Private jails Locking in the best price

Private prisons are now widely accepted, but it's hard to get the terms right

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WHEN Britain stopped dispatching convicts to its American colonies in 1775, it had to find some other way of dealing with miscreants. So it arranged to have them put away in ships which never left London; convicts were simply locked up in vessels moored on the Thames, whose owners were paid for the service. A few years later, a new penal colony in Australia eased the strain; and prisons shifted firmly back to state control, at least where states existed, for the next two centuries.

The pendulum has swung back. America introduced the idea of private prisons in the 1980s; at that time most Europeans would have hated the thought of farming out one of the state's most sensitive functions. But gradually more countries have come to accept the idea that incarceration—under terms laid down by the state—is one of the things which the private sector might do more efficiently.

First the concept spread through the English-speaking world. Then the French came up with semi-private jails, in which the state employs only the guards; now fully or partly privatised prisons are planned in countries from Denmark to Hong Kong. A growing number of poor countries are trying new models, as they look for better, cheaper ways to accommodate prisoners.



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The rich world still leads the way. More than 17% of Australia's inmates are held in private prisons, says Stephen Nathan, the editor of *Prison Privatisation Report International*. Next comes Britain, with 10%, and America at 7%. These markets are dominated by big prison-services firms such as GEO, MTC and Serco, which claim that private jails are better, cheaper and more accountable in both construction and management.

Developing countries are trying other variations. In Latin America, prison management has been outsourced to private contractors, non-profit organisations and even religious groups. In Belize, members of a local Rotary club help manage a prison. Proponents of private prisons in South Africa say that they are less crowded than state-run ones, and better equipped to give inmates education and training. They are also better able to limit the influence of gangs and thus to prevent bullying, sexual assaults and venereal disease. The semi-private "European" model has been adopted elsewhere. Chile has been especially keen on this approach: it recently opened three new semi-private prisons. Six of Brazil's 27 states have semi-privatised jails.

Despite sometimes horrific conditions and recent spells of inmate violence, parts of Brazil are considered innovative in prison management. More than 20 small jails in São Paolo state are run jointly by state and local non-profit organisations (none was affected by the recent riots). Fiona Macaulay, a Latin America specialist at Britain's University of Bradford, says these are less costly than state-run or semi-private prisons and result in lower recidivism (repeat offender) rates. A faith-based regime, known as the Association for Protection and Assistance to the Convicted, has been developed in Brazil over the past 30 years and is now used in 14 countries; it also claims low rates of recidivism.

Comparing prisons is tricky, and that leaves plenty of ammunition for critics of private jails. They argue, plausibly, that big prison-management companies, especially in America, distort the criminal-justice system by lobbying for tougher sentencing. Mr Nathan terms it "Capitalism 101". "You've got to expand your markets—you've got to fill your beds."

Israel's supreme court is considering a lawsuit brought by opponents of an 800-inmate private prison being built at Be'er Sheva, who claim it is unconstitutional. Meanwhile some governments are having second thoughts. Canada and New Zealand have both reversed earlier decisions to run prisons on private contracts. Meanwhile, South Africa is haggling with a firm it accuses of having pushed it into an unnecessarily costly contract. "We ordered a Rolls-Royce but we should have ordered a Toyota," a government adviser has haplessly admitted.

Cutting costs through privatisation always sounds like an attractive option; but cutting exactly the right deal with private providers of such a crucial service is difficult, and the price of failure is high.

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