STANDING COMMITTEES

Finance and Asset Management Committee

**Community Stakeholder Presentation on Prison Divestment**

**INFORMATION**

For information only.

**BACKGROUND**

The conversation around the University of Washington’s unethical investments has picked up steam over the past few years. Concerns have been raised about large investments in fossil fuels, Israeli Apartheid, hedge funds, and private prisons.

Today we will be focusing on the historical context and need for divestment from any companies affiliated with private prisons, but this is only one part of a movement lead by students, faculty, staff, workers, alumni, and community members to see a more ethical and less profit motivated university.

Through the extensive research into the University’s investments within the Consolidated Endowment Fund by students and alumni, we found that the University has millions of dollars invested in financial institutions that provide financial backing to private prisons. Since then, the campus community has shown support continually for transparency and action on this issue. Since these investments were made public we have seen these actions take place:

ASUW Resolution Passed in support of prison divestment, as well as numerous other demands pushing for racial justice.

Hundreds of students marching to this very Board meeting in May to voice their disgust at prison-related investments.

A petition urging the Board of Regents to Divest from prisons and prison-related companies, with over 1,100 signatures.

**GOALS FOR THIS MEETING**

1. Overview: Prison Industrial Complex, Mass Incarceration, and the School-to-Prison Pipeline

**Slavery, Race and Prisons**

Slavery was outlawed in the United States with the ratification of the 13th Amendment to the U.S. Constitution, with one caveat; slavery is still
constitutionally permissible as the punishment for a crime. Convict leasing was quickly written into many state laws during the Reconstruction Era, which permitted penitentiaries to sell the labor of inmates to plantations, mines, and other business. Today, Washington State has the fourth largest prison factory system in the country; Correctional Industries. According to WA State law, R.C.W. 39.26.251, all state agencies are required to purchase from Class II type prison labor. However, there is a clause within that law that permits for the appeal of any state agency to purchase from alternative sources if they should so apply. There are reasonable alternatives to profiting from the exploitative industry, and they should be opted for.

Bias in the Criminal Justice System
The Criminal Justice System is racially biased to its core. Black students, people of color, and people with mental disabilities are three times more likely to be suspended or expelled from primary and secondary public education institutions. One suspension or expulsion makes them 50% more likely to be incarcerated in the juvenile detention system, and approximately 80% more likely to be incarcerated in the adult penitentiary system, with an 85-95% to become caught in recidivism. To make matters worse, Black youth make up approximately 6.8% of King County’s youth population, but also 51% of the youth in jail. This situation described above is what has come to be known as the School-to-Prison Pipeline.

2. Overview of University of Washington Investment in Prison Industrial Complex, the School-to-Prison Pipeline, and Mass Incarceration
We will present how SPECIFICALLY the University of Washington and its investments in financial institutions like Wells Fargo and Blackrock, as well as other policies, allow the University to profit from the Prison Industrial Complex, the School-to-Prison Pipeline, and Mass Incarceration.

Last year data gathered by the University of Washington of its own demographics posited that while there were approximately 30,000 students at UW, only about 1,400 were Black, making up roughly over 3% of the student population. However, the Black population of Seattle is 7.9%, King County is 6.8%, WA State is 4.1%, and of the entire United States comprise 13.3%, respectively. This state university is failing to meet even the general population demographics of the regions it is supposed to serve. However, it is not only the University of Washington, which is failing to enroll even at a level consistent with the general population; Western Washington University also has a population of Black students that amount to 3.4%. Furthermore, this is a component of a nationwide trend. Yale University has a Black student population of 7.6%, and the University
of North Carolina at Chapel Hill has a black student population of 8.1%. This is in large part due to the School-to-Prison Pipeline and the Prison Industrial Complex.

http://www.census.gov/quickfacts/table/PST045215/5363000,53033,53
http://www.census.gov/quickfacts/table/PST045215/53033,53
http://www.census.gov/quickfacts/table/PST045215/53
https://www.census.gov/quickfacts/table/PST045215/00
http://www.wwu.edu/diversity/stats.shtml
http://oira.unc.edu/diversity-statistics/

It was also verified that the University of Washington is invested in the prison industrial complex via hedge funds, and in particular through Black Rock and Wells Fargo, who both invest heavily in Correction Corporation of America (CCA) and GEO Group, the two largest private prison corporations in the United States. What this reveals is that the University of Washington is at a minimum complicit in sustaining from the Prison Industrial Complex, and is certainly profiting from the exploitative and oppressive system.

3. Proposed University of Washington Prison and Hedge Fund Divestment Action Plan

1) Complete and lasting DIVESTMENT from all corporations and or entities that are involved with the Prison Industrial Complex.

When dealing with huge financial corporations like Blackrock or Wells Fargo, shareholder activism, or using the sway of owning stock to encourage corporations to take action, is not an option. The University of Washington simply does not hold enough stock in Wells Fargo or Blackrock to encourage them to divest from prisons. Financial specialists at the University of Washington have also proposed using shareholder activism to advocate for a shift in the business practices of institutions like Wells Fargo or Blackrock. However, we cannot compel or influence a corporation to shift its core or foundational business model. The guiding business principle of public stocks, like Wells Fargo or Blackrock, is to provide shareholders with the greatest return for the money they have invested within a corporation. Since, the Prison Industrial Complex and all the corporations it is entwined with owes much of its profit margin to suppressed wages (RCW 72.09.100), as wages are often the most expensive business cost in the United States, these corporations will continue to function as they have so long as they have a public license to do so. Because shareholder activism will have little effect on the Prison Industrial Complex, the only option available is for
the University of Washington to stop being complicit with and profiting from the Prison Industrial Complex, and to apply pressure to it by divesting from it completely.

2) Reinvesting of University of Washington Prison-Related Funds and Investments

We propose that UW put those investment dollars that we know to be involved with the Prison Industrial Complex in the hands of the communities most impacted; i.e., the working class, and specifically, incarcerated or formerly incarcerated, Black and Brown Communities in the Seattle Area. It is important that the University is not doing the least amount of harm with its endowment, but doing the most amount of good. This means asking the communities most impacted where they want this money to go, and not making decisions for them.

4) Cessation of Purchase from Correctional Industries and CI-Related Suppliers

We propose that the University of Washington cease purchasing from Correctional Industries and other suppliers that are involved with the Prison Industrial Complex, because Prison Labor breaks the Supplier Code of Conduct in many ways and goes against the values of our university. Just like investments, procurement should try to do the most good. This includes granting procurement contracts to Black and Brown owned businesses for some of the things UW has been contracting with Correctional Industries for.

4) Proactive Ethical Code of procurement and Investment at University of Washington

We propose that the University of Washington collaborate with relevant student, staff and faculty groups to create an ethical code for procurement and investments that is PROACTIVE. The supplier code of conduct sets a solid ethical foundation, but the burden of proof and work is on students. This is unacceptable. We need ethical standards for both procurement AND investment that is decided by the campus community, and upheld by the Board of Regents and the administration, so we do not have to engage in these long campaigns again.
STANDING COMMITTEES

Finance and Asset Management Committee

Community Stakeholder Presentation on Prison Divestment (continued p. 5)

ADDITIONAL INFORMATION

“My 4 Months as a Guard in Private Prison Facilities”, by Shane Bauer. Description: Recommended reading for the Board of Regents on the conditions inside a private prison in Louisiana.  

“Broken prison labor program fails to keep its promises, costs millions”, Michael J. Berens and Mike Bake Description: Recommended reading for Board of Regents on Prison Manufacturing in Washington State  
http://projects.seattletimes.com/2014/prison-labor/1/

Petition to “Divest UW's endowment from prisons and reinvest in people who are or were incarcerated”  

Attachments

1 “Masked Racism: Reflections on the Prison Industrial Complex”, by Angela Davis. Description: Recommended reading for the Board of Regents on the Prison Industrial Complex.


3 Decolonize UW List of Demands aka the Race and Equity Initiative Demands, #6, Divest from Prisons by the end of Spring Quarter 2017,  
http://decolonizeuw.tumblr.com/
HISTORY IS A WEAPON

Masked Racism: Reflections on the Prison Industrial Complex

by Angela Davis

Imprisonment has become the response of first resort to far too many of the social problems that burden people who are ensconced in poverty. These problems often are veiled by being conveniently grouped together under the category "crime" and by the automatic attribution of criminal behavior to people of color. Homelessness, unemployment, drug addiction, mental illness, and illiteracy are only a few of the problems that disappear from public view when the human beings contending with them are relegated to cages.

Prisons thus perform a feat of magic. Or rather the people who continually vote in new prison bonds and tacitly assent to a proliferating network of prisons and jails have been tricked into believing in the magic of imprisonment. But prisons do not disappear problems, they disappear human beings. And the practice of disappearing vast numbers of people from poor, immigrant, and racially marginalized communities has literally become big business.

The seeming effortlessness of magic always conceals an enormous amount of behind-the-scenes work. When prisons disappear human beings in order to convey the illusion of solving social problems, penal infrastructures must be created to accommodate a rapidly swelling population of caged people. Goods and services must be provided to keep imprisoned populations alive. Sometimes these populations must be kept busy and at other times -- particularly in repressive super-maximum prisons and in INS detention centers -- they must be deprived of virtually all meaningful activity. Vast numbers of handcuffed and shackled people are moved across state borders as they are transferred from one state or federal prison to another.

All this work, which used to be the primary province of government, is now also performed by private corporations, whose links to government in the field of what is euphemistically called "corrections" resonate dangerously with the military industrial complex. The dividends that accrue from investment in the punishment industry, like those that accrue from investment in weapons production, only amount to social destruction. Taking into account the structural similarities and profitability of business-government linkages in the realms of military production and public
punishment, the expanding penal system can now be characterized as a "prison
industrial complex."

The Color of Imprisonment

Almost two million people are currently locked up in the immense network of U.S.
prisons and jails. More than 70 percent of the imprisoned population are people of
color. It is rarely acknowledged that the fastest growing group of prisoners are black
women and that Native American prisoners are the largest group per capita.
Approximately five million people -- including those on probation and parole -- are
directly under the surveillance of the criminal justice system.

Three decades ago, the imprisoned population was approximately one-eighth its
current size. While women still constitute a relatively small percentage of people
behind bars, today the number of incarcerated women in California alone is almost
twice what the nationwide women's prison population was in 1970. According to
Elliott Currie, "[t]he prison has become a looming presence in our society to an extent
unparalleled in our history -- or that of any other industrial democracy. Short of major
wars, mass incarceration has been the most thoroughly implemented government
social program of our time."

To deliver up bodies destined for profitable punishment, the political economy of
prisons relies on racialized assumptions of criminality -- such as images of black
welfare mothers reproducing criminal children -- and on racist practices in arrest,
conviction, and sentencing patterns. Colored bodies constitute the main human raw
material in this vast experiment to disappear the major social problems of our time.
Once the aura of magic is stripped away from the imprisonment solution, what is
revealed is racism, class bias, and the parasitic seduction of capitalist profit. The
prison industrial system materially and morally impoverishes its inhabitants and
devours the social wealth needed to address the very problems that have led to
spiraling numbers of prisoners.

As prisons take up more and more space on the social landscape, other government
programs that have previously sought to respond to social needs -- such as Temporary
Assistance to Needy Families -- are being squeezed out of existence. The deterioration
of public education, including prioritizing discipline and security over learning in
public schools located in poor communities, is directly related to the prison
"solution."

Profiting from Prisoners
As prisons proliferate in U.S. society, private capital has become enmeshed in the punishment industry. And precisely because of their profit potential, prisons are becoming increasingly important to the U.S. economy. If the notion of punishment as a source of potentially stupendous profits is disturbing by itself, then the strategic dependence on racist structures and ideologies to render mass punishment palatable and profitable is even more troubling.

Prison privatization is the most obvious instance of capital's current movement toward the prison industry. While government-run prisons are often in gross violation of international human rights standards, private prisons are even less accountable. In March of this year, the Corrections Corporation of America (CCA), the largest U.S. private prison company, claimed 54,944 beds in 68 facilities under contract or development in the U.S., Puerto Rico, the United Kingdom, and Australia. Following the global trend of subjecting more women to public punishment, CCA recently opened a women's prison outside Melbourne. The company recently identified California as its "new frontier."

Wackenhut Corrections Corporation (WCC), the second largest U.S. prison company, claimed contracts and awards to manage 46 facilities in North America, U.K., and Australia. It boasts a total of 30,424 beds as well as contracts for prisoner health care services, transportation, and security.

Currently, the stocks of both CCA and WCC are doing extremely well. Between 1996 and 1997, CCA's revenues increased by 58 percent, from $293 million to $462 million. Its net profit grew from $30.9 million to $53.9 million. WCC raised its revenues from $138 million in 1996 to $210 million in 1997. Unlike public correctional facilities, the vast profits of these private facilities rely on the employment of non-union labor.

**The Prison Industrial Complex**

But private prison companies are only the most visible component of the increasing corporatization of punishment. Government contracts to build prisons have bolstered the construction industry. The architectural community has identified prison design as a major new niche. Technology developed for the military by companies like Westinghouse is being marketed for use in law enforcement and punishment.

Moreover, corporations that appear to be far removed from the business of punishment are intimately involved in the expansion of the prison industrial complex. Prison construction bonds are one of the many sources of profitable investment for leading financiers such as Merrill Lynch. MCI charges prisoners and their families
outrageous prices for the precious telephone calls which are often the only contact prisoners have with the free world.

Many corporations whose products we consume on a daily basis have learned that prison labor power can be as profitable as third world labor power exploited by U.S.-based global corporations. Both relegate formerly unionized workers to joblessness and many even wind up in prison. Some of the companies that use prison labor are IBM, Motorola, Compaq, Texas Instruments, Honeywell, Microsoft, and Boeing. But it is not only the hi-tech industries that reap the profits of prison labor. Nordstrom department stores sell jeans that are marketed as "Prison Blues," as well as t-shirts and jackets made in Oregon prisons. The advertising slogan for these clothes is "made on the inside to be worn on the outside." Maryland prisoners inspect glass bottles and jars used by Revlon and Pierre Cardin, and schools throughout the world buy graduation caps and gowns made by South Carolina prisoners.

"For private business," write Eve Goldberg and Linda Evans (a political prisoner inside the Federal Correctional Institution at Dublin, California) "prison labor is like a pot of gold. No strikes. No union organizing. No health benefits, unemployment insurance, or workers' compensation to pay. No language barriers, as in foreign countries. New leviathan prisons are being built on thousands of eerie acres of factories inside the walls. Prisoners do data entry for Chevron, make telephone reservations for TWA, raise hogs, shovel manure, make circuit boards, limousines, waterbeds, and lingerie for Victoria's Secret -- all at a fraction of the cost of `free labor.'"

Devouring the Social Wealth

Although prison labor -- which ultimately is compensated at a rate far below the minimum wage -- is hugely profitable for the private companies that use it, the penal system as a whole does not produce wealth. It devours the social wealth that could be used to subsidize housing for the homeless, to ameliorate public education for poor and racially marginalized communities, to open free drug rehabilitation programs for people who wish to kick their habits, to create a national health care system, to expand programs to combat HIV, to eradicate domestic abuse -- and, in the process, to create well-paying jobs for the unemployed.

Since 1984 more than twenty new prisons have opened in California, while only one new campus was added to the California State University system and none to the University of California system. In 1996-97, higher education received only 8.7 percent of the State's General Fund while corrections received 9.6 percent. Now that affirmative action has been declared illegal in California, it is obvious that education
is increasingly reserved for certain people, while prisons are reserved for others. Five times as many black men are presently in prison as in four-year colleges and universities. This new segregation has dangerous implications for the entire country.

By segregating people labeled as criminals, prison simultaneously fortifies and conceals the structural racism of the U.S. economy. Claims of low unemployment rates -- even in black communities -- make sense only if one assumes that the vast numbers of people in prison have really disappeared and thus have no legitimate claims to jobs. The numbers of black and Latino men currently incarcerated amount to two percent of the male labor force. According to criminologist David Downes, "[t]reating incarceration as a type of hidden unemployment may raise the jobless rate for men by about one-third, to 8 percent. The effect on the black labor force is greater still, raising the [black] male unemployment rate from 11 percent to 19 percent."

**Hidden Agenda**

Mass incarceration is not a solution to unemployment, nor is it a solution to the vast array of social problems that are hidden away in a rapidly growing network of prisons and jails. However, the great majority of people have been tricked into believing in the efficacy of imprisonment, even though the historical record clearly demonstrates that prisons do not work. Racism has undermined our ability to create a popular critical discourse to contest the ideological trickery that posits imprisonment as key to public safety. The focus of state policy is rapidly shifting from social welfare to social control.

Black, Latino, Native American, and many Asian youth are portrayed as the purveyors of violence, traffickers of drugs, and as envious of commodities that they have no right to possess. Young black and Latina women are represented as sexually promiscuous and as indiscriminately propagating babies and poverty. Criminality and deviance are racialized. Surveillance is thus focused on communities of color, immigrants, the unemployed, the undereducated, the homeless, and in general on those who have a diminishing claim to social resources. Their claim to social resources continues to diminish in large part because law enforcement and penal measures increasingly devour these resources. The prison industrial complex has thus created a vicious cycle of punishment which only further impoverishes those whose impoverishment is supposedly "solved" by imprisonment.

Therefore, as the emphasis of government policy shifts from social welfare to crime control, racism sinks more deeply into the economic and ideological structures of U.S. society. Meanwhile, conservative crusaders against affirmative action and bilingual education proclaim the end of racism, while their opponents suggest that racism's
remnants can be dispelled through dialogue and conversation. But conversations about "race relations" will hardly dismantle a prison industrial complex that thrives on and nourishes the racism hidden within the deep structures of our society.

The emergence of a U.S. prison industrial complex within a context of cascading conservatism marks a new historical moment, whose dangers are unprecedented. But so are its opportunities. Considering the impressive number of grassroots projects that continue to resist the expansion of the punishment industry, it ought to be possible to bring these efforts together to create radical and nationally visible movements that can legitimize anti-capitalist critiques of the prison industrial complex. It ought to be possible to build movements in defense of prisoners' human rights and movements that persuasively argue that what we need is not new prisons, but new health care, housing, education, drug programs, jobs, and education. To safeguard a democratic future, it is possible and necessary to weave together the many and increasing strands of resistance to the prison industrial complex into a powerful movement for social transformation.

Back To History Is A Weapon's Front Page

When the rich wage war, it's the poor who die.
— Jean-Paul Sartre
ASUW Agenda

- Susana Machado
- May 17, 2016

Last week the ASUW board of directors (BOD) met with Bryce Kolton, vice chair of the Student Technology Fee committee (STF), to discuss possible improvements that could be made to the committee.

The STF recently underwent changes when the former chair resigned earlier in the quarter, causing the bylaws to be re-evaluated so a co-chair could be appointed.

Both Kolton and the BOD were concerned about the frequent cycling of ASUW appointees, many of whom left the committee shortly after joining it.

“I think this is because we lack cohesion,” Kolton said. “There is no unstructured time to talk, it’s all business and that doesn’t foster a sense of belonging.”

Kolton also said there has been a serious lack of onboarding, and that many new members are not briefed before their first meeting.

Kolton said they are hoping to make the STF more transparent by moving all information and resources online.

“We want the information to be accessible, in turn this will make submitting proposals much easier,” Kolton said.

The BOD also heard from Tyler Grandgeorge, director of national and senatorial communications for the Resident Community Student Association (RCSA), who shared that RCSA is planning to create a Housing and Food Services Budget Proposal Committee.

“This arose after we realized how many students this year had concerns about the budget presented,” Grandgeorge said.

Grandgeorge explained that students on the committee would act as liaisons for the rest of the student body. RCSA hopes to launch the committee next year.

The BOD then passed senate legislation R-22-47: The Black Lives Matter Resolution. The resolution is a statement of support for activist demands presented at the Race & Equity discussion on April 5, 2016.

The BOD also approved Board Bill 4.12, An Act to Approve the 2016-2017 Experimental College Review Plan. This bill will essentially shut down the Experimental College program for next year while a task force re-evaluates the program and its viability as a part of the ASUW.

Mitchell Chen, ASUW director of diversity efforts, then presented a draft of a letter in solidarity with undocumented students.

“I have spoken with this community’s members and they have been facing unacceptable harassment and threats from other students,” Chen said.

He recognized the letter was just words, and hopes the BOD can find other ways to support the marginalized community.

The BOD also approved four new hires for the 2016-17 academic year: Chet Merklin as the bike shop manager, Gabe Judd as the Rainy Dawg Radio assistant manager, Sam Le as the Asian Student Commission director, and Henry Dotson as the Rainy Dawg Radio technology manager.
The ASUW BOD meets Thursdays at 4:30 p.m. in HUB 303. The ASUW student senate meets Tuesdays at 5 p.m. in Gowen 301.

Reach reporter Susana Machado at news@dailyuw.com. Twitter: @smacha1995
List of demands

1

We Demand the University of Washington immediately and officially recognizes the land it is built on. The University of Washington and the city of Seattle are founded on both federal and non-federal recognized Salish tribal land. Through deception, broken treaties and violence; Salish tribes such as the Duwamish have been scattered from their lands without compensation by the US government, whereas other tribes were given reservation lands. Further, we demand the University of Washington open productive dialogues with the Salish tribes to support American Indian/Alaskan Native and Indigenous identities on the Seattle campus as well as to honor the treaties of Washington State.

Additionally, we demand the University supports Lushootseed place-names in place of Whitman Court/Walk and Stevens Way. These border the Intellectual House and continue to honor the men responsible for Indigenous genocide and intergenerational trauma. Governor Isaac Stevens presided over the disingenuous treaty that removed the Duwamish and many Salish tribes from their land. Marcus Whitman was a Christian Missionary who committed genocide on Indigenous people of Pacific Northwest. This must be accomplished by Winter 2017.

2

To address exclusionary admissions practices, we demand increased recruitment of admission to Black and other underrepresented students, including more funding for resources for Student retention and academic success.

Funding will be allocated to these programs by December 2016:

1) The Ethnic Cultural Center

2) The Instructional Center

3) The Women’s Center
4) The D Center
5) The Q Center
6) The ECC Legacy groups
7) The Making Connections Program
8) The African Health Program
9) The UW Office for Faculty Advancement
10) Pipeline Project (Carlson Center)
11) The Intellectual House
12) Africa-Town (By June 1st 2016)

Furthermore, we demand that the “criminal history” reporting section be removed from all Undergraduate and Graduate applications in recognition of the fact that Black and other students of color are unfairly and disproportionately targeted by the U.S criminal Justice system by December 2016.

Additionally, that the percentage of Faculty of color especially Black Faculty increase in all schools by 25% at the end of Winter 2017.

We demand both investment in the American Ethnic Studies department via the creation of a graduate program and the hiring of new professors to at least replace those who have left in the past 10 years and a new curriculum that will result in a major or minor or both that is focused on the intersectionality of race, gender, colonialism, imperialism, capitalism, and class. These should each be accepting students by Fall 2018 or earlier.

Implement a new community policing and review model to work towards improving police behavior at the UW. This model must include and independent civilian police review board—one
that proactively identifies issues and problems in police operations and practices, reviews incidents and complaints, and oversees the implementation of reforms and disciplinary actions. This independent civilian police review board should regularly analyze data and identify disparities. It should have full investigatory powers including: access to relevant documents, subpoena power, ability to compel testimony. This policy should be developed with involvement of students staff and faculty chosen by their communities by end of Winter 2017.

5

To promote collaborative and transformative models of scholarship and community engagement to democratize the University and expand its exclusionary modes of knowledge production, we demand the establishment of an Interdisciplinary Center for the Critical Study of Race.

This center will promote collaboration among academics, community activists, and artists, and provide a space to hold talks and workshops across the disciplines and departments. The center’s mission will include the critical study of how the university has produced the conditions for the social violence’s being addressed by the Black Lives Matter Movement. The center will also offer mandatory white and/or male privilege courses to ALL UW graduate and Undergraduate Students by end of Spring 2019.

6

We demand that the University of Washington Divest from Prisons by end of spring 2017. We demand the amount that the University of Washington has profited off of prison labor to be invested in students and community members who have survived incarceration.

7

We demand a Student-Led, Student built committee with Institutional power to push and delegate REI funding to groups and/or university factions deemed necessary to push forth the demands set during the 2015 Black Lives Matter student Walkout. These students will be appointed by their communities.
The Prison Industrial Complex and UW

The United States has 5% of the World’s Population, but 25% of the World’s Prisoners

One of the most corrupt and injustice systems that has ever existed requires more than twenty minutes to unpack.
The Prison Industrial Complex

- Scholar and activist Angela Davis describes the Prison Industrial Complex (PIC):
  - “The dividends that accrue from investment in the punishment industry, like those that accrue from investment in weapons production, only amount to social destruction. Taking into account the structural similarities and profitability of business-government linkages in the realms of military production and public punishment, the expanding penal system can now be characterized as a "prison industrial complex." [1]
FEDERAL PRISON INDUSTRIES
Proudly Serving the Warfighter

75 Years of Mission-Driven Support
Since World War II, the Department of Defense (DoD) has procured goods and services from Federal Prison Industries (FPI), also known as UNICOR, to support the Armed Forces and defense mission readiness. A component of the Federal Bureau of Prisons, UNICOR is a wholly-government-owned and financially self-sustaining corporation established in 1934 by Executive Order 6917. It provides federal inmates with practical job experience in order to increase their prospects of becoming well-adjusted citizens when released from prison.

Facts and Figures
- UNICOR produces goods and services in over 80 federal supply classes at 109 U.S. factories
- Business sectors served by UNICOR: clothing and textiles, electronics, fleet solutions, industrial products, office furniture, recycling and services
- Exceeded the U.S. Small Business Administration’s goal by almost 300% in FY2008, almost 62% of UNICOR purchases came from small and disadvantaged businesses
- In FY2008, UNICOR had $584.3 million in net sales and $3.1 million in net income and 77% of utilized revenue was for product purchases from private sector vendors
- In FY2008, 17% of the eligible inmate population (21,836) worked for FPI
- UNICOR has recycled 185 million pounds of electronic equipment and implements a successful reuse and recycling program

The DoD Connection with UNICOR
- “Go To War” products range from body armor and army combat uniforms to advanced combat helmets and EMP shielded cables
- Fleet Solutions include retrofitted and re-manufactured HMMWVs, five-ton trucks, semi-tractor rigs, and other heavy vehicles
- In 2005 UNICOR received DLAs “Supporting the Warfighter” Award
- Federal Acquisition Regulation Subpart 8.6 and Defense Federal Acquisition Regulation Supplement 208.6 prescribe the applicable procurement policies and procedures
- UNICOR facilities producing for the DoD are ISO 9001:2000-certified
- UNICOR subcontracts with defense prime contractors and partners with AbilityOne nonprofit agencies for cutting of military apparel fabrics
- UNICOR participates in the Operation Warfighter Program offering internships, opportunities to wounded warriors recovering at Walter Reed Medical Center
- A DoD senior leader is a member of the FPI Board of Directors

Key Web Sites
- UNICOR Homepage: http://www.unicor.gov

CREATING A BODY CORPORATE TO BE KNOWN AS
FEDERAL PRISON INDUSTRIES, INC.

By virtue of the authority vested in me by the Act of June 25, 1934, (Public No. 461, 73rd Congress), it is hereby ordered that a corporation of the District of Columbia be and is hereby created, said corporation to be named as
FEDERAL PRISON INDUSTRIES, INC.

1. The governing body of said corporation shall consist of a board of five directors to hold office at the pleasure of the President. The following persons shall constitute the first Board of Directors:
   - Mr. Sanford Bates
   - Mr. Thomas A. Nickert
   - Hon. John B. Miller
   - Dr. R. D. Brittain
   - Mr. San A. Lewisohn

2. The principal office of said corporation shall be in the City of Washington, District of Columbia, but the corporation shall have power and authority to establish such other offices or agencies as it may deem necessary or appropriate.

3. The said corporation shall have power
How many people are locked up in the United States?

The United States locks up more people, per capita, than any other nation. But grappling with why requires us to first consider the many types of correctional facilities and the reasons that 2.3 million people are confined there.

Local Jails
646,000

State Prisons
1,351,000

Federal Prisons
211,000

Sources and data notes: See http://www.prisonpolicy.org/reports/pie2016.html
Discover Washington’s Hidden Workforce

with Keynote Speaker

Ricardo Lockette

Washington State Fairgrounds Pavilion
October 11, 2016  8:30 a.m. - 1:00 p.m.

REGISTER NOW

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Prison Labor Products Shopping Websites

Arizona:  
https://www.aci.az.gov/
California:  
http://pia.ca.gov/
Nevada:  
http://www.ssi.nv.gov/index.php
Alabama:  
http://www.aci.alabama.gov/
North Carolina:  
https://www.correctionenterprises.com/
New York:  
https://www.corcraft.org/webapp/wcs/stores/servlet/WhoWeAreView?langId=-1&storeId=10001&catalogId=10051
Pennsylvania:  
http://www.cor.pa.gov/PCI/Pages/default.aspx#.V-1Q0PkrKM8

Missouri:  
http://www.doc.mo.gov/mve/
Oklahoma:  
http://www.ocisales.com/
Montana:  
https://cor.mt.gov/MCE/ProductsServices/Furniture#414824843-furniture
Maryland:  
https://www.mce.md.gov/
Vermont:  
http://vci.vermont.gov/
Massachusetts:  
http://masscor.us/

Florida:  
https://www.pride-enterprises.org/
Virginia:  
https://www.govce.net/
Texas:  
http://www.tci.tdcj.state.tx.us/
Wyoming:  
https://sites.google.com/a/wyo.gov/wbi/home
http://corrections.wy.gov/prisonindustries/index.html
Nebraska:  
https://www.nebraska.gov/apps-csi/
Washington:  
http://www.washingtonci.com/
The 13th Amendment

“The 13th Amendment states that "neither slavery nor involuntary servitude, except as a punishment for a crime whereof the party shall have been duly convicted, shall exist within the United States, or any place subject to their jurisdiction." [5]
Black Codes and Convict Leasing (Pictured are convicts who were leased to a logging company in circa 1915)
Mass Incarceration in the US [6]
Mass Incarceration in the US [7]

**UNITED STATES INCARCERATION RATES BY RACE/ETHNICITY, 2010**
(Number of people incarcerated per 100,000 people in that group)

- **WHITE**: 450
- **HISPANIC**: 831
- **BLACK**: 2,306
- **AMERICAN INDIAN/ALASKAN NATIVE**: 895

Source: Calculated by the Prison Policy Initiative from U.S. Census 2010 Summary File 1. Incarcerated populations are all types of correctional facilities in a state, including federal and state prisons, local jails, halfway houses, etc. Statistics for Whites are for Non-Hispanic Whites.
Mass Incarceration in WA [8]

![Bar Chart: Washington Incarceration Rates by Race/Ethnicity, 2010](chart_image)

*Source: Calculated by the Prison Policy Initiative from U.S. Census 2010 Summary File 1. Incarcerated populations are all types of correctional facilities in a state, including federal and state prisons, local jails, halfway houses, etc. Statistics for Whites are for Non-Hispanic Whites.*
The School to Prison Pipeline

“A nationwide system of local, state and federal education and public safety policies that pushes students out of school and into the criminal justice system. This system disproportionately targets youth of color and youth with disabilities. Inequities in areas such as school discipline, policing practices, high-stakes testing and the prison industry contribute to the pipeline.” [9]
The School to Prison Pipeline

- Our response to child abuse is jailing the victims: nationally “92 percent of incarcerated girls have experienced one or more forms of physical, sexual or emotional abuse before entering the juvenile justice system.” [10] A history of neglect or abuse “increases the likelihood of arrest as a juvenile by 59 percent.” [11]

- The school-to-prison pipeline begins for Black and Native children in preschool.

- Nationwide, LGBT youth are 3-5% of the population and 13-15% of those in contact with the juvenile justice system. [12]
The School to Prison Pipeline in WA

Racial divide starts with little kids

School discipline starts with kindergarteners, and the rates vary widely. In Seattle, for example, suspension rates for kids in fifth grade and below were more skewed in 2013-14 than in two neighboring districts that also agreed to provide discipline data.

Note: Shows the total number of suspensions by race, not the total number of students suspended

Source: Seattle Times analysis of data provided by Seattle, Lake Washington and Highline school districts

STEVANIE REDDING / THE SEATTLE TIMES
School to Prison Pipeline in WA

### What gets children suspended?
In Seattle, hundreds of elementary students were suspended in the 2013-14 school year. Below are the top 10 reasons. For certain behaviors, the number of black children disciplined was twice that of whites.

<table>
<thead>
<tr>
<th>BEHAVIOR</th>
<th>SUSPENDED STUDENTS</th>
<th>AFRICAN AMERICAN</th>
<th>WHITE</th>
<th>HISPANIC</th>
<th>ASIAN/PACIFIC ISLANDER</th>
<th>AMERICAN INDIAN</th>
<th>MULTIRACIAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assault</td>
<td>116</td>
<td>39%</td>
<td>34%</td>
<td>10%</td>
<td>5%</td>
<td>3%</td>
<td>9%</td>
</tr>
<tr>
<td>Fighting</td>
<td>107</td>
<td>48</td>
<td>20</td>
<td>14%</td>
<td>8%</td>
<td>2%</td>
<td>8%</td>
</tr>
<tr>
<td>Disruptive Conduct</td>
<td>87</td>
<td>52</td>
<td>24</td>
<td>6%</td>
<td>3%</td>
<td>1%</td>
<td>14%</td>
</tr>
<tr>
<td>Threats of Violence</td>
<td>29</td>
<td>34</td>
<td>34</td>
<td>7%</td>
<td>14%</td>
<td>0%</td>
<td>10%</td>
</tr>
<tr>
<td>Rule Breaking</td>
<td>24</td>
<td>50</td>
<td>17</td>
<td>33%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Bullying, Intimidation and Harassment</td>
<td>20</td>
<td>55</td>
<td>25</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Interfer with School Authority</td>
<td>18</td>
<td>56</td>
<td>6</td>
<td>11</td>
<td>6</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Disobedience</td>
<td>16</td>
<td>44</td>
<td>25</td>
<td>6%</td>
<td>0%</td>
<td>6%</td>
<td>19%</td>
</tr>
<tr>
<td>Theft</td>
<td>13</td>
<td>54</td>
<td>15</td>
<td>15%</td>
<td>0%</td>
<td>8%</td>
<td>8%</td>
</tr>
<tr>
<td>Intimidation of School Authority</td>
<td>11</td>
<td>55</td>
<td>18</td>
<td>27</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

*Note: Students who are suspended multiple times for the same behavior are counted once.*

*Source: Seattle Times analysis of data provided by Seattle Public Schools*

STEFANIE REDDING / THE SEATTLE TIMES
School to Prison Pipeline in WA

- “In 2011, the most recent year for which federal data is available, judges in Washington ordered status offenders to spend time in juvenile detention 2,705 times, more than twice as often as any other state.” [15]

- Status offenses include: running away, disobeying parents, skipping school—or just being late repeatedly.
School to Prison Pipeline in WA

- African-Americans make up 10% of the general youth population in King County, but make up 50% of youth in detention. [16]

- Children in the state of Washington as young as 8 can be incarcerated

- Jailing youth doesn’t deter future crime--it increases future crime. In Seattle, 88% of imprisoned youth are later re-incarcerated. Research found that "incarcerated youth were more likely to commit 'homicide, violent crime, property crime and drug crimes' than those that didn’t serve time" with similar initial offenses. [17]
Conditions within the King County Youth Jail

- The children caged in the King County jail will be exposed to the dry cleaning chemicals trichlorethylene and tetrachlorethylene, which are very toxic/carcinogenic. King County knows this and doesn't care. [18]

- Anecdotally, all the children are given medication (aka drugged) to make them fall asleep at night, whether they have any sleeping condition or not.

- Anecdotally, youth in the juvie count down the days until they "get" to go to adult prison, because they have more basic rights there.
The Proposed New Youth Jail

- King County is planning to spend $210 million taxpayer dollars on new judges quarters, courtrooms, and cages for children. There is currently no plan for funding the children's education. Construction has begun, but cannot proceed without a master permit from the city.

- Seattle City Council recently passed a 'Zero Youth in Detention' resolution,[19] which is fantastic in theory and totally irrelevant to the kids in the King County jail and those who will be placed in the new jail, which is going forward as planned.
The Psychological Conditions of Prison

- In a famous psychological study at Stanford University, college students were placed in a fake basement “prison”, and randomly assigned roles as guards or prisoners. [20]
- The study had to be cut short because of the extreme cruelty and threats of violence that the “guards” were showing.
- “Guards” reported being ashamed at what they had done and “prisoners” were traumatized for years.
Medical Care in Prisons

- According to the ACLU, “Each day, men, women, and children behind bars suffer needlessly from lack of access to adequate medical and mental health care. Chronic illnesses go untreated, emergencies are ignored, and patients with serious mental illness fail to receive necessary care. For some patients, poor medical care turns a minor sentence into a death sentence.” [21]
- Many women’s prisons withhold menstrual products to cut costs and humiliate women. [22]
Solitary Confinement in Prisons

- According to the Bureau of Justice, in 2011, over 20% of all inmates in jails and prisons spent time in solitary confinement. [23]

- At Red Onion State Prison in Virginia, the average solitary term is 2.7 years. [24]

- Many facilities still place youth in solitary confinement, including the King County Youth Jail.
- Solitary confinement of youth is considered torture by the UN. [25]
Sexual Violence in Prisons

- In 2011-12, an estimated 4.0% of state and federal prison inmates and 3.2% of jail inmates reported experiencing one or more incidents of sexual victimization by another inmate or facility staff in the past 12 months or since admission to the facility, if less than 12 months. [26]

- 12% of incarcerated youth report being sexually abused in prison in the previous year (mostly by guards). [27]
Department of Justice Decision

- August 18, 2016 the Department of Justice ruled to phase out all contracts with completely private prisons, citing safety concerns. [28]

- This decision does not apply to State, Federal prisons that may be run by private corporations, or to any detention center or prison under the jurisdiction of the Department of Homeland Security.
The Prison Industrial Complex

According to RCW 39.26.251, Section 1 (Washington State Law)

1) State agencies, the legislature, and departments shall purchase for their use all goods and services required by the legislature, agencies, or departments that are produced or provided in whole or in part from class II inmate work programs operated by the department of corrections through state contract. [29]
The Prison Industrial Complex and Slave Labor

- According to RCW 72.09.100, Section 2, Clause F, “Inmates working in this class of industries shall do so at their own choice and shall be paid for their work on a gratuity scale which shall not exceed the wage paid for work of a similar nature in the locality in which the industry is located and which is approved by the director of correctional industries.” [30]

- In the Federal inmate work program UNICOR, the average wage is between $0.23-1.15 an hour. [31]

- State Wages vary between $0.12-0.40 an hour, and many states do not pay inmate workers at all. [31]

- In Texas, “medically able” inmates who refuse to work are put into solitary confinement. [32]
UW’s Involvement in the PIC (Procurement)

- Since 2011, UW has purchased $6.9 million of goods, mainly furniture, from Correctional Industries, which is a Washington inmate work program.

- We have no current contracts, however, there are no barriers to UW renewing contracts with Correctional Industries.

- Most contracts have been with HFS, and new dorms are being built now.
Student Housing
- Undergraduates
- Graduates
- Family Housing
- Housing Master Plan
- Disability Accommodations
- Financial Information
- Health & Wellness
- Safety
- Contact Us

Double Room
All bedrooms are furnished with configurable furniture. You can loft your bed or leave your bed low to suit your style.

Poplar Hall
Private Prisons And the Prison Industrial Complex

![Bar graph showing total expenditures on federal lobbying by CCA, GEO, and Cornell have fluctuated over the past decade.](source)

**Sources:**
- www.opensecrets.org/lobby/clientsum.php?lname=Corrections+Corp+of+America&year=2010
- www.opensecrets.org/lobby/clientsum.php?lname=Corell+Companies&year=2010
Private Prisons And the Prison Industrial Complex

![Graph: CCA & GEO Lobbying on Immigration Issues]

[33]
Private Prison and Immigration Profiteers

Detained Immigrants, Working for the U.S.

Every day, about 5,500 detained immigrants work in the nation's immigration detention centers. Some are paid a dollar a day; others earn nothing. The locations shown are facilities that the federal government reimburses for this work.

Source: U.S. Immigration and Customs Enforcement
The New York Times
Private Prison and Immigration Profiteers

**Figure 2**

Immigration detention contracts account for a large share of private prison revenue. Approximately half of CCA and GEO revenue comes from federal contracts.

The Million Shares Club

- Without the financial support of major investors like Vanguard and Wells Fargo, CCA and GEO alone would not be strong enough to successfully lobby for policies that increase government demand for private prisons. With these powerful allies, however, they have been able to sway public policy in favor of more severe “tough on crime” laws and the increasing criminalization of immigrants. [36]
Wells Fargo and CCA and GEO

- Wells Fargo owns about $2.9 Million dollars of CCA stock, but is the primary lender for $785 Million dollars of CCA’s debt. [37]

- Wells Fargo is one of GEO Group’s largest stockholders, and owns about $95.5 Million in GEO Group Stock, or 6.84% of the company. [37]

- Wells Fargo is also a trustee for $300 Million Dollars worth of GEO Group’s debt. [37]
The following 32 major financial investors each own over 1 million shares of CCA and GEO combined, and collectively own over two-thirds of CCA and GEO:[i]

- American Century Companies Inc.
- Ameriprise Financial Inc.
- Anchor Capital Advisors LLC
- Bank of America
- Bank Of New York Mellon Corp.
- Blackrock Fund Advisors
- Cramer Rosenthal McGlynn LLC
- Diamond Hill Capital Management
- Eagle Asset Management Inc.
- Epoch Investment Partners, Inc.
- First Trust Advisors LP
- FMR LLC
- Geode Capital Management, LLC
- Hodges Capital Management, LLC
- Hotchkis & Wiley Capital Management LLC
- Invesco LTD.
- Jennison Associates, LLC
- Lazard Asset Management LLC
- London Co. Of Virginia
- Managed Account Advisors LLC
- New South Capital Management INC
- Northern Trust Corp
- Nuance Investments, LLC
- Principal Financial Group Inc
- Prudential Financial Inc
- Raymond James & Associates
- Reinhart Partners, Inc.
- River Road Asset Management, LLC
- State Street Corp
- Vanguard Group INC
- Waddell & Reed Financial Inc
- Wells Fargo & Company
Divestment

- Divestment from these financial services companies because they support CCA and GEO will force these companies to change their investment practices if they want to continue making a profit. With enough public pressure, these 32 major investors will divest or create portfolio screens shielding their investments from making their way to CCA and GEO. Once deprived of the financial support of their investors, CCA and GEO will lose capital and with it, their ability to lobby for stricter punishments, anti-immigration laws, and more contracts. [36]
UW’s Involvement in the PIC (Investment)

- One of the UW’s investment managers, Wellington Management, has purchased a small amount of shares of BlackRock, Inc. Common Stock - 5,149 shares totaling MV $1,786,703. These BlackRock, Inc. shares are in the UW’s Wellington Dividend Growth Account managed by Wellington.
- BlackRock Alternatives, a subsidiary of BlackRock, Inc. manages $79.7 million of the Consolidated Endowment Fund (CEF).
- UW owns 41,676 shares of Wells Fargo Common Stock totaling MV $2,010,033 in the Wellington Dividend Growth Account.
- UW investment managers occasionally will use Wells Fargo Brokerage as a trading partner to buy and sell bonds.
- Wells Fargo provides banking services for UW’s payroll account.
Sources

Sources (Continued)

Sources (Continued)

- [22] https://www.theguardian.com/commentisfree/2015/jun/12/prisons-menstrual-pads-humiliate-women-violate-rights
- [32] http://www.tdcj.state.tx.us/faq/faq_cid.html#work
Sources (Continued)