

Once the contracts for private prisons in Mississippi reach the end of their terms, the state should decline to renew them and reduce their scope with private partnerships. This can be done by stepping down to private-public prisons with joint control of the facility or through excluding private companies altogether and having the government take over the prisons. The main focus of prisons should not be to make a profit, but should be focused on giving individuals a safe place to serve their time where they can learn to become a better community member once they are released. This can be done by excluding privately owned prisons whose main focus is on making a profit.

Another concern that the Mississippi state government might face is the pushback from local residents who believe their tax dollars will be going to better suit the needs and desires of criminals. In order to combat this stigma the state should create an educational component whether through television ads or local forums to let residents know that shutting down private prisons will essentially have little to no effect on their taxes. This is because private prisons

---

<sup>14</sup> Joy, T. (2018, February 2). The Problem with Private Prisons - Justice Policy Institute. Retrieved March 20, 2019, from <http://www.justicepolicy.org/news/12006>

<sup>15</sup> Joy, T. (2018, February 2). The Problem with Private Prisons - Justice Policy Institute. Retrieved March 20, 2019, from <http://www.justicepolicy.org/news/12006>

<sup>16</sup> Hicks, B. (2013, July 15). The Dangers of Private Prisons. Retrieved March 20, 2019, from <https://www.outsiderclub.com/the-dangers-of-private-prisons/80368>

<sup>17</sup> Phasing Out Our Use of Private Prisons. (2017, March 03). Retrieved March 20, 2019, from <https://www.justice.gov/archives/opa/blog/phasing-out-our-use-private-prisons>

<sup>18</sup> Phasing Out Our Use of Private Prisons. (2017, March 03). Retrieved March 20, 2019, from <https://www.justice.gov/archives/opa/blog/phasing-out-our-use-private-prisons>

don't save the state as much money as is falsely reported or construed. In the case of Mississippi, there are only three operational private prisons with nearly 4,000 inmates as opposed to the total private inmate population of 195,000. Therefore, the severity of not renewing contracts with private prisons in Mississippi will be minimal.

If these options are unattainable, there are reforms that can be implemented to monitor private prisons and bring them up to Bureaus standards. For example, the State and the federal governments ought to require outside monitors to pop-in unannounced at private prisons.<sup>19</sup> The Mississippi Department of Corrections currently calls ahead and tells the private facility what day and time they would be there. Changing this alone could provide the oversight we ought to demand of these facilities. Another option includes having MDOC write into contracts with private prison corporations that the media ought to have more access to these taxpayer-funded facilities.<sup>20</sup> This would allow journalists to see what conditions of confinement are like inside these facilities and more specifically how these individuals are being treated.<sup>21</sup> If journalists write about what they in these prisons, it may encourage policymakers to make changes or even close down some prisons. Lastly, Private prison corporations should have to abide by the same disclosure requirements as government-run prisons and detention centers.<sup>22</sup> This can be done through the rigorous process of passing state or federal legislation, but it is worth the attempt in order to improve conditions.

### **Conclusion:**

In sum, private prisons should begin to slowly faze out throughout the United States and starting in Mississippi where there have been numerous reports of mistreatment and abuse to inmates. These inmates also suffer from terrible living conditions and are not watched over by guards or officers in an efficient manner which leads to violence and killings. If Mississippi does not renew contracts with private companies to own prisons it can still develop private-public partnerships or chose to abolish private prisons entirely.

### **Annotated Bibliography:**

Yinger, J. (2019). *Lockup Quotas for Private Prisons* [Class Handout] Retrieved from [https://joyinger.expressions.syr.edu/wp-content/uploads/PAI735ECN635.Case2\\_LockupQuotas.pdf](https://joyinger.expressions.syr.edu/wp-content/uploads/PAI735ECN635.Case2_LockupQuotas.pdf)

This class handout is what gave me the inspiration to further research on this topic and write my paper about private prisons. There are statistical examples of how private prisons first came

---

<sup>19</sup> Eisen, L. (2017, November 08). Private Prisons Lock Up Thousands Of Americans With Almost No Oversight. Retrieved May 1, 2019, from <https://www.brennancenter.org/analysis/private-prisons-lock-thousands-americans-almost-no-oversight>

<sup>20</sup> Eisen, L. (2017, November 08). Private Prisons Lock Up Thousands Of Americans With Almost No Oversight. Retrieved May 1, 2019, from <https://www.brennancenter.org/analysis/private-prisons-lock-thousands-americans-almost-no-oversight>

<sup>21</sup> Eisen, L. (2017, November 08). Private Prisons Lock Up Thousands Of Americans With Almost No Oversight. Retrieved May 1, 2019, from <https://www.brennancenter.org/analysis/private-prisons-lock-thousands-americans-almost-no-oversight>

<sup>22</sup> Eisen, L. (2017, November 08). Private Prisons Lock Up Thousands Of Americans With Almost No Oversight. Retrieved May 1, 2019, from <https://www.brennancenter.org/analysis/private-prisons-lock-thousands-americans-almost-no-oversight>

to exist and the amount of revenue the companies that own them have made over the years they have been operational. It also discussed lockup quotas which I talk about further in my paper.

**(2019). Retrieved March 20, 2019, from**

<https://www.mdoc.ms.gov/Institutions/Pages/Private-Prisons.aspx>

This website gives information on the different private correctional facilities that are located in Mississippi. Such as, the amount of beds they have, their specific locations, the owners of the prison, and the different programs they offer. Since it is directly from the Mississippi Department of Corrections website, it is a very trustworthy source and helped me understand how many private prisons there are in Mississippi and what they are like.

**Hicks, B. (2013, July 15). The Dangers of Private Prisons. Retrieved March 20, 2019, from**

<https://www.outsiderclub.com/the-dangers-of-private-prisons/80368>

The outsider club is a website based on giving guidance and advice on investments, financial planning, and savings for a broad range of categories. This article was written on the general dangers and abuses that happen in private prisons and the economies surrounding public and private prisons. It showed comparisons and is what gave me the idea to write about the state of Mississippi. In it, it talks about the lawsuit filed against one of the Mississippi prisons and is what got me engaged in Mississippi's private prison system.

**Williams, T. (2018, April 03). Inside a Private Prison: Blood, Suicide and Poorly Paid Guards.**

**Retrieved March 20, 2019, from**

<https://www.nytimes.com/2018/04/03/us/mississippi-private-prison-abuse.html>

After focusing on Mississippi and their private prison dilemma, I wanted to find a news source that reported on the specific incident with EMCF. It gives specific incidents that occurred in the prison and details on how the prison operates. It also describes issues that are faced in the prisons such as underpaid guards and violent acts. The articles main importance for my paper was to discuss how underpaid the staff are at Mississippi's prisons and the law that states Mississippi private prisons must run at 10% less cost than state prisons.

**Cody Mason, "Too Good to be True," The Sentencing Project, January 2012. So are the first three paragraphs in the next section. Available at:**

[http://sentencingproject.org/doc/publications/inc\\_Too\\_Good\\_to\\_be\\_True.pdf](http://sentencingproject.org/doc/publications/inc_Too_Good_to_be_True.pdf)

This report helped me discuss the different studies that have been done on private and public prisons and the supposed cost savings that private prisons offer. In the report, it talks about general aspects of private prisons and offers graphs and charts on population sizes and funding. My main use for it was to discuss the financial savings that are not occurring in private prisons based on studies that have been done and prove that private prisons don't necessarily save

money. The report also gives some general information on private prisons that I found useful when discussing economic assumptions of private prisons.

**Joy, T. (2018, February 2). The Problem with Private Prisons - Justice Policy Institute.**  
Retrieved March 20, 2019, from <http://www.justicepolicy.org/news/12006>

This article was written and published by the Justice Policy Institute which is a trustworthy organization and provides useful information. This article I used to discuss my reasons to end prison privatization in Mississippi for reasons such as high staff turnover and low quality of services. In the article it talks about general inefficiencies of prisons such as lower pay for guards, high turnover rates, and the conditions inmates often face when they are locked up in private prisons.

**Phasing Out Our Use of Private Prisons. (2017, March 03). Retrieved March 20, 2019, from**  
<https://www.justice.gov/archives/opa/blog/phasing-out-our-use-private-prisons>

This memo is from the United States Department of Justice archives and helped me come up with the idea of phasing out private prisons in Mississippi. In the memo it talks about how private prisons were needed back in the late 1900's when prisons were overcrowded, but now they are not as necessary because they are inefficient. It gives a recommendation about reducing the scope of private companies being involved in prisons and how they can slowly be phased out of the picture.

**Eisen, L. (2017, November 08). Private Prisons Lock Up Thousands Of Americans With Almost No Oversight. Retrieved May 1, 2019, from**  
<https://www.brennancenter.org/analysis/private-prisons-lock-thousands-americans-almost-no-oversight>

This article is from the Brennan Center for Justice and helped me modify my paper after presenting in class. During the discussion, I realized that it could not be possible to phase out private prisons completely because of contracts and conditions so I wanted to find suggestions on other options to consider. This article discussed ways to improve private prisons through reforms and new policies in order to make them more accountable and transparent. It talks about successes in other states and gives strong recommendations.