

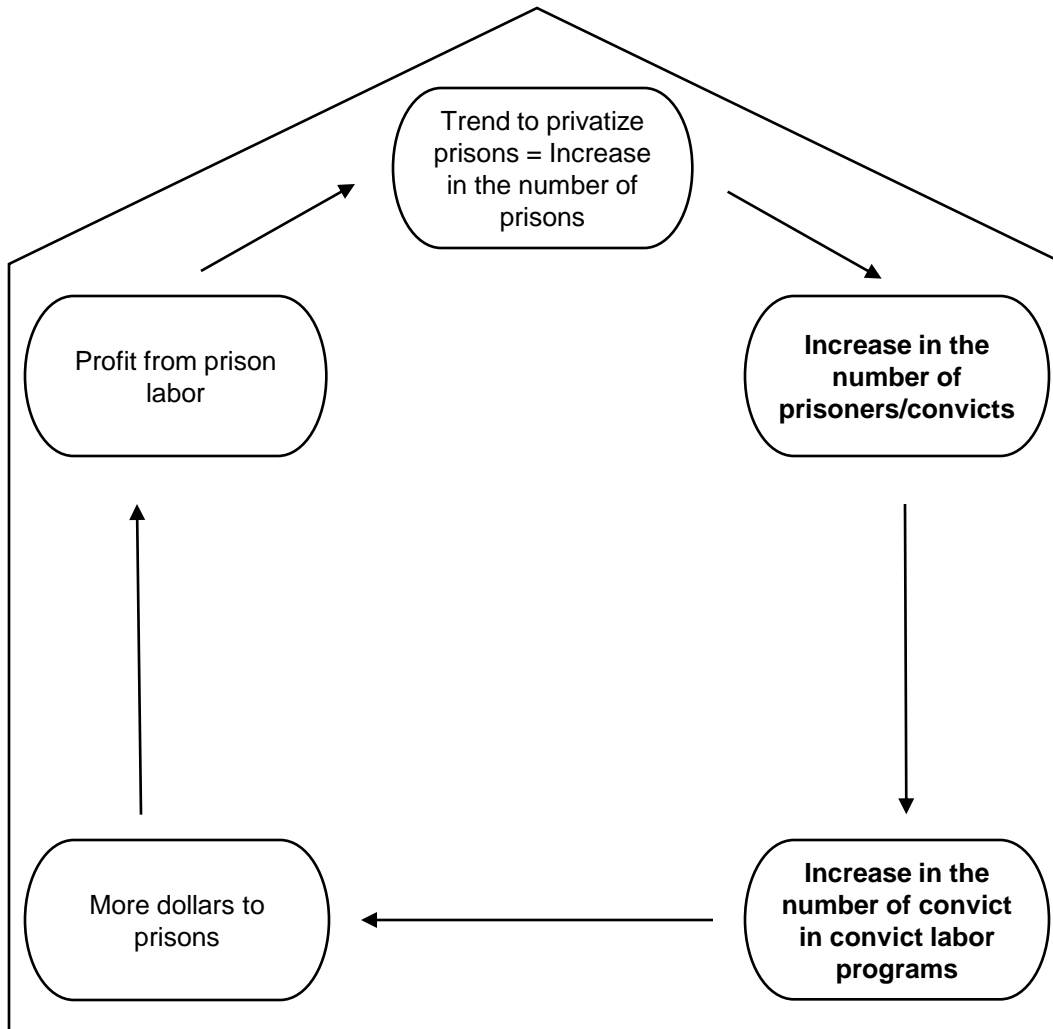
Correctional Officer Chart

Table 6.1

	Public	Private
Correctional officer entry level salary (average)	\$23,002	\$17,628
Correctional officer max level salary (average)	\$36,328	\$22,082
Correctional officer turnover rate (average)	16%	52.2%
Pre-service correctional officer training (hours)	250	153

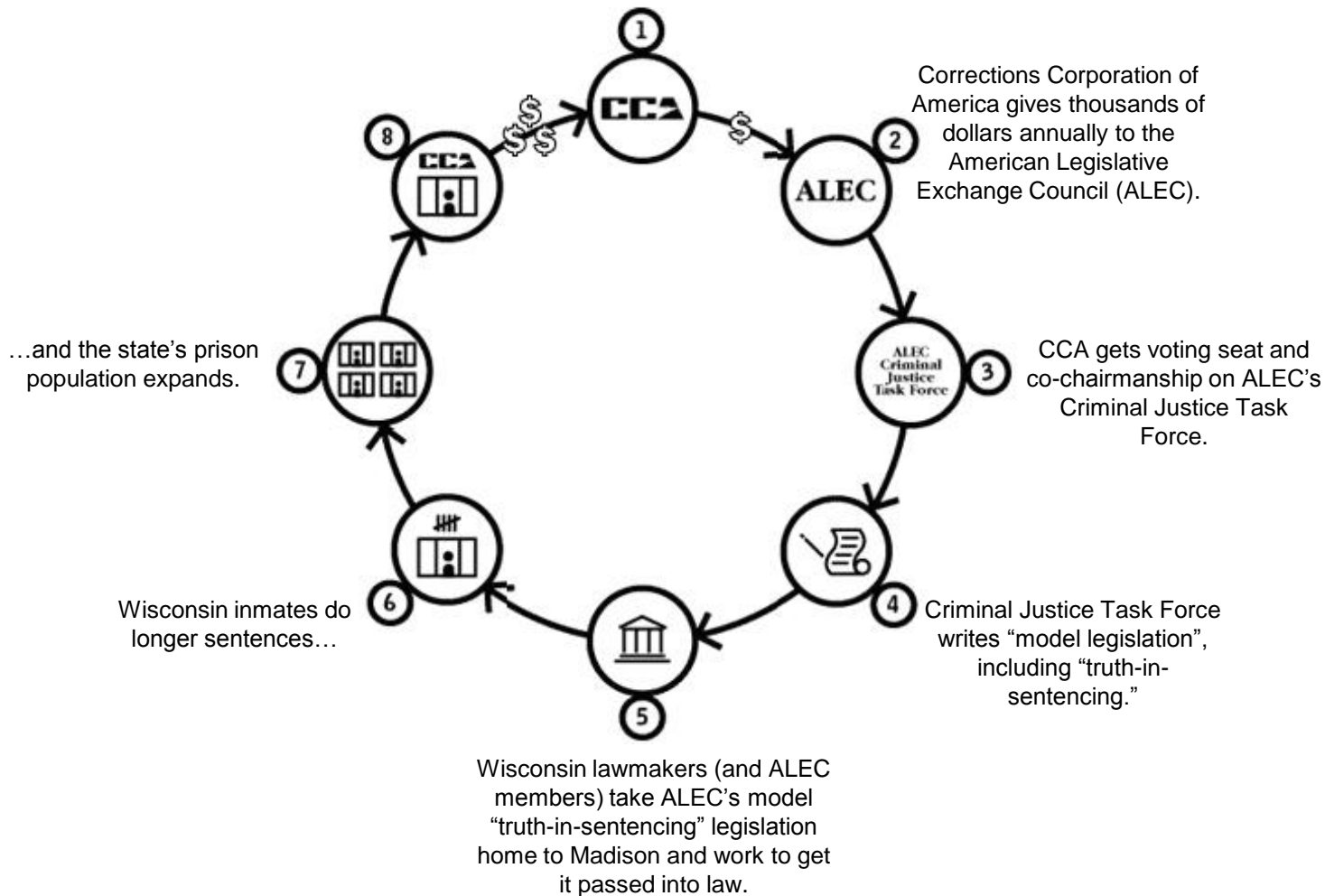
Source: Corrections Yearbook, 2000

Circular Relationship of Convict Labor to Trend to Privatize *with Profit Motive*



Increase in the number of convicts in convict labor programs = more income to prisons = profit from prison labor = trend to privatize prisons = increase in the number of prisons = circular relationship

The Corrections Corporation of America (CCA) builds and runs prisons, and rents cells to governments.



Projected Black Inmate Population and Black Male Slaves

“The number of African-American male inmates is derived from the baseline of two million prisoners and the fact that African-American men represent 41.3% of the total inmate population.

The growth in prison population assumes a constant yearly growth rate of 5.6%.

This was the average rate of growth for the decade from 1990 to 2000” (Boyd 2001).

Table 5.1

Year	Projected black male inmate population
2000	792,000
2005	1,040,027
2008	1,224,719
2017	1,999,916

Year	Black male Slave population
1820	783,781
1830	1,001,986
1840	1,244,000
1860	1,981,395

Source:

U.S. Department of Justice, Bureau of Justice Statistics, *Prisoners and Jail Inmates at Midyear 2000* (Washington, D.C.: U.S. Department of Justice, March 2001). Boyd (2001)

“The data regarding slavery are from Inter-University Consortium for Political and Social Research, Study 00003, Historical Demographics, Economic, and Social Data: U.S., 1790-1970. Ann Arbor: ICPSR

Impact of For-Profit Prisons Lobbying

Table 5.2

Legislation	# of Enactments	States
Truth in Sentencing Act (inmates serve at least 85% of their sentence)	25	Arkansas, California, Connecticut, Florida, Georgia, Illinois, Indiana, Louisiana, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nevada, New Hampshire, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, Wyoming
Habitual Offender/Three Strikes (life imprisonment for a third violent felony)	11	Arkansas, Florida, Indiana, Montana, New Jersey, North Carolina, South Carolina, Tennessee, Vermont, Virginia, Wyoming (“Three Strikes” legislation was previously passed in Washington State in 1993 and California in 1994)
Private Correctional Facilities	4	Arkansas, Connecticut, Mississippi, Virginia
Prison Industries (requires prisoners to work for private companies)	1	Mississippi

See Sarabi and Bender (2000, pg. 4)

Prison Stock

Table 5.5

Prison Stock							
Name	Recent price*	Price earnings ratio	Estimated 2005 earning**	Market cap	Market share***	Earnings estimate revisions	Comments
Corrections Corporation of America (CXW)	\$40.3	22.27	\$1.81	\$1.4 billion	54%	Up	Market leader
The Geo Group (GGI)	\$26	14.61	\$1.78	\$246 million	22%	Up	Lowest debt levels: expect acquisitions
Cornell Companies (CRN)	\$15.25	18.83	\$.081	\$206 million	12%	Down	Look for a pop from a change at the top

* Forward estimates based on consensus 2005 projections from Thomson Financial.

** Per share

*** U.S. market

Source:

Chart taken from Michael Brush. 3 Prison Stocks Poised to Break Out. MSN.money. <http://moneycentral.msn.com/content/P105034.asp> .Michael Brush is an [award-winning](#) New York-based financial writer who has covered business and investing for the New York Times, Money magazine and the Economist Group. Michael studied at Columbia Business School in the Knight-Bagehot Fellowship program. He is the author of Lessons From the Front Line, a book offering insights on investing and the markets based on the experiences of professional money managers.