

AN EMPIRICAL AND THEORETICAL ECONOMIC ANALYSIS
OF THE INFORMAL PRISON MARKET SYSTEM:
THE INMATE ECONOMY

By

David B. Kalinich

A DISSERTATION

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ABSTRACT

AN EMPIRICAL AND THEORETICAL ECONOMIC ANALYSIS
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This research studies the contraband markets, in Southern Prison, State of Michigan (SPSM), their interactions with and support of the informal social and power structure of the inmate population, and the effects the flow of contraband has on the stability of the prison community. The contraband goods and services available, their average prices, and their general availability are shown, and the demand elasticities of generic grouping of contraband is estimated. Buyer and seller typologies are developed and general risk in being a contraband supplier is estimated for the different categories of contraband that exist. The factors that facilitate the flow of contraband in SPSM including methods of production and supply, structural weakness in SPSM that create opportunities to smuggle and produce contraband, interactions between staff and residents that limit the ability for guards to control contraband, and the general atmosphere of SPSM, as well as

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other traditional prisons, that help create the demand for contraband are analyzed and discussed. Recommendations are made by which the mechanics of policing contraband can be made more effective, and resident participation in policy making is suggested as a method of improving the general climate and making the goals of the prison more congruent with the psychological goals of the residents.

However, a theoretical position is developed that altering the flow of contraband significantly in a short period of time will threaten the stability of the prison environment, the inmate leaders who facilitate the flow of contraband, and who are committed to order and stability will lose much of their leadership posture as a result. The focal point of power, the symbiotic relationship between the guards and resident leaders that governs the inmate population, will be weakened, and the potential for chaos exist. The thesis developed is that some level of contraband flow contributes to stability within the prison community.

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CHAPTER I

INTRODUCTION: THE PROBLEM

This study describes the contraband markets in State Prison Southern Michigan (SPSM), and analyzes the organizational phenomena that facilitates the contraband system, the informal inmate power structure that supports and is supported by the distribution of contraband to SPSM residents, the dilemma that the prison administrators are faced with in attempting to control the informal prison market system, and recommends strategies that may be employed to decrease the flow of contraband in SPSM. A study of the literature suggests that contraband will be a permanent aspect of the prison environment if the traditional bureaucratic approach to prison administration is continued. The bureaucratic solution to noncompliance with organizational policy is coercion which has been ineffective in eliminating the controlling contraband markets.

The traditional management philosophy that has been applied to prisons in developing policy and personnel assignments and responsibilities has been bureaucratic in nature. Thus, problems have been addressed with bureaucratic solutions and decision-making has been based on the

assumption that the prison environment is stable and the prison system is a closed system as forces from the external environment will not influence the internal environment (Henry, 1975). Since the environment is assumed stable, policies and procedures are developed to deal with projected regular ongoing activities. A hierarchy of command is established and duties and responsibilities of the personnel are explicit and written. All problems are therefore solved by reference to the legal rational written organizational structure (Weber, 1947). In the case of contraband control, explicit rules banning contraband exist and explicit policies and procedures have been developed to stop the flow of contraband in SPSM as well as negative sanctions against rule violators, both resident and staff.

It is posited, however, that bureaucratic solutions developed to deal with the flow of contraband have failed. While some of the failure has been technical in nature, and can be eliminated, the inability to control the flow of contraband is rooted primarily in the historic organizational view of personnel as being mechanical and controllable with a rigid bureaucratic organizational structure, without concern for subordinates personal needs.. Bennis (1969) suggests that the bureaucratic solution to integrating individual needs and organizational goals is "no solution because there is no problem. The individual is vastly

simplified and regarded as a passive instrument. Tension between personality and role is disregarded" (pp. 26,27). If the goals of the individuals in the organization differ from the organizational goals, little or no climate of authority exists whereby the policies of an organization are legitimized from the point of view of the organization's members (Bernard, 1938). The organizational members--in this case the staff and prisoners--will then seek resources and methods to meet their goals and an informal organization will develop (March-Simon, 1967; Argyris, 1957, 1960, Blau and Scott, 1962). If this informal structure has a fairly constant set of norms and adequate resources, power, in terms of ability to influencing the goals and structure of the organization, will be in the hands of the informal groups. This phenomena is contrary to the bureaucratic method of distributing power and sources of power and authority: "an explicit reliance is placed on legal rational power, but an implicit usage of coercive power exists" (Bennis, 1969, pp. 26,27).

This study will test the thesis that residents have developed an informal system with sufficient power and resources to facilitate the flow of contraband goods and services to them, thus, meeting their material needs, of the resident, the status needs of successful dealers of contraband, and healing some of the psychological pains of

imprisonment for the residents who find comfort and esteem in "beating the system".

Contraband is any substance or material that is not authorized to be in the possession of the residents of SPSM. Examples of contraband goods are weapons, drugs, or the possession of any legitimate goods that belong to another inmate. Contraband services include gambling, payment from one resident to another for legal services, etc. Historically, penal philosophy has dictated that inmates be provided with bare essentials and all prisoners would share equally in the regimented discipline. To some degree this philosophy still exists for prison administrators and it is felt if contraband is not controlled, items such as weapons and drugs are available to the inmates, their health and safety as well as that of the prison staff will be in jeopardy. Therefore, prison administrators feel that controlling the flow of contraband in SPSM is crucial. The following is a summary of what is considered contraband in SPSM.

Any substance or material that is not authorized to be in the possession of residents of this community, or, items that are specifically prohibited, shall be considered contraband. All contraband is subject to confiscation. Residents who have contraband in their possession or under their immediate control, may face disciplinary action, loss of good time and/or prosecution, if the facts so warrant. Possession or immediate control includes the resident's house and assignment area, as well as on his person.

Residents found in possession of another man's personal items (properly authorized and numbered clothing, TV's, radios, etc.) are subject to disciplinary action.

General categories of contraband are as follows:

1. Any weapon, including tools, instruments or objects that could readily be used as weapons, unless specifically authorized on the man's hobbycraft card or by his Assignment Supervisor during the performance of his actual assignment duties.
2. All fermented alcoholic beverages, regardless of source or circumstances.
3. All dangerous drugs, narcotics, restricted medication except as prescribed by the staff physician and administered by the staff.
4. State owned equipment, tools, supplies and materials (except authorized loaned typewriters and school supplies) and any item made of state material. These items will be considered contraband when found in the possession of a resident away from the area of their normal use and providing the resident is not performing the duties under the supervision of an employee.
5. All clothing that does not comply with clothing regulation. All unnumbered personal clothing with the exception of socks. All clothing with another resident's number on it. Any altered state issue or personal clothing. All state owned clothing that does not comply to the quantities or standard established by the institutional laundry.
6. No animals, including birds, may be permitted in the houses of residents and trapping of animals is not allowed.
7. All food items, which are not served in the dining room or purchased in the Resident Store, are contraband.
8. All hobbycraft materials, tools, or finished products that have not been obtained through hobbycraft procedure and authorized on the resident's hobbycraft card, as contraband.
9. Legal material or correspondence belonging to another resident, including court papers and law books are contraband, unless the resident has specific authorization from his Deputy Warden to be assisting the other man in his legal work.

10. Hot plates, "stingers" (food or beverage heaters) homemade pillows, rugs, rope, doorplugs, hooks, plants, keys to state owned locking devices, and light bulbs over 60 watts and miscellaneous items are considered contraband.
11. All currency (beyond fifty pennies permitted for store change) and any scrip belonging to another resident is contraband.
12. Obscene photographs or pictures and pornographic literature or writings are contraband. Photos of other residents or their families are not permitted, unless authorized through the respective Deputy's Office, because of special circumstances.
13. Store merchandise in excess of \$45.00 is considered excessive and the balance over that figure may be confiscated, with not more than (3) three bottles or cans of toilet articles.
14. Escape equipment (lockpicks, ropes, ladders, blueprints, and drawings of the institution, etc) are contraband.
15. Wedding rings of size not to present potential use as a weapon are the only rings authorized and any effeminate type jewelry, including earbobs or earrings, are considered contraband.
16. Residents may not possess more than one (1) four ounce container of lighter fluid at any time.
17. Any altered or homemade tape players, radios, televisions and attached equipment such as speakers, amplifiers, outside antennas, non-authorized batteries and battery packs, etc., will be considered contraband.*

In this study, the most common forms of contraband and their average prices will be identified and residents and guards perception of how available or common the contraband goods and services seem to be. The demand elasticities of

*Published by the Michigan Department of Corrections, 1973.

generic contraband items will be estimated and integrated into the chapter on analysis of prison management problems and suggested solutions. Residents' and guards' perception of the risk encountered by individuals supplying different forms of contraband will be estimated. Typologies of buyers and suppliers of major categories of contraband goods and services will be depicted and estimates will be made as to whether the markets tended to be monopolistic, oligopolistic, or competitive in nature.

The literature of the prison community suggests that to govern the resident population and maintain order, the guards depend on assistance from resident leaders. The resident leaders in turn are tacitly granted freedom of movement which allows them to facilitate the flow of contraband. The fact that certain residents are skilled enough to "beat the system" and facilitate the flow of contraband enhance their leadership posture among the residents. The resident leaders develop a vested interest in stability and the status quo and benefit from their contribution to governing the residents. The focus of power therefore that governs the resident population is the symbiotic relationship between the guards and residents who are concerned with stability and have some leadership status among the residents. This study will attempt to identify the existence of similar patterns of relationships between guards and residents in SPSM.

Maintaining order and stability in a prison environment is the major purpose of prison management. Controlling the flow of contraband is viewed as beneficial to that end. However, this study posits that sudden changes in the level of contraband flow may lead to disorder and instability in the prison environment, as resident leaders who assist in governing the resident are granted much of their informal authority from those governed because of the leader's ability to facilitate the flow of contraband goods and services to the residents. When the availability of contraband decreases the effectiveness of the resident leaders will be questioned by the residents. When the availability of contraband is increased, the dependency on existing resident leader decreases. In either case, the resident leaders may be given less authority by the governed, and the focal point of power, the tacit coalition between guards and resident leaders, may weaken as the residents have less need for and commitment to the existing informal system. The resident will perceive fewer payoffs for compliance, and competition between resident or cliques of residents may take place to fill any leadership slack. The prison environment will therefore be potentially unstable and disorder may ensue.

Sudden changes in the level of contraband flow will have economic effects that may effect the stability of the prison environment. There are no realistic substitute

products for most of the contraband goods and services marketed in SPSM making the demand for those goods and services highly price inelastic. If the supply of contraband is successfully cut back, the price levels will increase proportionately higher than desired consumption of contraband will decrease. In an effort to maintain a significant pattern, the resident will have to increase their illegitimate income through whatever means available. Thus the amount of criminal activity such as extortion, robberies, etc., increase and/or residents will attempt to have more money smuggled into them to meet their needs. The relatively high price levels and apparent windfall profits going to suppliers of contraband will induce others to attempt to enter the existing market. The attempt of contraband dealers to encroach on the territory of others has frequently been met with violence. Thus a sudden reduction in the supply of contraband will increase the potential for instability, disorder, and violence in the prison community.

The information gathered in this study will point to the concluding thesis that the existence of contraband in SPSM has not been eliminated with traditional bureaucratic solutions. On the contrary, the flow of contraband contributes to stability in the prison community by supporting an informal power structure that supports order and to some extent deals with the material and psychological needs of

the residents giving them incentives to comply with the norms of the informal setting.

The traditional approach of ignoring the incongruity between individual needs and organizational goals and obtaining compliance through coercion becomes increasingly difficult as court rulings continue to protect inmates against many coercive techniques and contemporary trends in the field of corrections is to more humane treatment of offenders. The final product of this study will hopefully provide some explicit recommendation and insights for prison administrators through which they can modify existing prison management philosophies, policies, and procedures to decrease the incongruity between the institution's goals and the psychological goals of the residents.

CHAPTER II

LITERATURE REVIEW

The Inmate Social and Power Structure

The literature pertinent to the informal inmate social structure develops a theoretical framework that analyzes the inmate culture, status system, power structure, leadership phenomena, and inmate norms and code. A focal point is the ability of the inmate leaders to influence and alter the application of the formal system's rules, policy, and procedure. This ability to bend the formal system is crucial to facilitating the supply of contraband goods and services to the inmate population, and the ability of the inmates to manipulate the prison system eases the deprivation and pains of imprisonment (Sykes, 1958).

The prison culture is built around a caste system composed of both a ruling and a subordinate caste. In most lasting caste systems, the relationships between castes is derived from an ideology shared by most members of that particular caste. The subordinate caste in prison has no normative commitment to the caste system; rather the caste system is imposed on the prisoner by authority outside their

control and for the purpose of this subjugation (Grosser, 1960) and from the inmates point of view, their degradation to the status of criminal (Wheeler, 1961; McCorkle and Korn, 1954; Sykes, 1958; Clemmer, 1938, 1940; Dunheim and Weinburg, 1960, Garfinkle, 1956; Cloward, 1960).

Sykes (1938, 1940) suggests that the systematic deprivation that prisoners suffer provides the incentive for the development of a subrosa system and an inmate attitude that help alleviate the pains of being deprived. Inmates are deprived of goods and services. While they have enough to eat, are clothed, kept dry and warm, and have medical attention, they have less in terms of quality and quantity than they were accustomed to before being incarcerated.

Prisoners are allotted just enough to subsist on and in effect have been made poor. He implies that prisoners have been deprived of status along with this deprivation of goods and services: The prisoners are "from a world where control and possession of the material environment are commonly taken as an indication of a mans worth." Prisoners are deprived of heterosexual relationships and security and may live in fear of being assaulted or exploited by some of the more vicious prisoners. Ultimately, prisoners are deprived of autonomy.

Loss of autonomy experienced by prisoners does not represent a grant of power freely given by the ruled to the rulers for a limited and specific end. Rather it is total and imposed. Residents are unable to make

choices such as where to sleep, when and where to eat, whom to live and associate with (Sykes, 1940, p. 127).

The inmate culture provide illegitimate avenues to status and power and perscribe informal rules, roles, and behavioral patterns for inmates which ameliorate the sense of social rejection and the loss of status and degradation. The informal inmate systems also attempt to eliminate the deprivation of goods and services, autonomy, and security (McCorkle and Korn, 1954; Sykes, 1938, 1940; Cloward; 1960; Morosser, 1960; Dunheim and Weinburg, 1960; Shoblod, 1970; and McLaren, 1973).

The inmate social structure provides them with some safeguards for their personal security. The formal system's rules, regulations, and methods of control can never fully anticipate or co-ordinate all possible forms of behavior. The informal system fills this gap with norms to cover some of the more complex interactive patterns that the formal system cannot deal with. In a sense, the informal organizations fill the gap left by the formal organizations (Berk, 1966). The slack in the system also provides methods of channeling hostility and anti-administration attitudes into adaptive patterns by providing access to status and power through illegitimate means. The attempt to ameliorate the patterns of deprivation perceived by inmates dictates a social code and to a greater or lessor degree, group cohesiveness or conformity to this inmate culture (Syke and

Messinger, 1960; Welford, 1967; Wheeler, 1961; and Cloward, 1960).

The inmate society appears to have a series of specific rules or inmates' code.

Gauthony (1958) studied the inmate culture and developed the following list of the unwritten norms of the inmates society.

- P1: You shall not ask another prisoner why he is here.
- P2: You shall never openly say that you are guilty!
- P3: You shall never moralize!
- P4: You shall never claim that you are morally superior to other prisoners!
- P5: You shall never openly say that the sentence was correct!
- P6: You may say that your status as criminal is undesirable, but not that the prison is a means to resocialization!
- P7: You shall say that the prison either has no effect on you or harmful effects only!
- P8: You shall express as your opinion that the guards and partly the officials are inferior human beings!
- P9: You shall be on the prisoner's side in all conflicts!
- P10: You shall exploit the prison to your own advantage!
- P11: You shall not be an informer!

P12: You shall never directly contradict another prisoner in his interpretation of his own situation, if he likes his own interpretation!

P13: You shall tolerate deviance from usual social norms but never deviate yourself!

P14: You shall talk about the outside world in such a way as not to increase the frustrations for other prisoners!

P15: You shall not be different from other prisoners!

He posits that by using these norms as reference points, frustrations created by incarceration and deprivation are minimized and anti-administration attitudes and psychological defense mechanisms are strengthened. Sykes and Messinger (1960) reviewed what they considered the significant literature on the inmate social systems and summarized what appeared to be the inmate social code in five general sets:

1. Don't interfere with inmates interest--be loyal to your class
2. Keep your emotions under control--do your own time
3. Don't exploit fellow inmates--keep your word, don't sell favors, and don't steal from cons
4. Don't get weak. Don't start a fight but never back down. Don't complain and whine.
5. Act friendly toward guards but don't express any friendship or respect for them around other cons. In any conflict between inmates and guards assume the latter are automatically wrong.

Within the inmate culture, a social structure or hierarchy is

generally developed. The highest order inmate is considered a "politician" or "merchant". They have influence with the guards and professionals and manipulate the power structure, gaining power for themselves, and delivering favors in the form of goods and services to fellow inmates. The leaders in the inmate power structure may violate particular tenets of the inmate code to facilitate the long-run goals of the inmate system of minimizing deprivation. Below them in the social and power structure are the "thugs" whose primary behavior is violence, descending in order to the "right guys" who follow the inmate code but attempt to avoid interacting in the subrosa culture, to the "square johns" who try to conform to the inmate social structure and follow institution rules, and to the "low class" made up of the sex offenders, the stooily, punks, homosexuals, etc. (McCleary, 1961; Clemmer, 1940; and Haynes, 1948).

Inmates usually must conform, or give the impression of conformity, to the inmate codes or be isolated from their fellow inmates. Peer pressure toward conformity with the inmate code is strong. It appears that inmates conform to official rules and procedures for the first and last six months of their incarceration. However, the conformity may be symbolic more than substantive as inmates attempt to facilitate their release through the power system. It does appear, however, that the longer the prison terms being

served, the younger the inmate's age at first conviction, the lower the social class of the offender's origin, fewer number of contacts with persons outside of prison, and the lower post prison expectations are on the inmate's part, the more likely he is to conform to the prison culture and inmate code (Wheeler, 1961; Garabedian, 1968; Tittle & Tittle, 1964; Welford, 1967; Tuth, 1969; Peritt, 1972; Williams and Fish, 1974; and Irwin, 1974).

As suggested earlier, the inmate social structure includes the development and selection of inmate leaders who facilitate and support the inmate culture. The inmate leaders are appropriately referred to as "politicians" in prison jargon as they are capable of developing favorable interpersonal relationships with inmates, guards and treatment personnel and are capable of gaining the trust of those individuals they deal with. Inmate leaders typically are older than most inmates, have spent considerable time in the institution and are serving long sentences. They have usually been involved in criminal behavior that gives them status with their peers and sometimes have been important members of criminal gangs or organizations on the outside. By and large, the inmate leaders hold key administrative or clerical positions and have access to avenues of communication and influence and administrative decision-making through relationships of trust and power of persuasion (McCleary, 1961).

Inmate leaders and guards tend to form symbiotic relationships and both tend to be concerned with a smoothly run prison without significant structural changes. Those inmate leaders who have become upwardly mobile have a vested interest in the status quo, and will assist guards in keeping an orderly and smooth running cell block, by exerting pressures on disruptive inmates. In effect, the inmate leaders and the prison administrator share the goal of maintaining an orderly institution (Glasser, 1960).

It is at this focal point where the guard and inmate leaders develop compromises that the formal system begins to break down and the informal power structure begins to develop. It is suggested that guards could not control the inmate population and keep order, the criteria by which they are judged, without the assistance of key inmates (McCleary, 1961; McCorkle and Korn, 1954). The price paid for the assistance in the maintenance of the system is to allow inmate leaders to perform their role of making fellow inmates' existence more bearable by supplying them with contraband goods, services, and favors. Since inmates can obtain goods and services through the manipulations of the inmate leaders, and the psychological satisfaction of seeing the formal prison structure manipulated, they have some normative commitment to the subrosa inmate caste system.

The Contraband System and Structure

McCleary (1961) suggests that at the prison where he conducted his study the guards totally ignored the formal structure in deference to the inmate titles and leadership. As a result, contraband flowed freely into the institution, and particularly powerful inmates accumulated large sums of money. One inmate accumulated over \$8,000 in a five year period by running a gambling racket. Davidson (1977), discussing the economic power of Chicano prisoners in San Quentin, indicates that guards are often on the payrolls of the more prosperous inmate dealers, especially guards who smuggle in drugs. According to Davidson, one guard earned over \$60,000 in a twelve month period by bringing in heroin to a Chicano drug dealer. He suggests that payoffs and bribery are common practices between inmates and guards.

Describing prison adaptive modes, Irwin (1974) described the "time doer"--one who wishes to do his time quickly and get out--as trying to maximize his comforts and luxuries and minimizing his discomforts. Within this context, he describes the prison economic system:

They seek extra luxuries through their job. Certain jobs in prison, such as jobs in the kitchen, in the officers' and guards' dining room, in the boiler room, the officers' and guards' barber shop, and the fire house, offer various extra luxuries--extra things to eat, a radio, privacy, additional shows, and more freedom. Or time-doers purchase luxuries legally or illegally available in the prison market. If they have

money on the books, if they have a job which pays a small salary, or if they earn money at a hobby, they can draw up to twenty dollars a month which may be spent for foodstuffs, coffee, cocoa, stationery, toiletries, tobacco, and cigarettes. Or using cigarettes as currency they may purchase food from the kitchen, drugs, books, cell furnishings, clothes, hot plates, stingers, and other contraband items. If they do not have legal access to funds, they may "shuffle"; that is, sell some commodity which they produce--such as belt buckles or other handicraft items--or some commodity which is accessible to them through their job--such as food items from the kitchen. "Shuffling", however, necessitates becoming enmeshed in the convict social system and increases the chances of "trouble", such as conflicts over unpaid debts, hijacking by others, and "beefs"--disciplinary actions for rule infractions.

While these "time-doers" tend to be "buyers", the inmates who feel cut-off from the outside world and attempt to construct a life within prison--a process called "jailing", are usually the "suppliers". Jailing is usually taken up by long-term offenders and reform school graduates who through the skills of experiences, gain key positions within the legitimate institutional hierarchy. Their way of dealing with the prison world may not be indigenous to that setting. Hypes and Junkies, who being "time doers" bring personal habits of "wheeling and dealing" from their street drug culture (Goffman and Jacobs, 1967; Tittle & Tittle, 1964), soon become enmeshed in supplying goods and eventually are caught up in "jailing". Irwin indicates, however, that these conceptual categories of inmates and their corollary market roles are, in reality, not clearly delineable. "Time doers" take up jailing and vice versa; buyers become sellers, and simple barterers become middlemen.

Guenther (1975) using open-ended interviews with inmates in a federal prison describes the types of contraband circulating in the prison and the administration's reaction. Based on administration perceptions, contraband was considered either, (a) nuisance: gambling equipment, cooking and eating wares, art equipment, etc., or (b) serious: weapons, escape equipment, drugs, etc. The administration and guards, in effect, turned their backs on nuisance contraband and tried to suppress dangerous contraband. While the author developed a rather thorough list of various contraband available, his attention to means of delivery and manufacture of contraband is limited.

Radford (1948) was a prisoner of war in a World War II German prison camp. He gathered his information as an active participant in the prison market and, involuntarily, as a participant observer. In this economy, cigarettes were used as a base of exchange. As supplies of foods, etc., increased or became scarce their prices in cigarettes fluctuated inversely. Middlemen who made a practice of gathering market information grew relatively wealthy and became despised by other prisoners. Public opinion demanded "just" prices and attempt at controls were made through the development of a prisoner store that distributed scrip money--backed by food--and set prices at what they considered equitable. As the real demands of consuming prisoners were

at variance with the store policy a black market again developed utilizing cigarettes as the medium of exchange.

Cigarettes were delivered intermittently, thereby changing the camp money supply causing prices to fluctuate.

Shabland (1972) discusses his life as a criminal and chronic prisoner. He relates an interesting experience as a "dealer" while incarcerated at one point in his career:

They put me to work as a clerk in the prison print shop. The reformatory did a lot of printing for the state: books, bulletins, journals, tax forms, license applications and the like. My job was to order and keep inventory on paper, ink and other supplies.

It took me only a few days on the job to learn how the convicts were utilizing these facilities for their own advantage and profit, and only a few days beyond that to make some contributions of my own. I was delighted to find Phil Costain still there, an excellent photographer who had been assigned to the photography crew in the print shop.

After showing me the legitimate ropes, Phil turned me on to the meal ticket deal. Our shop was authorized to print up meal ticket books for the prison guards. The books consisted of tickets in various denominations which were exchanged for chow in the cafeteria. The books sold for ten dollars at the food counters, but we detoured a large number from each print run and sold them to the guards for five bucks--cash. The money usually went for dope, for that was one of the commodities that absolutely demanded cash. Another was favors from guards. It never ceased to amaze me how much corruption a five-dollar bill purchased.

The meal ticket thing was penny ante compared to the "parolee's package" we produced and distributed. Most cons paroled or released from prison haven't a cent to their names beyond the few dollars to which the state stakes them. Nor do they have adequate identification for the purpose of securing good legitimate jobs. Nor is there much of a program in existence at the present time for helping ex-cons make the crucial transition from prison to society. It is not surprising then,

that they head straight for "the street" to get into whatever is available in order to make some fast bread. Nor should it be surprising that before these cats know it, they're back in stir.

To help our friends get back on their feet, we provided them with a complete set of credentials and bum checks printed under the auspices of Phil Costain and myself. Some of the material such as birth certificates and drivers' licenses, was ready-made because we manufactured it for the state. Other items like draft cards or army discharge papers had to be "created" by photographing real ones, doctoring the proofs, and photo-offsetting the final, falsified document.

As for checks, we printed them for a number of companies such as the Santa Fe Railroad. We learned from one of the guys who drove a truck in and out of the prison that his brother worked for the Santa Fe. So we bribed the brothers to bring us his Santa Fe paycheck and let us use it for a couple of days. We blanked out the brother's name in the payee's space, photographed the check, then photo-engraved the sums and the railroad's official's signature on our blanks. The con leaving prison simply filled his own name in the payee's space, and we'd make a book of twenty or twenty-five checks. We performed the same operation on many other checks besides Santa Fe. In fact we even had some prison personnel payroll checks printed!

On the day a friend was to get out, we'd give this bundle of credentials and checks to one of our truck driver friends and he'd throw it in a ditch down the road from the prison. The released con would then pick up the bundle and have a little nest egg. Usually we threw in a dozen or two extra sets of papers for him to peddle. There's always a demand on "the street" for false papers, and you can make fifty or a hundred bucks a set.

These schemes were eventually discovered. One of the bulls got so deeply in debt to us that he copped out and blew the meal ticket business. And the F.B.I. got wind of the parolee package game and traced the false documents to our shop. All seventeen of us who worked there got busted (pp. 122,123).

Conclusion

The literature posits an inmate culture that functions to eliminate their material and psychological deprivation. The inmate social structure creates a core of leaders who gain the personal trust of both staff and fellow inmates. The relationship between the guards and the inmate leaders is the point at which the rules and regulations, which the inmates are required to observe, begin to break down. Guards are vastly outnumbered by inmates who are potentially hostile. The guards are judged on how quiet and orderly appearing their cell blocks are managed, not on how many rules they discern residents violating. Thus, they rely on inmate leaders to keep the other inmates in relative order. The guards will overlook rule violation on the part of the inmate leaders as a reward for their assistance--they will overlook rule violations on the part of most residents who contribute to the order of the cell block.

Thus, the inmate leaders--politicians and merchants--move about with relative freedom and provide contraband goods and services for their fellow residents.

Contraband dealing can take the form of simple bartering or can entail a sophisticated network required to deal in items such as drugs. Those who are highly successful dealers of contraband have a great deal of status in the

prison community. These individuals are usually upwardly mobile and have a vested interest in the status quo of that environment as the status quo allows them to deal in the flourishing contraband market and maintain their status.

CHAPTER III

RESEARCH METHOD

Research Site

The research site for this study is the maximum security unit of the State Prison of Southern Michigan (SPSM), located two miles north of Jackson, Michigan. SPSM is the largest penal facility of its type in the world. Within its walls alone, there are more than 57 acres. The entire complex contains 3,885 cells for general population as well as 340 minimum-security beds in barracks at four farms. Additionally, there are 465 segregation, detention and disciplinary cells, 141 beds in the infirmary and 106 beds in the Parke Davis and Upjohn research clinics. In the Reception and Guidance Center (R&GC), which is a separate institution attached to SPSM for ancillary support, there are 477 cells. The clinical services unit, which is part of R&GC contains 105 cells. There are two trustee cell blocks that house part of the general population. Each trustee cell block holds approximately 400 residents. One trustee block is situated inside of the walled perimeter and the other is located immediately outside of the south wall and

to a great extent functions independently of the major compound. The parole camp, a minimum security unit with barracks-like housing, is located across Cooper Road, west of SPSM, in a wooded area. Residents from all institutions who have been granted a parole are placed in the parole camp, away from the general prison and reformatory population, in preparation for their return to society. During the calendar year 1976, an average of 5,011 residents per month were confined to the SPSM complex.

Personnel inside the maximum security facility are as follows: the warden, deputy warden, and several administrative assistants including personnel officer, etc. The custody staff includes 4 guard captains, 6 guard lieutenants, 32 sargeant of the guard and 404 guards. The treatment staff has been restructured in an attempt to do away with the so-called treatment custody conflict. Counselors are now resident unit managers or assistant unit managers. They are responsible for custody and inmate control as well as their counseling functions. Each cell block--except the segregation block--has a resident unit manager and two assistant unit managers. There are also a number of civilian employees within the maximum security section employed as teachers, foremen in prison industries, food service workers, and some clerical staff (the majority of the civilian clerical and administrative staff are located in offices just outside of the maximum security section.

Research Procedure

This research attempts to describe the resident economic system at SPSM. While the legitimate economic system is analyzed, emphasis is placed on understanding the residents' economic system involving the buying and selling of contraband. The majority of the information and data collected for this research comes from the open ended interviews this writer held with 207 residents, 49 guards and staff, and 27 former residents of SPSM.

Questionnaires were developed using the data obtained in the interviews (see Appendix). The construction, distribution, and analysis of the questionnaire is discussed later in this chapter.

The interviews took place between March 12, 1976 and August 19, 1977. The interviews with the residents took place at the parole camp which is located directly across from SPSM. Residents who have been granted a parole are transferred to the Parole Camp where they are phased out of the institution back into the community. Given the phenomena of prison paranoia--no one totally trusts anyone else and a total stranger is not trusted at all--interviews with residents in SPSM proper seemed impractical. While the administrator would have allowed this writer to interview anyone in SPSM, it was suggested that asking residents questions about contraband would be fruitless as residents

are culture bound "not to squeal". It was also suggested that if this writer's interviews appeared to be investigative in nature, behavior problems on the part of the residents might develop. (As discussed later, some minor problems with resident drug dealers did develop when questionnaires were distributed in the Reception and Guidance Center.) However, residents at the Parole Camp could speak freely. They were physically removed from the environment we would discuss, they were in an unstructured camp environment with a minimum of pressure, and the fact that they were going home shortly put most of the residents in a congenial mood and eradicated any fears of retribution they might have had from their fellow SPSM residents for giving out information on contraband.

The sampling procedure was purposive and practical rather than random. Residents were selected who were at the Parole Camp from SPSM, and in the judgment of the parole officer who ran the camp, and his resident clerk, were reasonable, intelligent, understood the system, and would be willing to spend time with this writer. The physical environment at the Parole Camp was ideal. This writer had the use of a private office with a desk and comfortable chairs and access to coffee.

Prison paranoia similarly affected many of the SPSM guards. While some spoke openly and freely, others were

visibly nervous during the interviews and were relieved when the interview was terminated. Those willing to talk were hurrying to go home or return to other activities. Using two guards who were apparently influential with their colleagues, several group discussions at this writer's home with willing guards took place. These group interviews proved active and fruitful. Parolees who served time at SPSM were interviewed at the Lansing District Parole Office. The interviews were limited in value as the parolees were anxious to go about their affairs.

The interviews were unstructured. This writer relied upon his skills, developed from several years experience as a probation and parole officer that entailed building trust in interviewing situations with offenders, and a Masters Degree in counseling which added interviewing techniques to the experience already gained.

Summary of Research Findings and Method of Analyses

The analyses of the prison economic system is divided into three parts: Chapter IV--the legitimate sector; Chapter V--the illegitimate sector; Chapter VI the factors within the prison system that facilitate the flow of contraband. Chapter IV describes the sources of legitimate income the residents can acquire, including per capita incomes

for residents employed in the two major employment categories--Prison Industries and Institutional Assignments--and per capita income for all residents including funds from outside sources such as money from family members. The legitimate items the residents may purchase and the methods by which the residents can purchase them was described. The information was obtained from the SPSM business office for the calendar year 1976. Finally, the processes by which the legitimate and illegitimate sectors interact was described. The primary source of information on residents' income and what they can purchase as given in Chapter IV was obtained from the SPSM business office. The business office bookkeeping entries were restated in tables suitable to the purpose of the chapter. The information disclosing methods by which the residents cause the legitimate and illegitimate sectors to interact was developed from interviews with members and former members of the SPSM community. Interviews were the primary method of gathering information for the bulk of this research and are described in depth in the following discussion on the methodology employed in Chapter V.

Chapter V--the illegitimate sector--is the major analysis chapter. The contraband goods and services are listed in tables along with their average prices when appropriate, and their availability as perceived by the members and

former members of the prison community. For the major categories of contraband analyzed, the following issues were addressed: methods and perceived risk involved in supplying contraband; supplier and consumer typologies; market structure; demand elasticities based on estimates of demand curves. In addition, residents marginal propensity to consume and income elasticities of demand for the legitimate and illegitimate sectors were estimated.

To obtain the data and information required for Chapter V, interviews and survey questionnaires were employed. Information on methods of supplying contraband and consumer and supplier typologies are based entirely on interview information. The remainder of the data was gathered from survey questionnaires that were developed from the information obtained in the interviews. Several drafts of the survey questionnaire were developed and were filled out by residents and staff of the reception and diagnostic center at SPSM for pretest purposes. Using the feedback from the residents and staff who were assisting this writer, a final survey questionnaire was developed and distributed (see the Appendix).

As in the case of the interviews, purposive rather than random sampling was used. After the questionnaire was developed, with the aid of residents and staff at the

reception and guidance center, questionnaires were distributed to the resident population in that section. After a few were returned, residents there stopped filling them out as allegedly drug dealers made a general threat that residents found filling out the questionnaires would suffer punitive sanctions. This experience supported the consensus of the prison administrator regarding the general distribution of a questionnaire to the general SPSM population. Therefore, it was necessary to distribute the questionnaire to former residents from SPSM.

We distributed 500 questionnaires to the parole office working out of the Lansing district office and 200 were given to the counselors in the north section of SPSM, a newly created medium security section of SPSM. Both groups were asked to distribute the questionnaires to clients who had spent at least one year in SPSM, who were intelligent enough to understand the questionnaire, and would attempt to accurately fill out the questionnaire. A check was built into the questionnaire for fraudulent or totally inaccurate responses. However, this writer's experience, as a parole officer, dictates that most correctional caseworkers know their case load fairly well and having them select respondents on the above criteria would minimize fraudulent responses, or questionnaires being fill out by functionally illiterate clients. Also, 100 questionnaires were .

distributed to the SPSM custody staff. It later came to this writer's attention that many, if not most, of the questionnaires that the guards returned were filled out by residents as a favor for the guards. Of the questionnaires distributed, 102 were returned from the parolees, 38 from the north side and 28 from the guards, a total of 168.

The first section of this questionnaire addressed what contraband goods and services were available, and what their average prices were. This was done by presenting a list of the contraband goods and services available that had been determined through the interviewing process. Blank spaces were left below the list so respondents could add items that may have been omitted. Spaces were provided, next to each item, where the respondent could indicate what he thought the average price of the item would cost in cigarettes, real money--"green", and prison script as shown in the partial example below (see Appendix for the complete questionnaire).

CONTRABAND GOODS AVAILABLE

	<u>PRICE</u>		
	GREEN	SCRIP	CIGARETTES
A sandwich ripped off from the commissary	_____	_____	_____
Sugar per pound	_____	_____	_____
Marijuana/joint	_____	_____	_____
Marijuana/lid	_____	_____	_____
Marijuana/ounce	_____	_____	_____
Spud juice/quart	_____	_____	_____

The question of availability of various contraband was addressed with Likert scales as shown below:

HOW MUCH IS CIRCULATING?

	None	Small Amount	Large Amount	Very Large Amount
1. Sandwich from the commissary	1	2	3	4
2. Sugar	1	2	3	4
3. Marijuana/joint	1	2	3	4

A neutral response of "some amount" was avoided as some of practically everything goes on in prison. Respondents were asked to relate their perception of the amount circulating to a base line of none--the amount that should be in existence and/or the amount available to those who might want to buy a contraband good or service. That is, the counselors and parole officers who circulated the questionnaires were asked to inform the respondent on the form of reference for responses concerning availability of contraband items. The respondents' perceptions may be based on residents normative position on what constitutes a particular amount circulating which in turn may relate to street culture norms. The residents' perception on the availability of contraband in the prison environment, regardless of the respondent's frame of reference, is valuable as it is indicative of the contraband flow. Throughout the interviews, phrases such as "a lot circulating",

"easy to obtain" which are used in the questionnaire, were redefined by interviewees as "a lot of residents use it" or "it's easy to buy". The question "do a lot of residents use it" was not used in the questionnaire due to the pejorative connotation which may have changed response patterns. The contraband items were listed in tables and the mean of the prices and the Likert availability scales were presented along with average deviations.

Demand was estimated in categories of contraband by ranking price changes next to Likert-type scales showing possible changes in buying patterns. Respondents were asked to indicate what buying changes they felt would accompany price changes, as shown in the example below:

Price Change	Changes in Purchasing				
	A Lot Less	Less	Same	More	A Lot More
1. <u>Drugs</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5

The mean of each scale was computed and used to plot coordinates with each price change. Demand curves were drawn using those coordinates. Average deviation per scale is shown to describe dispersion of responses.

To compute the residents' marginal propensity to consume in both the legitimate and illegitimate sectors, residents were asked how they would allocate an increase in income

between spending and savings. Percentage scales, as shown in the example below, were used:

If residents' script allowance increased, what percent of that increase do you think they would spend?

1	2	3	4	5
0%	25%	50%	75%	100%

If residents would earn more "green" by dealing, what percent of that increased green would they save?

1	2	3	4	5
0%	25%	50%	75%	100%

The responses on the allocation of increased green varied greatly and grossly contradicted impressions this writer gained through interviews. The question involved appeared in order on the questionnaire just after respondents were asked about spending habits on available goods if their legitimate income increased (see discussion below). The respondents were then asked what percent of a "green" increase they would save? Some respondents may have read the question accurately while others may have assumed the question was directed toward spending rather than savings. Therefore, a supplement to the questionnaire--shown in the example on the following page--was circulated asking the question more clearly.

1. What percent of the contraband money such as cigarettes or green do residents spend?

.....
 0 10 20 30 40 50 60 70 80 90 100

2. If residents' contraband money such as cigarettes or green would increase for any reason, what percent of that increase do you think they would spend?

.....
 0 10 20 30 40 50 60 70 80 90 100

The responses on the supplement were used instead of the original scale for the illegitimate sector. After the 500 supplements were distributed, 285 were returned. Means of the scales were interpreted as marginal propensity to consume. Average deviations were reported.

To estimate income elasticity of demand in both the legitimate and illegitimate sectors, Likert scales were used to ask respondents how residents would change their consumption patterns if their incomes would increase. Partial examples are shown below and on the following page.

What item or items from the prison store would you buy more of or less of if your script income increased?

	Stop buying	Much less	A little less	Same amt.	A little more	Much more
1. Cigarettes	1	2	3	4	5	6
2. Other tobacco items	1	2	3	4	5	6
3. Stationary supplies	1	2	3	4	5	6

What contraband items do you think residents would buy if the "green" they had would increase?

	Stop buying	Much less	A little less	Same amount	A little more	Much more
1. Drugs	1	2	3	4	5	6
2. Alcohol	1	2	3	4	5	6

Means and average deviations are reported.

Likert scales were used to determine the perceived risk involved in being a contraband dealer. Respondents were asked to indicate what risk they felt was involved of dealers being apprehended by guards or harrassed or "ripped off" by other residents. Partial examples are shown below:

RISK IN DEALING

A. How much risk do you think there is of getting caught by the guards when a resident is dealing the following?

	No risk	Not much risk	High risk	A great deal of risk
1. Drugs	1	2	3	4
2. Alcohol	1	2	3	4

B. How much risk of harrassment such as getting ripped-off by other residents do you think there is in dealing the following?

1. Drugs	1	2	3	4
2. Alcohol	1	2	3	4

Means and average deviations are reported.

Average deviation was used to measure the variability of response patterns on the Likert scales used. It shows

how far, on the average, the score of the distribution depart from the mean of the distribution. Average deviation is defined as the sum of the deviation from the mean (positive and negative aspect of the values are disregarded) divided by the number of responses.

$$X = \frac{\sum (\bar{X} - X_i)}{N}$$

X = average deviation

\bar{X} = mean

X_i = individual score deviations

N = number of responses.

To check the validity of the questionnaire, an area regarding residents' purchasing documents for or from their counselor file was included. In the past, residents were able to purchase favorable counselor reports, vocational training certificates, general equivalency development high school diplomas from resident clerks who were employed in positions where they could create or steal this type of documentation. Resident clerks working with these files in the counselors' offices would place the documentation in the residents counselor file which the parole board would eventually use in evaluating the resident for parole consideration. Conversely, residents who were curious about the contents of their file would pay resident clerks for copies of their reports. This service no longer exists.

Crucial documents and the counselors files are handled exclusively by civilian clerks who are instructed not to delegate handling of the documents and files to residents. Conversely, if a resident wants to have copies of the reports placed in his counselor file, he will be given copies upon request.

Throughout the interviews SPSM residents and ex-residents, indicated that the counselor files were inaccessible to resident clerks and a resident could no longer purchase documentation for his file. The interviewees also verified that copies of their reports would be sent to them upon request. Questionnaires that were returned with the section on the counselor file filled out were ignored, as the respondent was being fraudulent or inaccurate. Only seven questionnaires were discarded on that basis.

Occasionally a questionnaire would show contraband items consistently costing more in green than prison script. This information would be discarded as the opposite is true. The final validity check was in the section relating change in prices to change in buying habits. If the respondent consistently showed increased purchases with increased prices, the validity of that questionnaire was questioned. Only three blank questionnaires were not used for those reasons.

Pre- and post-testing of the questionnaire per se was not done to examine the documents reliability. The questionnaire was developed on the information obtained through interviews with the intent of verifying the data obtained in the interviews and collecting it in quantified form. The information and data obtained through the interviews was consistent, leading this writer to believe that the information from the interviews was reliable. Finally, the trial questionnaires were administered to residents at the Reception and Guidance Center in SPSM after which they provided feedback on the clarity, logic, and possible obtrusiveness of the questionnaire from their points of view as residents.

Chapter VI--The Factors that Facilitate the Flow of Contraband, discusses the limitations prison officials have in controlling contraband, why those limitations exist and how an informal system that facilitates the flow of contraband evolves. The information for this chapter comes primarily from the interviews described, impressions from the literature on the prison social structure, and literature on organizational theory.

As a final check for conceptual and factual accuracy, this research has been constantly reviewed by three ex-offenders who spent a great deal of time in SPSM and were actively involved in the contraband market there. Two of

the ex-offenders who reviewed this work are presently Masters candidates in the College of Social Science at Michigan State University, and the third is a former County Jail administrator who is presently working with the National Institute of Corrections.

CHAPTER IV

THE LEGITIMATE ECONOMIC SECTOR

Introduction

This section describes the legitimate methods by which SPSM residents can accrue funds, how the funds are controlled and disbursed to the residents, and what the residents can spend their accrued incomes on. The income is described in terms of the earning power of the two major employment categories within SPSM--prison industries and institutional assignments, shown in per capita incomes per group monthly and annually, and per capita incomes for all residents employed and for all residents. Legitimate incomes from outside sources are also summarized in per capita and aggregate terms. Those goods and services that residents may purchase are described and aggregate figures on expenditures are summarized. This is done to briefly examine what the legitimate economic structure can provide residents and more importantly to portray the major avenues through which the legitimate and subrosa economic systems interact.

Income and the Monetary System

The legitimate economic and finance system at SPSM centers around the resident account system. Each resident has his own account, managed by the SPSM Business Office, in which funds are entered and disbursed for him. Funds can be placed in residents' accounts from earnings through prison employment, direct payments into their account from relatives of friends, or payments to residents such as social security, disability payments, pensions, etc. Residents can allocate or spend monies from their accounts in several ways. Inmates may acquire up to \$120.00 in prison scrip per month from their account. The scrip acts as legal tender at the resident store where they can purchase a variety of items such as cigarettes, toiletries, etc.

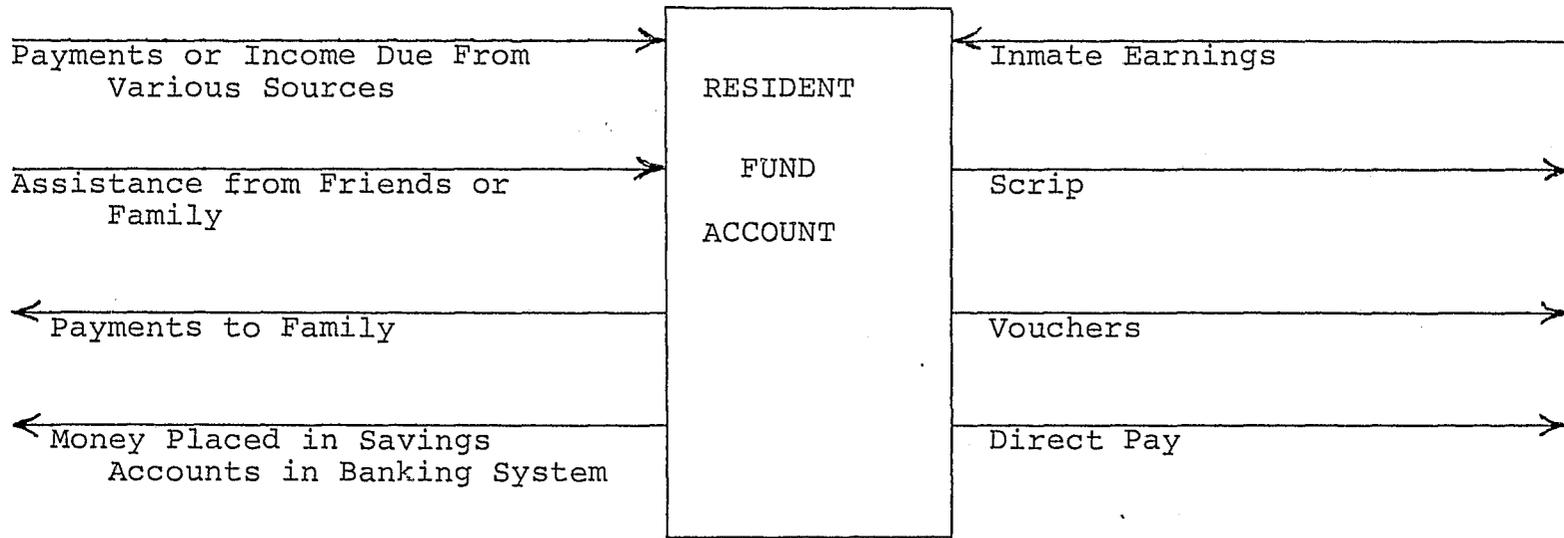
Through a direct voucher or pay system residents can purchase or be supplied with institutional goods and services such as dry cleaning, television sets, hobby craft materials, etc. Residents may also send money to their families from their account, or they may bank part or all of the funds they acquire in the bank of their choice. This practice is encouraged by the institution because interest is not paid to resident accounts at SPSM. As will be discussed later, the utilization of the "free world" banking system is a

method of funding contraband or illegitimate enterprise between residents. The diagram on the following page depicts the legitimate flow of resident funds.

Within SPSM, residents are limited as to how much they may spend by institutional policy as well as their own resources. The amounts they may earn and place in their account is generally limited by pay scales for the various jobs available. Thus, the amount residents can spend internally may be restricted by their own income at a level lower than institution policy. The flow of funds into a particular resident's account from resources outside of SPSM are theoretically unlimited. As will be discussed in a section on the illegitimate system in SPSM, the flow of funds into the residents' accounts from sources outside of SPSM is one avenue by which the legitimate and illegitimate sectors can interact. The flow of funds from a resident's account to his family, a private bank, etc., is limited only by the amount a particular resident may have in his account. Institution policy limits the flow of these funds to particular recipients considered legitimate such as a resident family; however, no limit is set on the amount that can be transferred.

Prison industries and institutional assignments are the two major sources of legitimate income for residents in SPSM. The category of institutional assignments includes work or

FLOW OF EXPENDITURES AND INCOMES BY RESIDENTS OF SPSM



educational assignments. Residents may also earn legitimate income through jobs affiliated with the administration of the inmate general benefit fund, by selling leather-craft that residents might make through their hobby-craft organization or by volunteering for drug experimentation with the Parke Davis or Upjohn Pharmaceutical companies. During the calendar year 1976, \$781,186 was earned through these various activities by approximately 4,009 inmates (monthly average for a per capita earned income of \$195.00). During the calendar year 1976, the average monthly resident population for SPSM was 5071 for a per capita earned income of \$154.00 for the entire population. One thousand and sixty-two residents are classified as unemployed. Approximately 400 to 500 of those unemployed are unable to work due to physical impairment or placement in segregation facilities. The physically impaired are given \$2.50 per week plus tobacco, soap, etc. The 500 to 600 employable residents in this category are given some basic supplies; such as, institutional soap, clothing, and "roll your own" tobacco, but must depend on outside sources such as relatives to acquire additional funds. The unemployed who are available for work remain in what is termed the labor pool until they are given a job assignment. Placement in the labor pool is the resident's first step in earning a legitimate income in SPSM.

Residents entering the Michigan adult prison system are first evaluated at the Department of Corrections Reception and Guidance Center. From there they are sent to different institutions depending on an array of factors such as security risk, age, etc.

Residents who are destined for SPSM and who will not require individual confinement usually will have a series of recommendations for programming and employment potential developed by the Reception and Guidance Center. The residents will be placed in the labor pool and administrators such as shop foreman will have access to the recommendation from the Reception and Guidance Center. Based on the Guidance Center reports, a resident can be assigned a job in terms of his skills or training needs. If a resident has a skill such as carpentry, etc., chances are, he will be placed accordingly. In practice, however, residents who have been in the labor pool the longest or who are known as good workers from previous experience are selected for employment as jobs become available. Residents may turn down employment offers or accept a job and keep their name in the labor pool if they are not satisfied with that assignment or have a preference for a particular job assignment.

On the average, the best paying work assignments in terms of earning legitimate income are in the prison industries division. Prison industries include machine shop,

industrial maintenance, textile production, tailored garments, work garment production, shoe production, stamping plant, license plate shop, and sign shop. Residents can earn from \$0.30 (thirty cents) to \$1.20 (one dollar and twenty cents) per day depending on their experience on a particular job and the skill level required for a particular assignment. Quarterly bonuses based on production incentives can also be earned. As shown in Table 1, below, residents working in prison industries earned \$350,060 in the calendar year 1976--an average of \$600 per resident employed for that year.

Table 1. Resident Payroll Generated by Prison Industries by Month for 1976

Month	Monthly Payroll	Number of Residents Employed	Per Capita Earnings
January	\$22,963	580	\$39.59
February	26,924	580	46.42
March	52,041	589	88.35
April	26,456	570	46.41
May	25,719	592	43.44
June	25,092	597	42.03
July	26,736	573	46.66
August	26,484	589	44.96
September	28,991	593	48.89
October	20,442	575	35.52
November	41,783	581	71.92
December	26,512	583	45.48
Totals	\$350,060	$\bar{X} = 584$	\$600.00

While the jobs in prison industry pay better on the average than work in other assignments, most job assignments in prison industries confine workers to limited areas such as a punch press machine, etc.

Institutional assignments include all activities for which residents may earn an income other than prison industry; such as, general benefit employment, hobby-craft sales, drug companies employment, and school attendance. Residents will earn \$0.15 per half-day attendance to \$0.25 per full day school attendance in the various educational or vocational programs available which range from job training programs to college courses. Institutional work assignments include the following:

- Barber
- Building Trades Worker
- Elevator Operator
- Fire Safety Worker
- Food Service Worker
- General Clerk
- Motor Vehicle Operator
- Porter/Runner
- Stock Clerk
- Technical Specialist Worker

The pay range for institutional employees is the same as applied to prison industries. Resident workers can earn between \$0.30 per day and \$1.20 per day depending on the skills needed for a particular job and the length of time a resident spends on that job. However, on the average, residents working in institutional job assignments make considerably less than those working in prison industries.

Prison industries require higher skills which pay more and also pay bonuses to workers for production. Institutional assignments require lower skills, do not have a bonus system, and include a number of residents who are attending school which pays an extremely low rate. As shown in Table 2, below, in calendar year 1976 \$346,479 was paid to an average of 3,247 residents having institutional assignments, for a per capita income of \$154.00 that year compared to a per capita income of \$600.00 for residents in prison industries during the same time period.

Table 2. Resident Payroll Generated by Institutional Job Assignments for 1976

Month	Monthly Payroll	Number of Residents Employed Monthly	Per Capita Earnings
January	\$30,222	3,321	\$9.10
February	28,069	3,264	8.60
March	29,657	3,272	9.06
April	28,315	3,880	7.30
May	28,686	3,409	8.41
June	27,658	3,165	8.74
July	29,258	2,934	9.97
August	28,636	3,198	8.95
September	30,776	3,371	9.13
October	28,254	2,833	9.97
November	28,160	3,179	8.86
December	28,778	3,141	9.16
Totals	\$346,479	\bar{X} 3,247	\$154.00

While institutional jobs pay less they are potentially much less monotonous than industry work and allow residents in particular institutional jobs freedom of movement within SPSM. Positions such as truck-driving allows highly trusted resident drivers freedom to move between the inside and outside facilities of SPSM. As will be discussed later, freedom of movement on the part of residents working in a particular institutional job facilitates the flow of contraband.

The inmate benefit fund is created primarily from profits from the inmate store where residents can purchase a variety of commodities with their scrip. The General Benefit Fund is used to purchase athletic equipment, supply the Residents Law Library, support the prison newspaper, and support entertainment activities. Residents are utilized to assist in administering the benefit fund. As shown in Table 3, on the following page, an average of 178 residents worked in various positions for the benefit fund in the calendar year 1976 and earned \$44,837 for a per capita income of \$251.00 that year.

A source of employment that is extremely popular with the SPSM residents is working for Parke Davis or Upjohn Pharmaceutical Companies. Residents get paid for being "guinea pigs" for the companies by taking various experimental drugs the companies produce and submitting to physical

Table 3. Resident Payroll Generated by Job Assignments with the Inmate Benefit Fund (1976)

Month	Monthly Payroll	Number of Residents Employed	Per Capita Income
January	\$3,183	176	\$18.
February	3,458	182	19.
March	3,355	176	19.
April	3,457	177	20.
May	3,937	179	22.
June	3,600	180	20.
July	4,099	178	23.
August	3,819	182	21.
September	3,784	180	21.
October	3,635	183	20.
November	4,569	177	26.
December	3,850	175	22.
Totals	\$44,836	$\bar{X} = 178$	\$251.

examinations to check the efficacy of possible harmful effects of the drugs. As shown in Table 4, an average of 74 residents earned \$32,520 in 1976 for a \$439.00 per capita income that year.

Residents produce leather goods and sell them through the Hobby-craft Retail Outlet to the general public. Residents working in Hobby-craft may hold other paying positions in the institution or may be in the labor pool. Participation will vary from residents making personal items to intensive participation by others to generate income.

Table 4. Resident Payroll Generated by Employment with Parke Davis and Upjohn Pharmaceutical Companies in 1976

Month	Monthly Payroll	Number of Residents Employed	Per Capita Income
January	\$2,500.	7	\$357.
February	2,720.	12	226.
March	2,957.	9	328.
April	2,216.	4	554.
May	2,443.	5	488.
June	2,503.	5	500.
July	3,172.	3	1,057.
August	2,915.	4	728.
September	2,497.	7	356.
October	2,707.	9	300.
November	3,020.	6	503.
December	2,870.	3	956.
Totals	32,520	74	\bar{X} = \$439.

A per capita statement of earnings therefore would be misleading, if not impossible to obtain. This does appear to be a relatively good source of income as \$99,727 was earned by participating residents in 1976. Table 5, on the following page, shows the resident income earned through Hobby-craft in the calendar year 1976.

Table 6 provides an overview of the legitimate income earned by the residents of SPSM in the calendar year 1976.

Table 5. Resident Income Generated by Participation in Hobby-craft in 1976

Month	Earned by Residents
January	\$ 1,511.
February	4,970.
March	3,871.
April	8,762.
May	6,616.
June	5,035.
July	5,546.
August	7,020.
September	4,583.
October	5,567.
November	5,644.
December	8,762.
Total	\$99,727.

Table 6. Legitimate Income Earned by All Prison Employees in 1976.

Month	Income From SPSM Employment	Number of Employees	Per Capita Income
January	\$60,379.	4,084	\$14.78
February	66,141	4,038	16.38
March	91,881	4,046	22.71
April	69,296	4,631	14.96
May	67,401	4,185	16.11
June	63,888	3,947	16.19
July	68,811	3,688	18.66
August	68,874	3,973	17.34
September	70,631	4,151	17.02
October	58,585	3,600	16.27
November	83,176	3,943	21.10
December	70,772	3,901	18.14
Totals	839,835	$\bar{X} = 4,016$	$\bar{X} = \$209.12$

In addition to earning money at various activities in SPSM, funds can be placed in resident accounts from outside sources such as family or friends. As shown in Table 7, on the following page, in addition to the \$871,102 residents earned in 1976, they received \$2,589,945 from outside sources. A total of \$3,461,047 was placed in the residents' accounts that year, a per capita accrual of \$690.00.

Expenditures

SPSM residents may purchase a variety of items from the Resident Store with prison scrip. Each resident can receive up to \$120.00 in scrip each month if his account has that amount available. Scrip is comprised of small booklets of printed slips of various monetary denominations. The resident's institution number is entered on the cover sheet of each booklet. For an inmate to redeem his scrip at the resident store, he must present his identification which will have his picture on it and tear out the individual script from the booklet to ensure that it is his scrip. Residents may redeem their scrip at the resident store for items categorically described as tobacco, stationary, toiletries, and grocery items. Items such as appliances, appliance accessories, clothing goods, health kits, and time pieces and accessories can be purchased from the resident

Table 7. Total Income of SPSM Residents for the Calendar Year 1976

Month	Income From Employment	Income From Outside Sources	Per Capita From Outside Sources	Total Income All Sources	Per Capita Employed Residents	Total Population SPSM	Per Capita SPSM Residents	Number of Inmates Employed	Number of Inmates Unemployed
January	\$60,379	\$255,822	\$52.40	\$316,261	\$77.44	4,883	\$64.77	4,084	199
February	66,141	243,525	49.38	309,666	76.69	4,932	62.79	4,038	894
March	91,881	337,627	68.22	429,508	106.16	4,949	86.19	4,046	903
April	69,296	295,143	59.23	364,439	78.70	4,983	73.14	4,631	352
May	67,401	212,164	42.37	279,565	66.80	5,007	55.83	4,185	822
June	63,888	305,515	60.11	369,403	93.59	5,083	72.67	3,947	1,136
July	68,811	282,517	55.24	351,328	95.26	5,114	68.70	3,688	1,426
August	68,874	260,561	50.67	329,435	82.92	5,142	64.07	3,973	1,169
September	70,631	239,174	45.87	309,805	74.63	5,214	59.42	4,151	1,063
October	58,585	249,894	48.61	308,479	85.69	5,141	60.00	3,600	1,541
November	83,176	298,566	67.15	377,742	95.80	5,154	73.29	3,943	1,211
December	70,772	327,330	62.89	398,102	102.05	5,205	76.48	3,901	1,304
Totals	\$839,835	\$2,589,945	\$652.14	\$4,432,157	\$871.10	-----	\$817.35	-----	-----
Averages	\$69,986	\$215,828	\$54.35	-----	-----	5,088	\$68.11	4,015	1,073

store. These items cannot be purchased with scrip, but may be purchased with funds transferred directly from the resident's account to the store account by a voucher system. Voucher purchases are made without consideration of the amount of script a resident has been issued as long as the resident has enough funds in his account to cover the costs.

Other items or services the residents may purchase by voucher include tickets to movies and special activities, postage, hobby-craft materials, photos, "Jaycees" membership, use of Xerox materials, and library fees. Two items, resident outgoing checks and purchases of bonds, are entered as purchases against their accounts. Residents may request that all or part of the money they have in their accounts be forwarded to private banks or their families. A few residents have elected to purchase government bonds through the City Bank in Jackson, Michigan. The categories of checks issued and bonds purchased may be viewed to some extent as resident savings as ostensibly these funds are being removed from circulation. However, it is a practice for residents to send money to their bank or family and in turn have money forwarded to another resident's account. In effect, money is simply being transferred between residents' accounts for the purchase of contraband goods or services. If the transferred funds are subsequently spent in the institution the category of outgoing checks do not constitute savings in the long run. Table 8, on the following page,

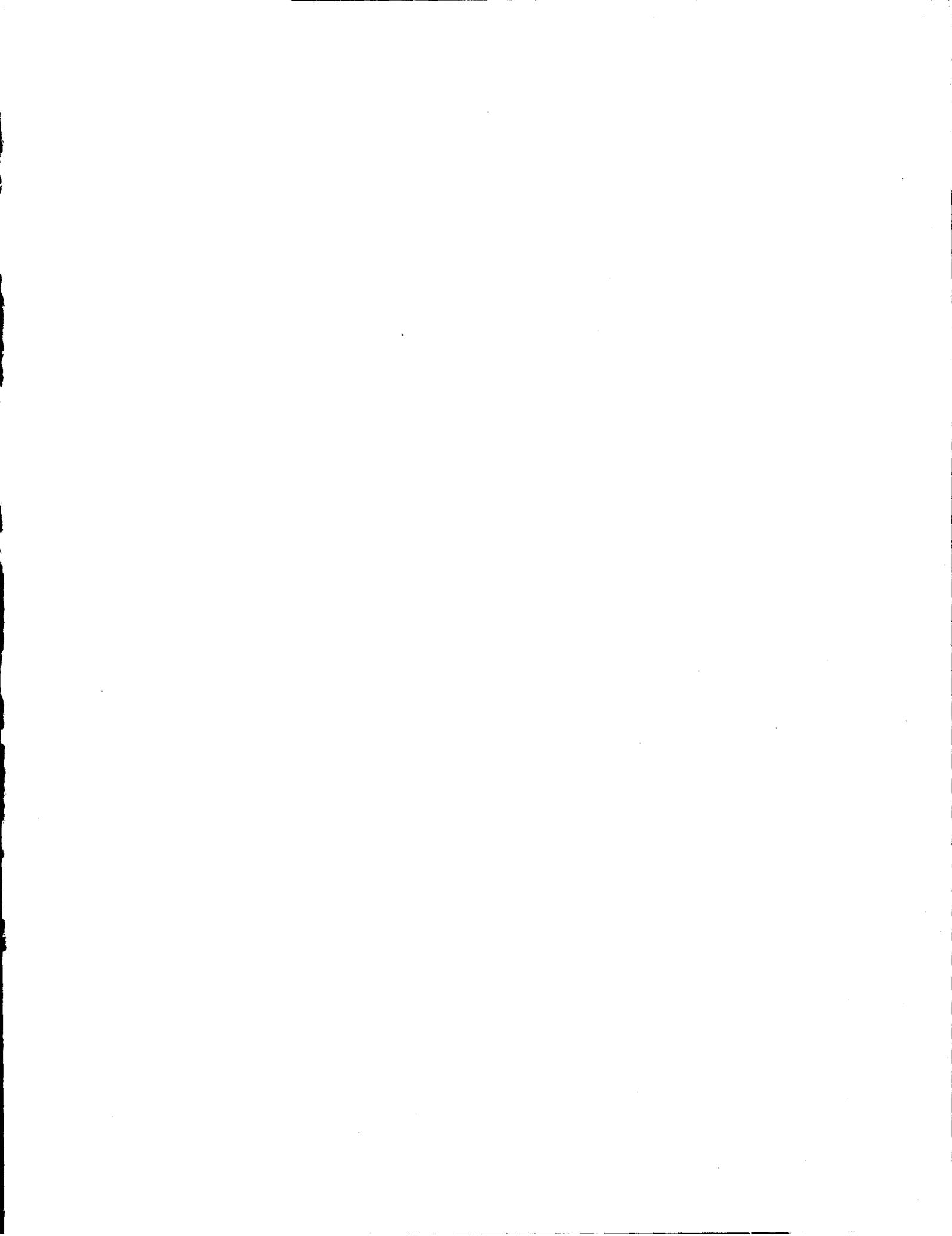


Table 8. Income and Expenditures by Month for SPSM Residents for the Year 1976

Month	Expenditures Script and Vouchers	Expenditures Outgoing Checks and Bonds	Total	Income Generated Internally	Income From Outside Sources	Total
January	\$194,932	\$152,966	\$347,898	\$60,379	\$255,822	\$316,201
February	211,460	131,593	343,053	66,141	243,525	309,666
March	218,082	168,152	326,234	91,881	337,627	429,508
April	218,594	159,139	377,733	69,296	295,143	364,439
May	222,032	122,162	344,194	67,401	212,164	279,965
June	197,378	123,711	321,089	63,888	308,515	369,403
July	221,445	142,521	363,966	68,811	282,517	351,328
August	225,848	119,208	345,128	68,824	260,561	329,435
September	203,177	112,759	318,936	70,631	239,174	309,805
October	216,025	122,084	338,109	58,585	249,894	308,479
November	227,509	143,114	367,623	83,176	294,666	377,833
December	211,903	151,024	362,927	70,772	372,330	443,102
Totals	\$2,565,376	\$1,648,433	\$4,213,809*	\$839,835	\$2,589,945	\$3,429,780*
\bar{X} Month	4213,781	\$137,369	\$351,150	\$69,989	\$215,828	\$285,818

*Note: Expenditures exceeded income by \$784,029 in 1976. According to the SPSM Business Office, this was apparently made possible by a residue of funds built up in inmates accounts in previous time periods.

summarizes income and expenditures within the legitimate sector for SPSM residents in the calendar year 1976.

Conclusion

Those residents who are employed in prison industries are in a relatively good economic position as they earned \$600.00 per capita in 1976 compared to residents with institutional assignments who earned \$154.00 per capita in that year. Residents who desire to improve their economic status must either depend on money from outside sources or enter the contraband system. In 1976, the residents fund received about 75% of its funding from outside sources and 25% was earned through legitimate prison employment or funding.

The legitimate economic system supports and facilitates the subrosa system in two ways. Many of the institutional assignments place residents in positions of trust and allow them freedom of movement which allows them to deal with some freedom in the subrosa system. Residents may buy and sell contraband by having funds placed in the supplier's personal bank account or resident fund from the buyer's bank account or outside contacts. This system can be, and often is, used to transfer money from one residents fund to another.

CHAPTER V

THE CONTRABAND SYSTEM

Introduction

This chapter puts together an overview of the contraband system. The somewhat complex monetary and credit systems are addressed first. This is followed by categorical lists of the various contraband goods and services available, their average prices, and respondents' perceptions of the availability of those contraband items. The section on market analysis attempts to examine the methods by which the individual categories of contraband are supplied, the market structure and the risk involved in supplying contraband. Consumer typology and demand curves for each contraband category have been developed. In addition, general consumption spending patterns and income elasticity for SPSM residents have been estimated.

The Monetary System

The three forms of money circulating internally in SPSM's contraband market are prison script, cigarettes, and "green" which is real money. Prison script issued to residents is

used to purchase goods from the resident store which is run by prison administrators and civilian personnel. Residents making purchases at the store may only use their scrip. They must present their identification along with their scrip book which has the resident's institution number on the front cover to insure that other residents' scrip is not being used. In spite of the controls, scrip enters the contraband market directly through purchase of some contraband items, and, with more frequency, through one aspect of the credit system. The latter manipulation of scrip will be discussed below in the section on the illegitimate inmate store and its operations. In the former instance, some residents are skilled at neatly placing other residents' scrip in their scrip book and timing their trips to the resident store when sales activities preclude tight security. In addition, scrip can purchase cigarettes which in turn can be used as money to deal in the contraband market. However, "green" and cigarettes are the primary internal medium of exchange in the contraband market.

Contraband goods and services can be purchased through an external exchange system. Residents are permitted and encouraged to have savings accounts with the private bank of their choice. A resident may transfer funds from his savings account to the savings account or institution account of another resident. Or a resident may have friends or

relatives send money to another resident's institution account or bank savings account. This approach to exchange is usually used when large sums of money are involved. The external methods of exchange are relatively risk free as requests for transaction can be done through the mail, which for the most part is no longer censored. Request for such transactions can also be given to relatives on visitation days.

Money lending and credit buying are important aspects of the contraband system. Consumers who are perceived as reliable can purchase most contraband items on credit. Each cell block has several individuals who are in the business of lending money. They are referred to as "loan sharks". The usual interest rate for borrowing or buying with credit is two for one--or 100% for a time period of 30 to 60 days. However, there is some room for negotiation upward or downward depending on the relationship between the buyer and seller, or the perceived reliability of borrower or credit user.

The exchange rate between "green", scrip, and cigarettes appears to be relatively stable at low price levels but varies; and, eventually, monies will not exchange at higher price levels. At a higher price transaction, different denominations of green will not exchange dollar for dollar. Typically, five dollars (\$5.00) worth of "green"

will purchase two and one-half cartons of cigarettes--a ten dollar (\$10.00) value when purchased with script at the resident store. It becomes unlikely that a resident will exchange \$20.00 green for 10 cartons of cigarettes as possession of large quantities of cigarettes, especially of different brands, by a resident will give him the appearance of dealing. For that reason again, dealers of higher priced contraband will only accept green for their good or service, thus cigarettes become less and less viable as money as the price required in an exchange increases. When dealers are satisfied their "green" income per time period has been maximized, they will accept cigarettes at a negotiated rate in an attempt to maximize profits. The rate negotiated is a function of the risk involved in dealing with cigarettes, which varies with factors such as the amount of cigarettes a dealer has "in stock" and the demand on the part of the purchasers for a particular contraband good and service.

Different denominations of "green" will not exchange dollar for dollar at higher dollar levels. Bills of large denomination such as \$50 and \$100 are easier to conceal and smuggle in and out of the institution than \$50 or \$100 in single bills. A seller would prefer to glance quickly at a \$20 bill than count a number of smaller bills. Residents will, as time increases, negotiate a trade for larger bills at a loss if they are preparing to smuggle "green" out of SPSM through the mail or a visitor.

In spite of the variation in exchange rates, this study did not reveal that residents or groups of residents made money by acting as "money changers". Residents interviewed suggested that while "dealing" and making money from other residents was an accepted form of resident behavior; residents involved in purely money changing for their method of dealing would be held in contempt by other residents. A money changer would have to fund an organization that could assure itself safety and survival. The cost, therefore, of operating a money changing organization is probably higher than potential income.

Contraband Goods and Services Available

This section lists the various contraband goods and services available in SPSM. Prices are also listed when specific units of goods are noted. Some items and most services do not show a specific price as those items and services vary in terms of quality and quantity and prices vary and are often negotiated. The availability of the contraband goods and services as perceived by SPSM staff and residents is included in this section. For example, the amount of marijuana availability, or "how much is circulating" is perceived at two levels. The primary view was judged against a zero base. That is, for example, the prison rules allowed no drugs, yet a great number of inmates

were using drugs. The second level is related to demand in that the supply of a contraband was sufficient to satisfy demand--the commodity is easy to purchase. Likert scales, as shown in the example below, were used to obtain the impression of the respondents on the availability of contraband goods and services. Mean and average deviation were used in calculating response. For example:

		How much is circulating?			
		None	Small Amount	Large Amount	Very Large Amount
Spud Juice		—1—	—————2—————	—————3—————	—————4—————

Tables 9, 10, and 11, on the following pages, list the contraband goods and services that can be purchased in SPSM, their prices, when appropriate, and the availability of those goods and services based on the perceptions of the members of the SPSM community. Table 9 lists the contraband goods available. The lists are alphabetical. Table 10 lists the contraband service of purchasing institutional privileges or favors, and Table 11 lists the contraband services sold to residents by other residents.

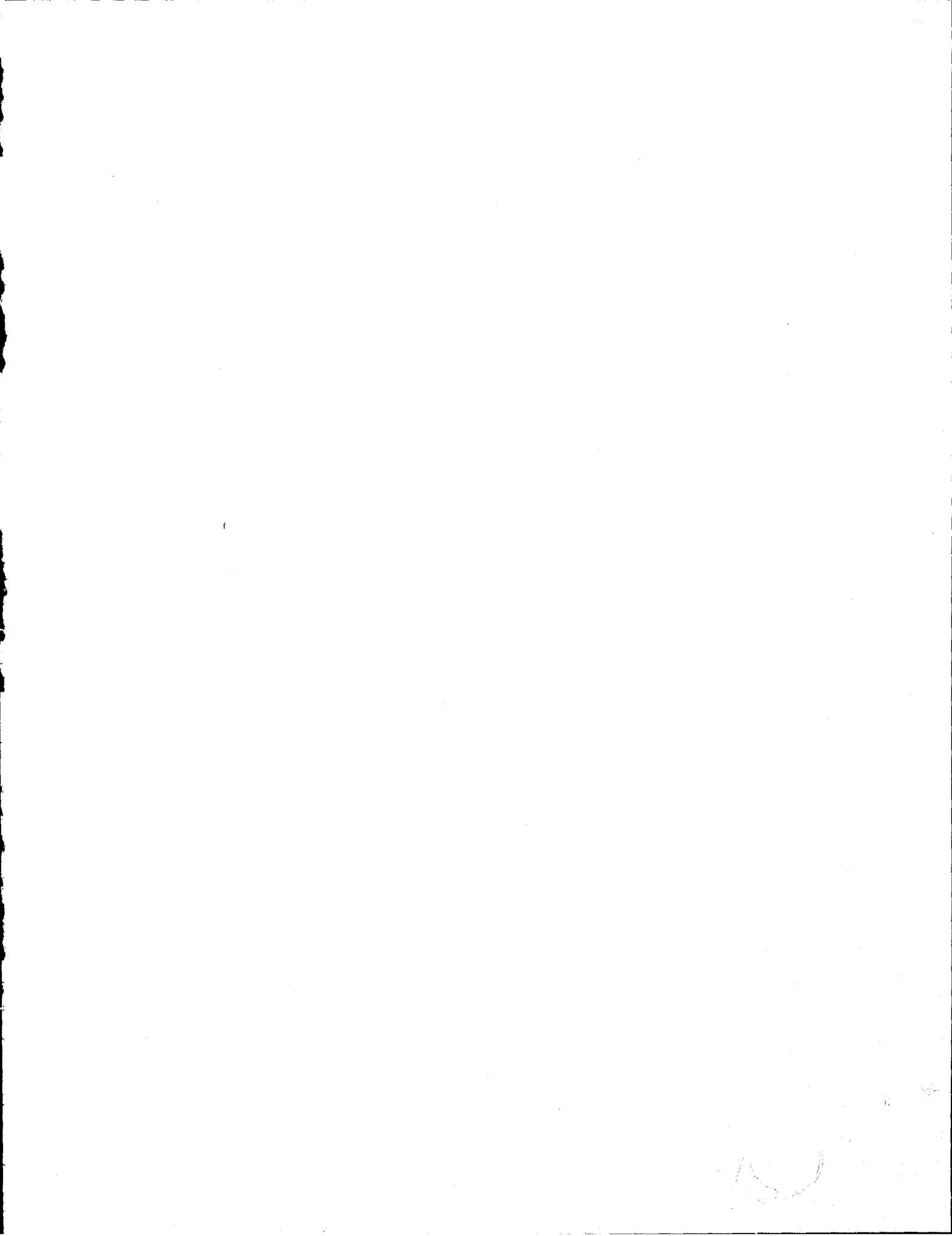


Table 9. Contraband Goods Available

Goods	Price		Cigarettes	Availability		Mean Score (\bar{X})	Average Deviation (X)
	Green	Average Deviation		Average Deviation	Availability		
Blackjack/Pipe	2.00	.45	1 ct.	5 pk	large	2.8	.2
Gun (homemade)	75.00	40.00	--	--	small	1.7	.6
Heroin (gram)	175.00	48.00	--	--	small	2.4	1.0
Heroin (ounce)	8000.00	2300.00	--	--	small	1.2	.2
Hot Plate	6.50	1.75	15 pk	3.5 pk	small	2.3	1.4
Hypodermic needle	3.50	.75	1 ct	3.3 pk	large	2.6	1.0
Liquor (pt) smuggled	15.00	7.25	6 ct	2.5 ct	small	2.1	1.1
Marijuana (joint)	4.00	2.60	5 pk	2.3 pk	very large	3.5	1.8
Marijuana (liquid)	50.00	6.50	20 ct	5.1 ct	large	2.9	1.2
Marijuana (ounce)	100.00	32.40	--	--	small	2.4	.6
Pills (uppers and downers)	10.00	6.00	5 ct	.7 ct	large	3.1	.8
Porno Books	5.00	2.00	2 ct	1.1 ct	very large	3.6	1.0
Sandwich ripped off from commissary	.35	.15	2 pk	1.0 pk	large	3.2	.8
Shivs	7.50	2.10	3 ct	1.1 ct	large	2.6	1.4
Spud juice (qt)	5.00	2.20	15 pk	3.5 pk	large	2.8	1.0
Sugar (lb)	.40	.22	2 pk	1.0 pk	large	3.0	1.2
Tape Player "Hot"	20.00	6.50	8 ct	2.7 ct	small	2.4	1.1
Tattoo	5.00	2.00	2 ct	.7 ct	large	3.3	.8
T.V. Set "Hot"	50.00	25.00	20 ct	7.6 ct	small	2.3	.8

Table 10. Contraband Service of Purchasing Institutional Privileges or Favors

Privileges	Price				Availability	Mean Score (\bar{X})	Average Deviation (X)
	Green	Average Deviation	Cigarettes	Average Deviation			
Block Transfer	50.00	30.00	--	--	very	2.8	.8
Cell Transfer	10.00	2.75	4 ct	1.1 ct	very	3.2	1.0
Change Work Assignment	15.00	4.90	6 ct	2.7 ct	very	2.9	1.8
Entrance into College with G.I. Bill	25.00	7.00	8 ct	3.1 ct	very	2.6	1.6
Favorable Counselor Reports*	25.00	11.22	8 ct	3.4 ct	not very	1.7	.8
Furlough	150.00	82.00	--	--	not very	1.5	.5
Getting A Cell	5.00	2.80	2 ct	.8 ct	very	3.1	.8
Good Time	50.00	17.14	--	--	not very	1.5	.4
Home Placement Report	20.00	4.15	7 ct	2.3 ct	not very	2.0	.2
Original Work Assignment	10.00	4.18	5 ct	2.0 ct	very	2.9	.8
Risk Screening	75.00	32.11	--	--	not very	1.5	.6
Special Parole Consideration	125.00	81.77	--	--	not very	1.7	.7

* Favorable reports can not be forged, but residents who have good rapport with counselors--or create the impression they have good rapport--will sell their ability to influence the counselor in favor of residents.

Table 11. Contraband Services Sold to Residents by Other Residents

Services	Price				Availability	Mean Score (\bar{X})	Average Deviation (X)
	Green	Average Deviation	Cigar-ettes	Average Deviation			
Baseball Pools	*5.00	1.00	2 ct	.2 ct	a lot	2.4	.4
Basketball Pools	*5.00	1.00	2 ct	.2 ct	a lot	2.6	.5
Football Pools	*5.00	1.00	2 ct	.2 ct	a lot	2.8	.4
Gambling (other)	*2.00	1.25	1 ct	.6 ct	a great amount	3.6	.4
Legal Services	**15.00	5.00	5 ct	2.1 ct	a lot	3.3	.5
Loans	100% interest per mo.	50%	100% interest per mo	75%	a great amount	3.5	.2
Numbers	*2.00	1.00	1 ct	.5 ct	a little	2.0	.4
Prostitution	10.00	5.00	4 ct	2.5 ct	a lot	2.7	1.2

*These prices are basic block amounts used for betting, although an inmate may bet any multiple of these amounts also.

**Legal services vary so greatly according to time spent, and difficulty, and type of service, that this amount is the average for a typical service; such as, filing a 'writ' for another inmate.

Market Analysis

In this section, the contraband goods and services already described have been summarized into nine general market categories:

1. Drugs
2. Alcoholic beverages
3. Gambling
4. Contraband appliances
5. Clothing
6. Buying of institution privileges
7. Weapons
8. Contraband food and canteen services
9. Prostitution

The above nine categories of contraband goods and services appear to be very common and abundant in SPSM and create a great deal of concern on the part of the prison administrators. Each category is discussed individually. On the supply side, the following areas are discussed.

1. Methods of smuggling or creating or providing the good or service,
2. Market structure,
3. Perceived risk involved in "dealing".

Information for the first two areas was developed through interviewing inmates and personnel at SPSM. The information for perceived risk was obtained from

questionnaires filled out by inmates and guards at SPSM and parolees who served at least one year of their prison sentence at SPSM. A Likert-type scale as shown in the following example was used to gain perceptions of risk for each category except prostitution and the illegal inmate store. Information from the interviews covered these areas sufficiently. For example of scale:

Risk involved in being apprehended in dealing:

	No Risk	Not Much Risk	High Risk	A Great Deal of Risk
Drugs	—1—	—————2—	—————3—	—————4—

Mean (\bar{X}) and average deviation (X) are computed.

For the demand side, the areas described are:

1. Consumer typology
2. Demand elasticity

The information on consumer typology was developed primarily from interviews with SPSM residents. Demand curves were drawn and elasticity estimated by using Likert Scales as shown in the example below for each category.

For Widgets

Change in Price	Change in Buying				
	A lot Less	Less	Same Amt.	More	A lot more
a. Large price increase	1	2	3	4	5
b. Some price increase	1	2	3	4	5
c. Some price decrease	1	2	3	4	5
d. Large price decrease	1	2	3	4	5

Demand curves for each category were drawn by plotting the mean of each change in buying scale against each price change. This approach was not used for prostitution or the illegal resident store. There are far too many forms of prostitution to conceptualize it as a single market. Sufficient information on the illegal resident store was obtained through interviews.

Drugs

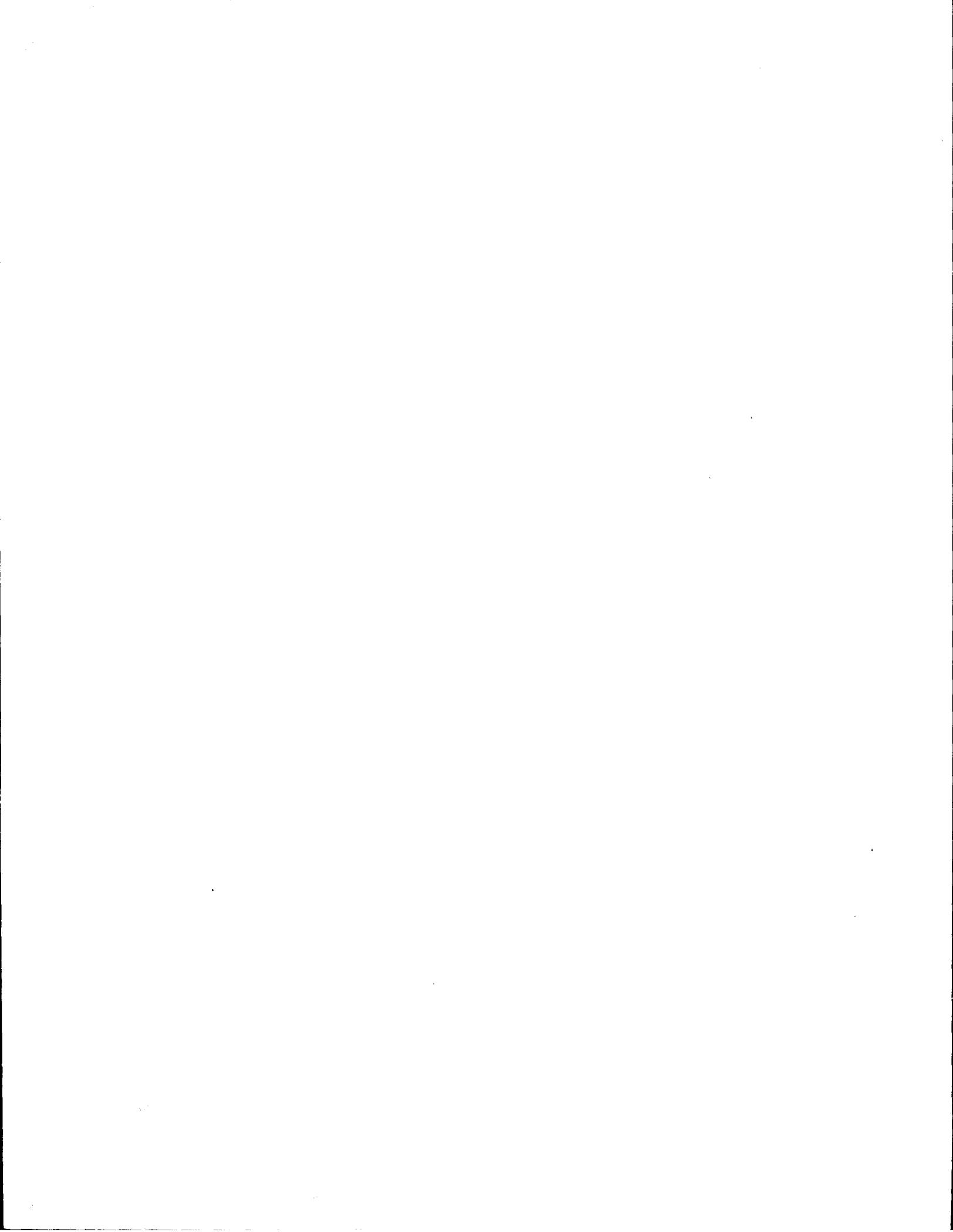
The most common or visible form of drugs in SPSM is marijuana; large amounts of heroin and some cocaine are also available. Heroin and cocaine are less visible than marijuana, as smaller doses of heroin or cocaine are necessary to produce the desired "high" effect of marijuana. These small quantities of cocaine or heroin can be kept in gum wrappers and they can be used by sniffing the substance through nostrils, ingesting the substance or injecting the substance into the body with a hypodermic needle. On the other hand, marijuana is usually smoked and gives off a very distinct odor. The joint--a marijuana cigarette, has a very distinct appearance. Because of the difference in visibilities, residents and personnel at SPSM may merely perceive that marijuana is the most common drug in SPSM. In addition, an assortment of amphetamines and tranquilizers are available in the contraband market. However, it appeared that amphetamines and tranquilizers were not used with the frequency .

that marijuana and heroin were used. Cocaine seemed to be the least used of all drugs.

(a) Methods of supplying the drug market.

Some of the amphetamines and tranquilizers are stolen from the prison pharmacy and occasionally residents will sell a part of their legitimate prescriptions, and a few clever residents will obtain drugs under a well-disguised pretense of emotional or psychological problems with a view in mind of selling the drugs they have obtained. A large quantity of amphetamines, tranquilizers, and all of the heroin, cocaine and marijuana is smuggled into SPSM. The drugs are smuggled in by visitors, SPSM personnel, the mail, and through the south entrance gate of SPSM where commercial trucks deliver goods, transport prison industry products, and remove refuse out of SPSM. Institution vehicles driven by resident drivers also enter and leave SPSM through the south gate during a routine day.

Traditionally, visits with prisoners took place as portrayed in any reasonable George Raft or James Cagney prison movie. Prisoners and visitors spoke through tightly woven screen partitions. Liberalized prison systems, such as SPSM, allow for contact visitation where resident and visitor may embrace once and then sit together at a table during the visit. In the maximum security section, residents are stripped and searched including anal inspection before



CONTINUED

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and after their visits. At the trustee section, residents are given a brief search by being patted over their clothing and emptying their pockets. The security in the maximum security section and trustee section are circumvented by some residents. Smuggling heroin or "pills" takes place during the one allowed embrace between the resident and his visitor. The visitor will have a container such as a balloon in her mouth and when the resident and his guest kiss, the container will be transferred from her mouth to his. The resident will swallow the container and later retrieve it from his feces. Another possibility with this maximum security section is summed up by a statement given by some residents and guards: "A guard gets tired of looking up peoples' assholes." As a result, some residents who build a rapport with certain guards may be searched in a lax manner. Residents dealing in drugs may attempt to capitalize on this slack in the system.

The security at the visitor section of the outside trustee division at SPSM is very lax in comparison to the maximum security section. As stated, residents are "patted down" before and after each visit. However, "patting down" is not an efficient search method. In addition, the trustee division visiting room has a heavy flow of traffic. This writer observed at least two possible transfer of items between visitors and resident during a brief visit there.

In fairness to the employees, they were extremely active filling out necessary paper work, answering phones, and attempting to deal courteously but expeditiously with the large number of visitors there. The lax security goes beyond the visiting room. This writer casually walked near and around the trustee cell block without the knowledge or consent of the officials in that area and interacted casually with some of the residents who were on the outside of the cell block walking to visitation or work assignments. Theoretically, the outside trustee division is separate from the maximum security section. However, certain residents and employees travel between the two areas.

Both residents and guards who were interviewed agreed that some of the guards and professional personnel engage in smuggling contraband into SPSM. Personnel who work with major drug rings can earn a great deal of money by smuggling small amounts on each working day. Occasionally an employee may cooperate out of pure intimidation by being blackmailed after doing an illegal "favor" for an inmate. The resident will threaten to expose the employee's illegal conduct if he refuses to continue to cooperate. Occasionally, an SPSM employee has been apprehended while attempting to smuggle drugs into the institution. Recently, an employee in a somewhat important position was searched thoroughly when entering the institution. Two ounces of marijuana was found taped to his stomach.

Resident mail generally cannot be censored; however, the envelopes can be opened and the contents inspected (Procunier v. Martinez--US, 40 L. Ed. 2d 244, 1974). This procedure is conducted routinely on incoming mail. (It is usually not conducted on outgoing mail.) It would seem impossible to mail drugs in; however, certain residents informed this writer that small amounts of heroin or cocaine can be placed under the stamp on the envelope; enough to provide the recipient with at least one or two "highs" to use or sell. Several letters a week could create a prosperous small business.

Most individuals interviewed, both residents and personnel, concurred that a major source of contraband entry was what they referred to as the south gate. Over 60 commercial deliveries are made through the south gate daily, and residents who drive institutional vehicles drive in and out of SPSM through the south gate on routine assignments. Although routine checks and searches are conducted on vehicles passing through the south gate, there are an infinite number of places of concealment on a delivery truck. Residents ultimately unload deliveries and can remove contraband strategically placed on the truck.

(b) Description of major dealers.

A great deal of low level drug dealing takes place in SPSM. Residents may barter a "joint" for other commodities.

Amphetamines and tranquilizers obtained from the infirmary will be sold and traded, and some residents who are able to smuggle in drugs through visitations or the mail may sell or trade part or all of their drug supply. However, residents and SPSM personnel felt that there were 12 or 13 individuals who were the major dope dealers. These individuals, to remain unnamed, had financial resources outside of SPSM as well as within the institution. Major dealers are either high ranking members of particular inmate groups or have a paid cadre surrounding them. They usually have spent considerable time at SPSM allowing them to make contact with other key residents and staff members. They typically have a great deal of time left to serve, and have relatively little to lose if they should be apprehended. They have the resources to have drugs brought into SPSM by personnel through the various means available and have the organization and contacts within the institution to receive and deliver the contraband drugs.

(c) Market structure.

As indicated above, the majority of the drug traffic is controlled by 12 or 13 dealers or organizations. The price of marijuana seems fairly constant and it appears that a form of tacit collusion stabilizes prices and eliminates price competition between dealers. The market is loosely shared along racial and territorial boundaries.

Occasionally, struggles for larger shares of the market manifest themselves through violence such as a near physical confrontation between a Black and a Chicano drug organization in 1975 which was resolved with a "business" compromise. On one occasion, an organization attempted to capture a larger market share by selling "joints" that contained twice the marijuana that the typical joint did. The fuller "more firmly packed" joints were sold at the going rate which was in effect a price cut.

Dealers attempt to create product differentiation by spreading rumors that they have an unusually good grade of a particular drug. The subrosa advertising will be accompanied with a price increase. If the product differentiation is not legitimate, that information will travel quickly through the grape vine and negate any perception of product difference.

Low level dealers rarely sell for less than the prevailing price. There are apparently enough customers available to allow small dealers to benefit from the oligopolistic structure of the drug market.

Barriers to entering the drug business as a large dealer are numerous. First, one must have outside contacts who will attempt to deliver drugs to the institution. Second, one must have enough money available to pay for the drugs, and the cost of having them brought in. Third, if

one plans to challenge the existing large scale business he must have a cohesive organization at his disposal outside of and inside SPSM. This organization must have solid contact with residents and at least some personnel. To enter the drug business as a low level dealer, takes more resources than most residents have. To enter as a large dealer, one must have enormous capital outlay. In addition, most residents who are serving relatively short sentences or have limited time left to serve before being reviewed for parole consideration will not run the risk of drug dealing. There is also a high risk of being robbed by other inmates if one is dealing in drugs. This suggests that a significant part of the expenses involved in developing a drug syndicate is the cost of protection and security.

(d) Risk involved in dealing.

Responses to the questionnaires suggest that in general the risk of being apprehended by the guards when dealing in drugs was moderately high

$$\bar{X} = 2.7 \quad (x = .4) \quad \text{High Risk}$$

The data indicates the risk of a drug dealer being robbed by other inmates approaches the extremely high category

$$\bar{X} = 3.4 \quad (x = .4) \quad \text{High Risk}$$

(e) Demand.

Consumer Typology. It appears that an inverse relationship exists between age and drug use with the youngest resident using drugs with a great deal of frequency and the residents in their late twenties using little or no narcotics. The frequency of use of marijuana crosses ethnic background and geographic origins of the residents. Younger black residents from the inner cities tend to be the major consumers of heroin. White residents from inner cities are heroin consumers, while white residents from the suburbs and rural areas consume mainly marijuana.

Figure 1, below, depicts the general demand for drugs.

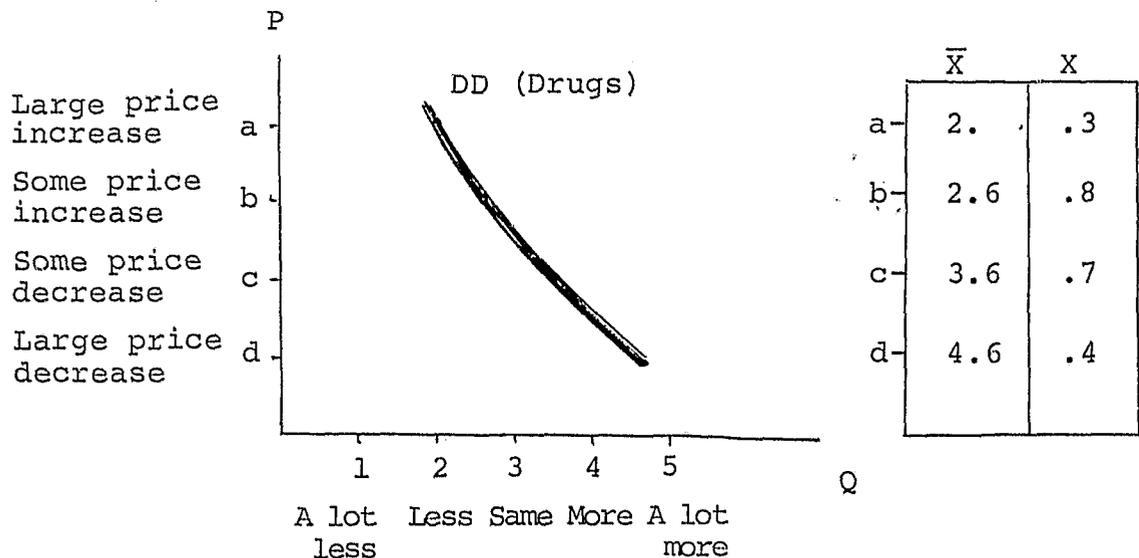


Figure 1. General demand for drugs.

It would appear from Figure 1 that the demand for drugs tends to be inelastic. Experience on the part of SPSM residents and staff tend to support this interpretation. When large supplies of drugs are confiscated, or major drug dealers are apprehended, the reduced supply of drugs is accompanied by large price increases. As a captain of a guard shift put it: "Whenever we make a good drug bust, the price of the shit goes out of sight." Prices usually fall to former levels after a three or four week period. The high prices of drugs created by the drug bust encourages more trafficking to take advantage of the high prices. The increased supply results in a subsequent price decrease.

Alcoholic Beverages

There are three forms of alcoholic beverages available for consumption in SPSM. The most common is a type of wine produced by residents. This brew is referred to as "spud juice". The next most common is commercial liquor which is smuggled into SPSM from the outside, and the least common is hard liquor distilled by residents in SPSM.

(a) Methods of supplying the alcoholic beverage market.

Spud juice is usually produced by small groups of residents who are concerned with their own consumption. However, spud juice will usually be sold or bartered if the residents can comfortably produce more than enough for their

needs. Sugar or raisins and yeast are basic elements for the brew. These can be obtained from residents who are employed in the prison kitchen. A kitchen employee may be a member of a spud juice producing group. The balance of the spud juice recipe can include any fermentable fruit or vegetable. The fermentable produce can be obtained from the prison kitchen. A more common source is to smuggle left over produce--especially fresh or canned fruit out of the dining halls after meals.

A plastic bag or bucket with a cover and a long piece of rubber hose is the equipment needed to produce spud juice. The brew ferments in the plastic contained, the hose runs between the container and a window to allow the gases to escape undetected. Hiding containers of fermenting material has become almost an art, or game, for residents. Residents have hidden their alcohol in such areas as heating ducts, vents, inside garbage cans, under beds, in staff offices, scattered throughout the prison auditorium, under (and in) machines in prison factories, in latrines, between mattresses (in store rooms where mattresses are piled high), in large soap containers, milk cans, false locker bottoms, paint lockers, and even buried under ground.

Commercial liquor is generally brought in by the pint or one-half pint. The small flat shape of a pint or one-half pint bottle makes it easier to conceal. Residents and guards felt that some liquor was smuggled in by personnel.

However, there is a good chance that a pint or one-half pint bottle can be found easily when concealed on a person with the routine "pat down" search. In addition, the profits one can earn in smuggling are much higher in drugs than with liquor. Since one can make more money smuggling drugs and at less risk than smuggling liquor, corrupt prison employes will usually traffic in drugs. It therefore appears that limited amounts of liquor are smuggled in by personnel.

No one interviewed felt that the residents had yet devised a method of smuggling liquor through the visiting room in the maximum security section. However, most people interviewed felt that, at least on occasion, liquor was smuggled through the visiting room in the trustee division. Because of the risk in transferring the liquor from trustee division into the maximum security section, it appeared that most of the liquor smuggled in the trustee division was consumed there.

Both residents and personnel interviewed felt that most of the liquor smuggled in was brought in by residents driving institution vehicles and whose assignment required that they drive in and out of the institution with some regularity or by commercial delivery through the south gate. Liquor can be picked up any number of places in the immediate vicinity of the prison.

Production of hard liquor appears to be a rare phenomenon. The type of equipment necessary to distill a brew into liquor is difficult to put together and conceal. However, it appears that a liquor distilling operation is going on at this time. Six ounces of this product sells for five dollars green or two cartons of cigarettes.

(b) Dealer typology.

The manufacturers of spud juice are generally in their late twenties and older who enjoy consuming alcoholic beverages. Race or geographic origin of the resident manufacturer does not seem significant.

Dealers who smuggle in commercial liquor are usually residents who have spent at least a year or more in SPSM, and have the personality and personal abilities to gain the trust of the residents and SPSM personnel. Typically, they will not be reviewed by the parole board for at least 10 to 15 months. Usually they have freedom of movement in and out of the prison as drivers and operators of prison vehicles.

No information has been developed on the operators of the distillery referred to.

(c) Market structure.

The market for spud juice would tend to be competitive. The materials and skills needed to make spud juice appears to be easily obtained and manufacturers seem common in relation to consumers. Most of the manufacturers are themselves

consumers who find it cheaper to make their own than to purchase spud juice produced by others.

The market for commercial liquor would tend to be oligopolistic. Dealers must have positions that give them extreme freedom of movement in and out of the institution. These jobs are rare and those few residents who have those positions and have developed trust with both residents and staff are in a position to set prices for their service. This is limited of course by the availability of spud juice as a substitute product for some consumers. However, the commodity of status belongs to a resident who can boast of having a supply of scotch. For the individual or group of individuals who are distilling liquor, they are in a monopolistic position with chronic consumers of hard liquor. However, smuggled liquor or spud juice may act as substitute products.

(d) Risk involved in dealing.

Survey responses indicated that the risk of being apprehended in dealing in the alcoholic beverage trade was high:

$\bar{X} = 2.7$ ($x = .6$) High Risk

Respondents indicated that there was generally not much risk of other residents stealing the contraband alcohol from dealers:

$X = 2.2$ ($x = .8$) Not Much Risk

(e) Demand.

Consumer typology. Users of spud juice are often producers. Consumers do not differ in terms of ethnicity or geographic origin. Typically they are in their late twenties or older with most of them being in their mid thirties. The consumers of smuggled liquor are usually dealers of contraband who have relatively large supplies of green. Being able to purchase commercial liquor is part of the status involved in being a successful dealer and in some respects they can be considered "conspicuous consumers".

The main consumers of the liquor distilled in SPSM are probably the producers. Other consumers may be the chronic drinkers who may be addicted to hard liquor and may be unable to obtain smuggled liquor at particular times.

Figure 2 below depicts the demand for alcoholic beverages.

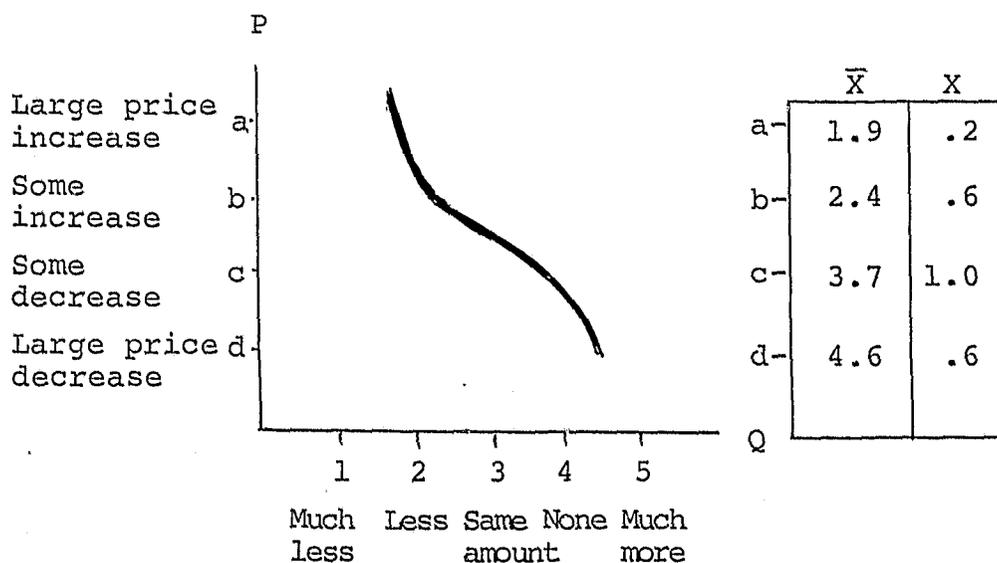


Figure 2. General demand for alcoholic beverages.

It appears that overall, the demand for alcoholic beverages are somewhat inelastic.

Gambling

Gambling per se takes on a variety of forms in SPSM. Residents may wager between themselves on a friendly basis. They may enter into card or dice games; or, they place bets on horse races, sporting events, and numbers with residents who are considered professional bookmakers. This section concerns itself with professional bookmakers who actively and consistently accept large numbers of bets from residents.

(a) Method of supplying the service.

Bet taking and payoffs can go on almost anywhere within the institutions. Betterers can contact bookmakers directly in the yard and individuals who are working with the bookmakers can usually make contacts in the cell block, dining hall, the auditorium during shows, at work, or even in the chapel. It is not unusual for each cell block to have at least one large scale bookmaker. "Professional collectors" are usually on the bookmaker payroll to collect bets made on credit when necessary. It is extremely easy for a resident to place a bet with a bookmaker.

(b) Dealer typology.

To be a bookmaker, at least for any length of time, one must have a large supply of cash available, in prison jargon,

a "large bank". Dealers who attempt to make books on a limited cash flow are often driven out of business when odds are figured incorrectly and they must pay out more than they take in. The professional bookmaker, therefore, is a resident who has accumulated large sums of money as a resident or has wealth and, or financial support from sources outside the institution. Usually they have had association with organized crime, especially in the area of gambling. They are usually serving long prison terms and have developed a reputation for being ruthless when necessary. Their reputation and organization protects them from other residents. They usually have good contacts with SPSM personnel which is necessary to protect their "bank" from being confiscated by officers.

(c) Market structure.

As stated earlier, a bookmaker must have a large amount of available cash before making entry into the business. For this reason very few large size bookmaking businesses exist in SPSM. However, the odds or point spreads on various sporting events that are bet are usually those that are set by legitimate and illegitimate sources in the real world. The odds or point spreads are in a sense a price as they dictate what returns are possible for various investments. Prices in effect are not set higher than going rates on the outside.

(d) Risk involved in dealing.

Survey responses indicate the risk of being apprehended by the guards when acting as a gambler falls between not much risk and high risk.

$$\bar{X} = 2.5 \quad (x = .5)$$

Responses indicate that the risk of a bookmaker being robbed by a resident falls between not much risk and high risk.

$$\bar{X} = 2.5 \quad (x = .5)$$

(e) Demand.

Consumer typology and consumption pattern. For the majority of the residents gambling is a favored form of entertainment. This is especially true for residents who enjoy sporting events. Probably all residents gamble to some extent during their confinement at SPSM, and most residents have been in a part of the offender subculture where gambling, especially appearing to be skilled at gambling, is an important normative activity. Figure 3, on the following page, depicts the demand for gambling.

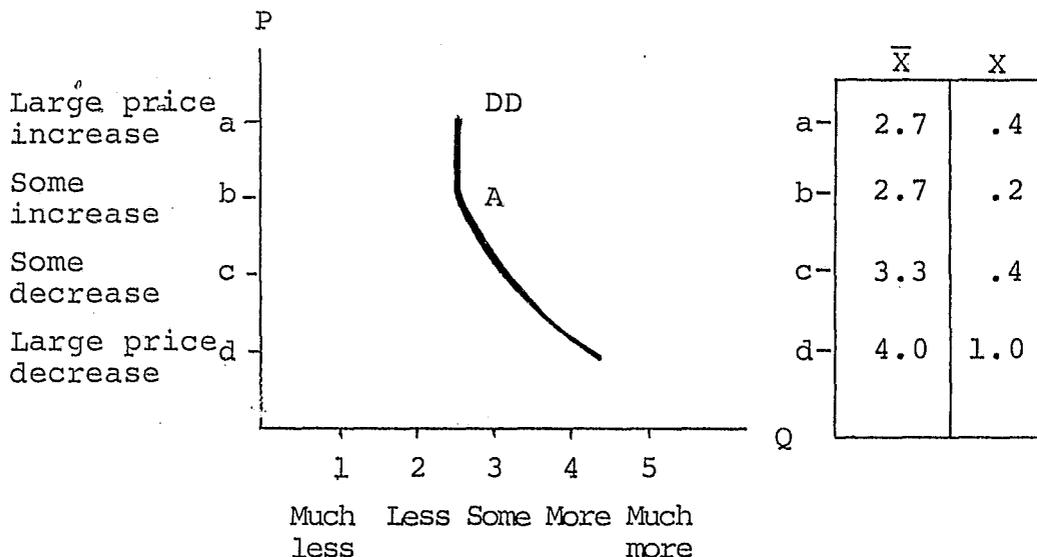


Figure 3. General demand for gambling.

The demand curve for gambling indicates that below point A on the demand curve for gambling a decrease in price would encourage a great deal more gambling. A decrease in the price of gambling is in effect a change in the odds making them more favorable for the gambling consumer than prevailing odds. The almost vertical direction of the demand curve above point A may indicate that some residents will gamble for entertainment's sake in spite of the poorest odds. The price of gambling may be interpreted as the percent of a resident's income he would allocate on gambling. There is no price for gambling in the usual sense of the word. Wagers of almost any size can be made. If a resident's income should decrease, he would probably continue betting the same amount as before his income dropped;

therefore, he would be wagering a higher proportion of his income than before. Conversely, if his income should increase, he would probably increase the amount of money he would wager.

Contraband Appliances

Contraband appliances include TV sets, radios, tape players, and cassettes.

(a) Method of supply.

Appliances are all sold originally from the resident store. Residents can purchase them through the voucher system with money in their resident fund. Residents may only have one TV set, radio, and tape player. The appliances of this nature may be brought in from the outside. They may have as many tape cassettes as they can afford. Each resident's institution number is stamped on his appliance. Residents may purchase items such as typewriters and desk calculators from commercial sources outside of the institution. These purchases are carefully controlled through the SPSM business office and residents institution numbers are stamped on these items. These controls are not totally effective in controlling the contraband market for appliances.

Appliances enter the contraband market through residents selling their legally purchased appliances and through theft of appliances out of residents' cells. Residents buying or selling contraband appliances will change the

institution numbers on the appliances. This appears to be a relatively easy task. Residents may sell their appliances to pay debts or obtain green to buy other forms of contraband such as drugs. They simply claim that their appliance was stolen and if they have enough money in their account they can make replacements. During the day, cells are often open and inmates can move about the cell block with some freedom. Some residents have locks on the outside of their cells for security when they are away. During the period when residents are moving about freely and their cells are open, appliances are stolen by other residents. One resident reported that his outside lock on his cell was broken and his appliances were taken.

(b) Dealer typology.

The residents who sell their own appliances are usually those who get themselves in debt, wish to purchase other contraband items or are being extorted for money. These are typically less experienced residents who have not adapted to the social structure (called "new fish" in prison jargon) and are prey for the more experienced residents. Those who steal appliances from other residents may be new fish, but it appears that most often the cell block burglars are experienced residents making a living at their trade.

(c) Market structure.

If buyers are available, any skilled resident burglar, or resident who can purchase appliances, can enter the market

as a seller. Appliances are usually sold for green and the upper price is usually limited to 50% of the legitimate resident store price. This is less than the usual exchange rate between green and script (script as represented by cigarettes). This discrepancy compensates the buyer for the risk involved in keeping contraband appliances in his cell. The price can fluctuate downward when the number of sellers increase in relation to potential buyers. However, sellers of legitimate appliances may withhold their goods if they are not in dire need of cash, and sellers of stolen appliances usually attempt to pre-arrange a sale before stealing appliances. However, "if opportunity knocks and a con runs into an easy score" he will seize the opportunity and burglarize an open cell to make a quick sale. Under these circumstances, a buyer can get a bargain.

(d) Risk in dealing.

Survey responses indicated that the risk of being apprehended by officials when dealing in contraband appliances tended to be high.

$$X = 2.8 \quad (x = 1.2)$$

The risk of a resident dealing in contraband appliances having his profits or contraband appliances stolen by other residents fell into the not-much-risk category.

$$X = 2.0 \quad (x = 1.0)$$

This low risk response may be saying, in effect, if a resident cell is being burglarized, residents who may be observing the burglary will not interfere or inform a guard.

(e) Demand.

Consumer typology and consumption patterns. Residents who purchase contraband appliances are those who have been in the system long enough to feel comfortable holding stolen appliances in their cell. Although he may alter the institution number to his, there are serial numbers on all appliances that can be traced if a thorough investigation is run. In addition, the typical consumer is to some extent active in dealing in some form of contraband which enables him to possess "green" to purchase the appliance. Figure 4 below depicts the demand for contraband appliances. Demand tends to become more elastic as price levels increase.

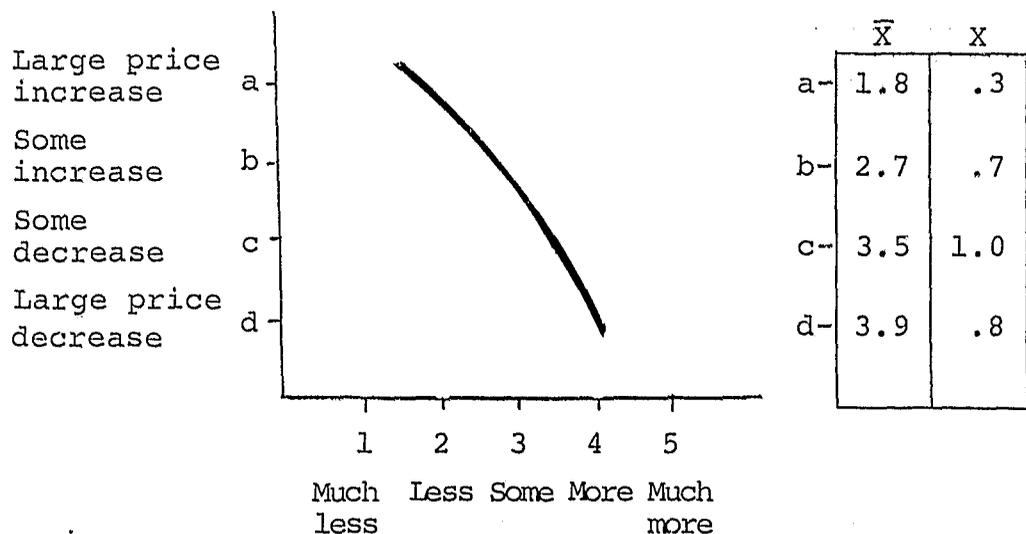


Figure 4. General demand for contraband appliances.

Contraband Clothing

Traditionally, prison inmates were all issued standard clothing by the institution. With the liberalization of prison administration, residents may wear their own clothing as long as it is within reason (residents would not be allowed to wear mini skirts). It is not unusual to see residents walking through areas of SPSM with sport coats, modern slacks and modern high heel shoes. Clothes may be acquired legitimately but a subrosa market for clothing exists.

(a) Method of supply.

Residents may have clothing brought in for them by friends or relatives through authorized channels. Residents may also purchase a wide variety of styles of clothing from the resident store at prices that are usually lower than "real world" prices. As in the case of appliances, residents will sell their clothing or clothing they purchase at the resident store for green or cigarettes to pay debts or to allow them to deal in this contraband market for other commodities. The prison administrator attempts to control the flow of clothing into the contraband market by requiring each resident to have his institution number stenciled on his street clothes and limiting the amount of clothing a resident may have in his cell. However, the stencil marking can apparently be altered with relative ease. Each resident

is allowed to possess only a certain number of individual clothing items in his cell at any given time. However, to insure that the residents are conforming to the prescribed limits would require routine thorough inspection of residents' cells which for logistical reasons does not take place.

In spite of the limits on the street clothing a resident may possess, there is no realistic limit to how much clothing a resident may purchase over a period of time. A resident may voucher purchase clothing to the size and taste of another resident and sell those items to that resident for green, or in exchange for a debt, etc. Residents may have clothing of various sizes brought in for him through channels ordered to the size of his customer.

Again, as in the use of the contraband appliance market, resident burglars often steal clothing from unprotected cells of residents who are prosperous enough to own street clothing and sell them to other residents.

(b) Dealer typology.

Individuals who deal in contraband clothing may have an excess of clothing; have clothing they have grown tired of; may need green to pay debts or acquire green or purchase other contraband or may be SPSM burglars who have recently stolen some street clothing from a fellow resident's cell. Black residents from the inner city in their middle twenties

are the primary dealers of contraband clothing. They usually possess a lot of clothing that they can resell and their associates are usually interested in clothing and create a readily available market. Young inexperienced residents often will be forced to sell clothing to pay debts or accumulate some initial amount of green or cigarettes to enable him to enter the contraband market for other items. Dealers who have an excess amount of clothing they grow tired of are also consumers of contraband clothing. Often the dealing takes the form of clothes trading between fashionable dressers that do not have large resident accounts or excessive green on hand.

(c) Market structure.

The contraband clothing market tends to be competitive as anyone with street clothing or money in their account to buy street clothing from the resident store may become a seller. Prices are limited at high levels by the ease of purchasing clothing at the resident store or having clothing brought in through channels. Typically, clothing will sell for 50 to 60% of its store values in green.

(d) Risk involved in dealing.

Survey responses indicated that there was not much risk of getting caught by guards when dealing in contraband clothing.

X = 2.0 (x = 1.1) Not Much Risk

There was slightly more risk of residents robbing or interfering with a contraband clothing dealer.

X = 2.3 (x = .4) Not Much Risk

Again, as in the case of contraband appliances, residents observing other residents burglarizing a cell would probably not interfere or inform a guard of the burglary.

(e) Demand.

Consumer typology. The majority of the buyers in the contraband clothes market are Black, inner-city residents in their mid-twenties. It appears that their need for status as a successful dealer on the inside and in the real world is met in part through their stylish appearance--one of success. The stylish dresser is usually active in low-level gambling and drug dealing and is prone to verbally exaggerate his success as well as physically exaggerate his well-being through his wearing apparel. (Top level dealers usually dress in a manner that allows them to be inconspicuous.)

Figure 5, on the following page, graphically estimates the demand for contraband clothing.

It appears that the demand curve for contraband clothing is inelastic above point A and tends toward being elastic below point A.

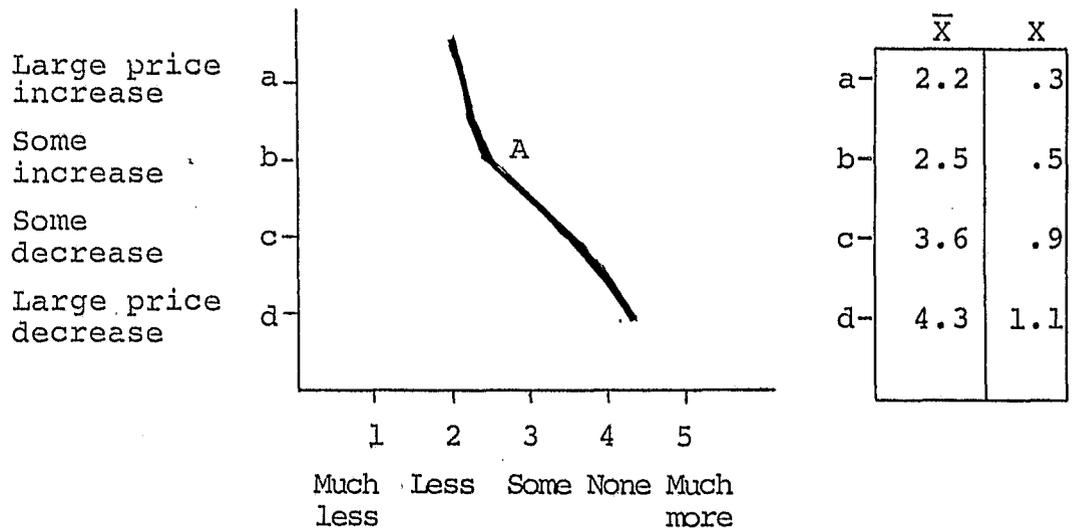


Figure 5. Demand for contraband clothing.

Buying Institution Privileges

Residents with proper contacts can usually purchase transfers from one cell to another or from one cell block to another. During times of overcrowding in SPSM, when cells are not available, residents can often purchase their original cell assignment. Residents can sometimes purchase work assignments on days of work assignments.

(a) Method of supply.

Residents who have clerical assignments assisting personnel who have authority to make assignments or recommend assignment changes, and who have the trust of the personnel they work for, are the sellers of the service. They may have access to the "paper work" that controls such assignments and they may simply authorize placement for their

customer. More commonly, personnel will depend on their clerks for information pertinent to resident assignments and the clerk will manipulate the information to facilitate a placement they have sold.

(b) Dealer typology.

As indicated, dealers of placement services are clerks that hold positions in key points in the system where they can influence personnel who make assignment placement decisions. The resident who gains this position is usually more literate than other residents and possesses administrative skills. They are usually personable and hard-working and have spent considerable time in the prison system.

(c) Market structure.

Very few residents have both this position and the trust of staff they work for to manipulate assignments. They, therefore, tend to negotiate for the highest price possible from the potential buyer. In addition, dealers of placements will generally restrict their business to individuals they feel they can trust to minimize risk.

(d) Risk involved in dealing.

Survey response indicated that not much risk was involved in being apprehended by authorities.

X = 2.3 (x = 1.4) Not Much Risk

Not much risk of harrassment or being interfered with by

other residents exists.

$X = 2.1$ ($x = .5$) Not Much Risk

(e) Demand.

Consumer typology. Sufficient income to purchase change of assignment is common to all customers. Residents who purchase change of cell or cell block assignments usually do so to get near or away from residents or groups of residents for homosexual reasons, extortion, fear, or wanting to be located near peers from "the street". During time of overcrowding, residents are often forced to sleep on cots and mattresses on the floor of cell blocks. Residents with money and contacts will often attempt to purchase a cell as they are vacated.

Most residents who purchase work assignments are usually looking for an assignment that gives them responsibility and freedom of movement. This type of assignment may reduce the boredom of imprisonment and increase the opportunity for special favors or treatment from the personnel they are working with, or give them an opportunity to become dealers in some form of contraband.

The demand curve for purchasing institutional privileges is depicted in Figure 6 on the following page. The demand curve for change of assignments as depicted indicates the demand to be somewhat inelastic.

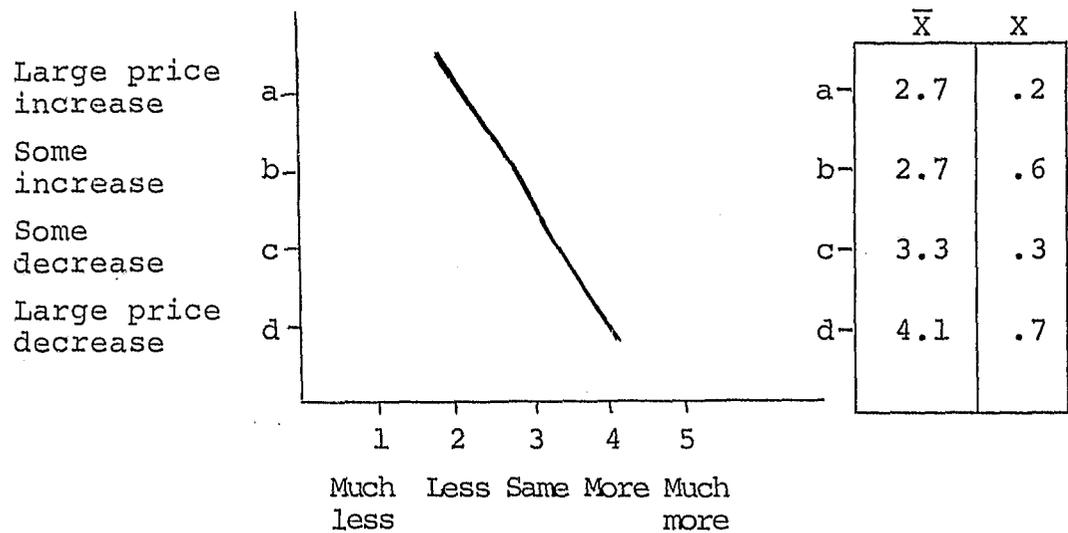


Figure 6. Demand for purchasing institutional privileges.

Weapons

Weapons can take on almost any form from a well-sharpened pencil or ball point pen to pipes weighted with lead and maintenance tools such as wrenches and screwdrivers. Seemingly unusual weapons such as bow and arrows, crossbows, molotov cocktails are discovered with some frequency. Recently, a resident purchased gasoline from another resident in maintenance and fatally burned, or "taureled", in prison jargon, another inmate. One clever resident made a 22 caliber pistol from a clip board. Occasionally, pistols and rifles are discovered in the institution. The most common form of weapons sold in the contraband weapons market are knives.

(a) Method of production and supply.

Many weapons are made by individual residents who obtain raw materials to create one. Some weapons are smuggled in. However, most of the weapons sold are produced in the prison industry shops and maintenance department. The second most common form of weapons sold are kitchen utensils stolen from the commissary and modified into weapons when necessary. Another source of weapons is from residents leaving SPSM who will sell their weapons to other SPSM residents. Producers of weapons usually will only manufacture weapons when residents request or order them to eliminate the risk involved in storage of weapons.

(b) Dealer typology.

Dealers have access to raw materials for producing the equipment necessary for producing knives. Typically, they are residents who are serving long sentences and will risk getting caught in a form of contraband traffic that greatly concerns prison administrators.

(c) Market structure.

There appears to be a sufficient number of weapon dealers to create some competition. Residents can make crude weapons themselves from pens, pencils, stolen tableware from the dining hall or other similar materials they might find and convert into a weapon creating an alternative to buying weapons from dealers.

Some residents are more interested in offensive weapons and usually, will purchase them from the weapons dealers. In doing this, buyers will place an order with the dealer. For some of the more sophisticated weapons a price will be negotiated at the time the order is placed. In these situations, the dealer who produces the more sophisticated weapon is usually in a noncompetitive position.

(d) Risk involved in dealing.

There appears to be a high risk of being apprehended by prison officials when dealing in weapons.

X = 2.8 (x = .6) High Risk

There appears to be not much risk of being harrassed or ripped off by other residents when dealing in weapons.

X = 2.2 (x = .8) Not Much Risk

(e) Demand.

Consumer typology. The more aggressive residents who feel they may enter into frequent confrontations with other residents usually purchase knives or other sophisticated weapons. They may be active dealers of contraband, or gang members. A resident who is planning to gain retribution from another as a result of a debt or a love affair, or for some other personal reason, will purchase a weapon for that particular purpose.

The demand for weapons is graphically represented in Figure 7 below.

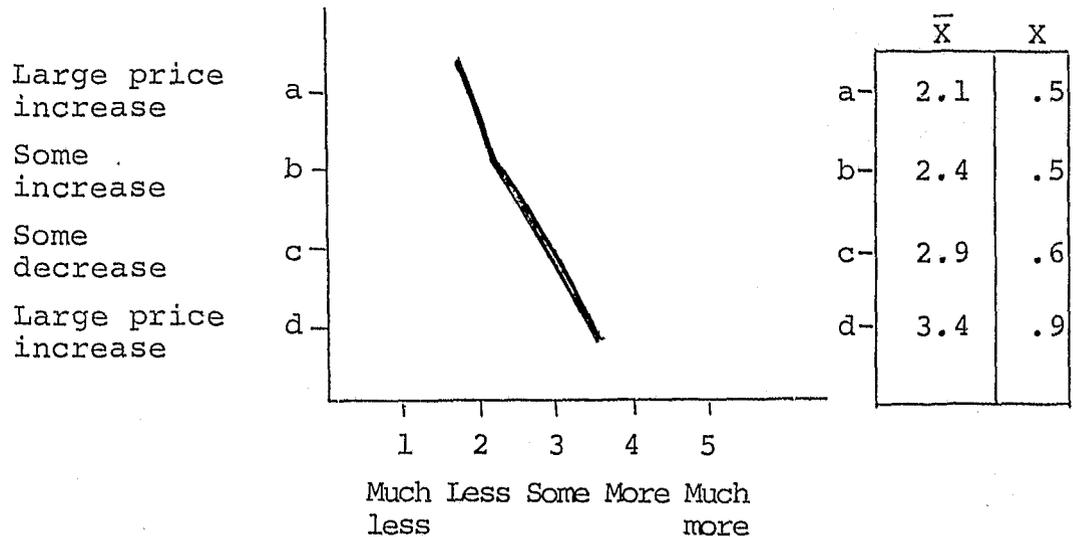


Figure 7. Demand for weapons.

As shown in the above figure the demand for weapons tends to be inelastic.

Contraband Food Service

(a) General description and source of supply.

The two sources of contraband food services are foods stolen from the prison kitchen and dining hall and foods purchased from the resident store and resold in the cell blocks. Sandwiches and fruits are smuggled from the prison kitchen and dining hall by resident employees and are sold to other residents in the cell block. Particular residents will obtain pies, potato chips, candy, pop, and similar

items from the resident store with script and sell those items at a profit to other residents in his cell block. What is really being sold is a service to residents who would like a snack in the evening when the legitimate store is closed. The illegitimate store (referred to as the inmate store) will also sell items on credit to various residents. Residents will be charged double the price listed at the legitimate resident store when buying at an inmate store.

Inmate store dealers replenish and increase their stock through selling on credit. Residents buying on credit will pay back two for one. If an item sells for 25¢ at the legitimate resident store, it will be sold for 50¢ at the inmate store. If the purchase is made on credit, the buyer will owe the inmate store dealer \$1.00. Inmate store dealers will often get ahead on a stock of goods through giving credits. When the resident who owes him money obtains script, he will purchase goods from the resident store for the inmate store dealer. As in the above example, the dealer has parlayed his stock as of one 25¢ item into a stock of four of these items through the use of credit.

(b) Dealer typology.

Most residents who work in the prison kitchen or dining hall for any length of time will smuggle food items back to their cells. Some will be brought in by residents for their

own consumption, but the majority of the foods smuggled in are earmarked for barter or sale.

Some inmate store dealers are often short-term enterprisers. They will sell all or most of their legitimately purchased food stuffs for a short period of time to accrue enough green or cigarettes to purchase some other contraband item. Other inmate store dealers are in business over long periods of time. These long-term dealers are usually residents in their late twenties or older who have spent enough time in prison to understand the informal system well. They will usually have a good sense of the tolerance level of the prison guards as the ongoing inmate store almost always functions with the guards' knowledge and unwritten consent.

(c) Market structure.

There are three or four inmate stores in every cell block. The store tends to be oligapolistic in terms of concentration. However, prices of commodities follow a traditional pattern of approximately doubling the legitimate store price. Foods are also available from several residents in each block who smuggle them from the prison kitchen. Most residents purchase pies, pop and potato chips they can obtain from inmate stores rather than institutional foods. However, attempts by inmate store dealers to increase their prices beyond the traditional two for one make-up would be met by residents waiting until the next day for a trip to

the legitimate resident store, or by increased purchases of smuggled foods. Interestingly enough, the going price of a sandwich, the most prevalent food stolen from the prison kitchen, has traditionally been one package of cigarettes. On principle, most inmates would refuse to buy a sandwich for more than that price.

(d) Risk involved in dealing in contraband food.

There is not much risk of being apprehended in dealing with food stolen from the prison commissary or running an inmate store.

X = 2.2 (x = .9) Not Much Risk

Similarly there is not much risk of being robbed by other residents when dealing with food stolen from the prison commissary or running an inmate store.

X = 2.2 (x = .8) Not Much Risk

(e) Demand.

Consumer typology. Contraband food is a convenient service. Almost all residents will occasionally use the service. On occasion a guard will make a purchase from the inmate store.

Demand elasticity. The demand for the contraband food service seems highly price elastic. Residents interviewed indicated a rather traditional and rigid pricing practice

exists. Attempts to increase prices beyond these traditional levels would be met by an extreme reduction in sales.

Prostitution

Prostitution takes on an infinite variety of forms. It can take the form of a well organized group (or groups) of prostitutes managed by a pimp who will keep all or part of the income and, in turn, supply his prostitutes with protection, money, drugs, and clothing. Prior to the present overcrowding at SPSM, clerks in the infirmary would rent vacant hospital rooms to pimps to provide a private clean environment where the prostitutes could entertain. Homosexuals who are not involved in a love affair with another resident sometimes will barter their sex offerings for cigarettes, green, dope, or other items they might need. Occasionally, weaker heterosexuals who are forced into homosexual roles will attempt to salvage something from the circumstances by requesting goods from the individual they are involved with and often will at least request protection from other residents.

A "trick", a sexual encounter with a prostitute, usually will cost a "box"--a carton of cigarettes. The price usually includes security as the prostitute or his pimp will usually have developed or discovered physical areas where sexual activity can take place without interference from the guards.

There are, however, many active homosexuals who do not sell sex--at least at great expense--and weak "new fish" in the system who can be coerced into sex who offer competition to the organized prostitution rings and ad hoc prostitutes.

Other Contraband Goods and Services

Thus far, this chapter has discussed contraband goods and services that are perceived by residents and personnel as fairly common and purchased with green, cigarettes, and scrip with much more frequency than they are bartered. The inmate culture dictates that successful "dealings" at every opportunity is normal and lends itself to status just as making a profit is an important part of the "real world". Almost infinite forms of dealing may be taking place at SPSM, and all were not discovered in this study. Undoubtedly new schemes are developed daily by residents in their zeal to "beat the system". Several of the more common "hustles" are briefly described below.

Residents will sell protection to weaker residents. This may take on the form of simple extortion or a legitimate bodyguard service with the stronger resident legitimately protecting the weaker one from extortion or sexual assault. Some residents who are exceptionally skilled at being aggressive (referred to as "psychos" in prison jargon) act as collection agents for residents who deal on credit. They will earn between 50 to 100% of the debt depending on the

circumstances. Occasionally a creditor will simply pay a collector to confiscate a debtor's scrip book and destroy it as a punitive measure.

Residents will steal and/or forge movie or show tickets and sell them to residents at lower rates. In 1973, approximately \$35,000 more scrip was redeemed by the SPSM business office than they issued. Officials speculate that scrip may have been stolen from the resident store and resold to residents or perhaps residents manage to simply forge the scrip in the printing shop. Residents can purchase materials for hobby craft participation from the resident store and sell them at lower rates for green to serious hobby craft participants.

Resident clerks working in the infirmary or dental offices may sell early appointments to residents if waiting lists are long. Resident clerks in the infirmary have "rented" empty hospital rooms to residents wishing to have sex in a private clean environment. Resident barbers are paid \$.35 per day to cut resident's hair. For an additional package of cigarettes a good hair cut will be given and for two packs, a resident can get their hair styled. Residents can buy tattoos, locks for the outside of their cells, assistance with personal correspondence, and shoe shines. Residents working in the prison laundry will starch and press clothing for fellow residents for two or three packs of cigarettes.

Nonexisting services are sometimes sold to residents, especially to residents with no prison experience (the new inexperienced resident is called 'new fish' or "fish" in prison jargon). Experienced residents will take cigarettes, script, clothing or anything the new fish has to offer for a promise of a good work assignment, a weapon, or whatever the new fish seems to need. The new fish are generally warned that attempts will be made at exploiting them by other residents. However, they do hear through the prison communication system (the grapevine) that contraband goods and services can be purchased, but they will not be approached by legitimate dealers until their likelihood of conforming to the inmate code of "not squealing" is determined.

Marginal Propensity to Consume for SPSM Residents

Likert-type scales, as shown in the examples below, were used in the questionnaires submitted to the SPSM residents, guards, and parolees from SPSM to determine their marginal propensity to consume in both the legitimate and illegitimate economies.

If residents' script allowance would increase, how much of that allowance do you think they would spend?

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
0%	25%	50%	75%	100%

If residents contraband money such as cigarettes or green should increase for any reason, what percent of that increase do you think they would spend?

10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

The means and average deviation of the responses were calculated and are reported below:

Marginal propensity to consume in the legitimate sector:

$$\bar{X} = 3.6 \quad x = .8$$

$$\text{mpc} = 72\%$$

Marginal propensity to consume in the illegitimate system:

$$\bar{X} = 77.6 \quad x = 16.9$$

$$\text{mpc} = 77.6\%$$

Income Elasticities of Demand for the Legitimate and Illegitimate Sectors

The income elasticities of demand for both the legitimate and illegitimate sectors were estimated by the use of a Likert scale included in the questionnaire submitted to residents, guards, and parolees from SPSM as shown in the example below:

What items from the resident store would you buy more or less of if your script income increased? Residents were asked "what contraband items they would buy" from the illegitimate sector.

	Stop buying	Much less	A little less	Same amount	A little more	Much more
1. Cigarettes	1	2	3	4	5	6

Response means and average deviation were then calculated to determine the general change in consumption patterns with change in income. The results are shown in Tables 12 and 13, below and on the following page, respectively.

Table 12. Change in Consumption Patterns with Change in Income, Legitimate Sector

Commodity	Change in Consumption		
	\bar{X}	x	Response
1. Cigarettes	4.8	0.6	a little more
2. Other tobacco items	3.5	0.4	same amount
3. Stationary supplies	4.6	0.5	a little more
4. Appliances (including accessories and time pieces)	5.2	0.1	a little more
5. Clothing	5.0	1.0	a little more
6. Baked goods	6.0	1.2	much more
7. Candy, cookies, and soft drinks	4.8	0.4	a little more
8. Coffee	4.8	0.6	a little more
9. Packaged meats and cheeses	5.0	0.6	a little more
10. Milk products	5.0	1.3	a little more
11. Snacks	5.2	1.3	a little more
12. Toiletries	5.0	0.9	a little more
13. TV Sets	6.0	0.4	much more
14. Radios	6.0	0.7	much more
15. Tape players	6.0	0.6	much more

The responses regarding change of consumption in the legitimate sector indicate that consumption of all available goods except other tobacco items would increase to some extent while the purchase of baked goods and specific

Table 13. Change in Consumption Patterns with Change in Income, Illegitimate Sector

Commodity and Service	Change in Consumption		
	\bar{X}	x	Response
1. Drugs	5.3	0.6	much more
2. Alcoholic beverages	5.3	0.9	more
3. Gambling	5.4	1.3	more
4. Weapons	4.7	1.4	more
5. Stolen appliances	4.9	1.0	more
6. Buying institutional favors	5.1	0.8	more
7. Contraband clothing	4.8	1.3	more
8. Contraband food	4.7	1.2	more

appliances such as radios, television sets, and tape players would increase a great deal.

In the illegitimate sector, it appears that with increased income residents would spend a high proportion for drugs and would moderately increase their spending on other contraband goods and services available.

Conclusion

There appears to be a myriad of contraband goods and services available to SPSM residents with one of the most prevalent forms of contraband being drugs. There are a variety of routes by which contraband can be smuggled into or produced in SPSM and often legitimate goods become

contraband items and legitimately purchased cigarettes become a medium of exchange in the contraband marketplace. Real money (referred to as "green" in prison jargon) circulates freely in the illegitimate economic sector. The amount of "green" circulating has accumulated over the years and new "green" is consistently smuggled into SPSM and often residents who accumulate a large sum of green will smuggle green out to their families.

Contraband goods or services that can demand high prices can easily be paid for by the purchaser transferring funds from his "real world" bank account to the seller's family, institution account, or real world bank account. Residents can transfer their resident account funds to the account of another by sending a check to an outside neutral party--such as a private bank or friend--and have another check sent to the appropriate resident's account.

Except for contraband food services, the demand for contraband goods and services tended to be inelastic. The marginal propensity to consume in both the legitimate and illegitimate sector was high (72 and 77.2%) and it appears that an increase in income in the legitimate sector would be accompanied by moderate increases in buying of all goods available except for baked goods; radios, television sets, and tape players would increase a great deal. Of the categories examined for income elasticity of demand in the

contraband market, an increase in income would be accompanied by moderate increases in all categories except drugs which would increase a great deal.

CHAPTER VI

FACTORS THAT FACILITATE THE FLOW OF CONTRABAND

Introduction

The overall but perhaps simplistic reason that contraband is readily available in SPSM is the inability of the staff to exert sufficient control over the residents, especially control that will cause residents to conform to the rules and regulations prescribed by the prison administration. There are several reasons for this lack of control ranging from organizational phenomena to individual interactions and perceptions. While many of the factors that facilitate the flow of contraband have already been touched on, this chapter attempts to logically piece together the phenomena that create the slack in the system which contributes to the contraband system.

First, this chapter will examine the methods by which contraband is smuggled into SPSM, and secondly, the general organizational phenomena that encourage exploitation of the leakages, and the problems of controlling residents' behavior within SPSM. This section will consider the size

and number of residents in SPSM, the interpersonal relationships between guards and inmates, and the interpersonal relationships between members within each group. Occasionally anecdotal material will be used to give examples of what is being described.

Methods of Bringing Contraband into SPSM

There are four ways in which contraband is smuggled into SPSM: SPSM personnel bring it in; residents who have job assignments that allow them to move in and out of the maximum security section; visitors convey contraband to the residents during visitations, and on the commercial vehicles that deliver goods to SPSM through the south gate.

Information given to this writer by guards and residents indicates that a great deal of active participation on the part of the personnel at SPSM takes place in providing contraband to the residents. Based on the interviews with groups and residents, it appears that drug smuggling is occasionally done by guards and professional staff. It is not uncommon for a staff member to be apprehended while smuggling drugs into the institution. There are two motivating factors which cause personnel to become involved in drug smuggling. One is simply profit. Clearly there are profits in the sale of narcotics in SPSM, since drug prices in SPSM appear to be two and a half to three times higher

than retail sale of drugs in the street. Most personnel involved will work for a drug seller or a drug selling ring in the institution. Typically, the person involved will meet associates of the pushers somewhere in the community and simply bring the drugs to work and carry them in. The drugs are passed on to institution pushers where they will be disseminated throughout the institution. Allegedly, green is smuggled in by custody personnel. A resident will arrange a meeting between a friend and a guard somewhere in town and the guard will take possession of the currency and smuggle it into the resident. The going rate is \$75.00 for \$50.00; that is, for every \$50.00 smuggled in, the guard gets \$25.00. Often personnel who are somewhat naive will become caught-up in drug smuggling through extortion. Residents will begin making friends with a guard or a professional staff member and will get that staff member to do simple favors for him, and in return the resident will provide some kind of service for that staff member such as providing him with contraband food. After developing this relationship, the resident will continue to request favors and each favor will be larger than the last favor in terms of a rule violation. At some point in time the resident will simply approach the staff member and advise him that the staff member is now in violation of prison policy and may be in violation of a law. The resident will advise the staff member that he will inform the institutional personnel about

the activity of the staff member unless that staff member provides favors to a greater extent. At this time, as the term goes, the staff member is in the residents' "pocket" and the staff member is continually coerced into smuggling contraband.

Residents who are housed in the maximum security section will occasionally have job assignments such as truck driving that allows them to move in and out of the maximum security section. While theoretically they and their vehicle are searched routinely, some manage to smuggle in contraband. Residents in both the maximum security section and outside trustee division are allowed "contact" visitation with their families. Traditionally, inmates talked to visitors through a wire mesh screen. Currently, they sit across from each other at a table. They may hold hands and are allowed one embrace on a contact visit. In the maximum security section, residents are stripped and searched before and after their visit to check for contraband. It appears that on extremely busy days certain guards may be perfunctory in searching residents to keep up with the heavy traffic. Some residents who are extremely observant and lucky, have been able to take advantage of this slack. A technique for smuggling heroin through the "contact" visit is for the resident's wife to exchange a small balloon with heroin in

it from her mouth to his, and the resident will swallow it and regain it later by various means.

In the outside trustee section, strip searches are uncommon and as this writer observed, while sitting in the visiting room, exchanges between visitors and residents can take place rather easily as residents can place items under parts of their clothing that will not be affected by a routine pat-down search.

Supplies to feed, cloth, and house 5000 or so residents is trucked through the south gate daily creating a great deal of traffic at that point. Guards responsible for south gate traffic are primarily concerned with its potential use as an escape route. Searching every vehicle thoroughly for contraband is a physical impossibility. But residents and guards felt that a great deal of contraband enter SPSM through the south gate.

Organizational Limitations

The size of SPSM creates problems of control which to a great degree facilitates the flow of contraband. In this maximum security institution inmates have a great deal of freedom of movement. Residents travel from their cell-blocks to the main yard, to the infirmary, to the counselor's office, to prison stores; etc. While they have this great deal of freedom of movement, there are approximately two or three

guards per every four hundred residents making it almost an impossible task for the guards to observe and/or control the inmates. The physical structure of the institution creates enormous opportunities for inmates to deal in contraband out of sight of the rest of the population or guards. Inmates will deal in the yard, in counselor's offices while awaiting counseling, in the commissary, during recreation, in the TV recreation rooms and even during group therapy sessions, AA meetings, church, etc. Residents then have almost infinite opportunities to interact in relative privacy and exchange their contraband. Historically, inmates were required to be in their cell-blocks and not allowed to move about freely. Presently, however, inmates may move around the cell-block with limited restriction. During the lock-up hours inmates in each cell-block can again get together and deal their contraband.

The size of the institution, the guard-inmate ratio and the freedom of movement that the inmates have makes it almost impossible for the SPSM personnel, especially the guards, to really know all of their clientele on a personal basis. In each cell-block there are approximately 80 to 125 residents per guard, depending on the classification of prisoners in that cell-block. Taking for example the 300-350:4 ratio in a cell block, for the guards to successfully know and control the residents each guard must attempt

to know or have interaction with 350 inmates rather than 80 interactions with only one-fourth of the inmates. All four guards are responsible for the total cell-block. Inmates move freely out of the cell-block into the yard (only during yard time) where there are other guards who have little or no opportunity to know or understand how to deal with any of the residents out there except for those residents who are placed under some suspicion either officially or through the grape-vine. In a more abstract sense, among the five thousand inmates several sub-groups are formed each having their own norms and each having their own way of doing things. It is difficult, if not impossible, to set-up policies and procedures to control all of the various sub-groups. Formal and informal methods established to deal with some sub-groups may leave a great deal of slack for other sub-groups which may be more clever or more devious.

For the most part, residents do not have a normative commitment to most of the prison rules and regulations. Looking at the prison organization in an abstract sense, the goals of the formal organization are generally in opposition to the goals of the informal structure. While much rhetoric exists about rehabilitations and/or habilitation, processes which are ostensibly for the benefit of the resident, the ultimate purpose of prison is to confine offenders and, in the process of confinement they are deprived psychologically

and materially. Confinement and deprivation are indeed not the goals of most members of the inmate structure which comprise the largest aspect of the informal structure. The goals of the individuals comprising the informal structure are to improve their psychological and physical well-being. Given this clear incongruity between the resident psychological and physical goals and the goals of the prison administration, there is no climate in which total authority on the part of the prison administration can exist (Argyris, 1960).

The normative commitment residents have is to the loosely knit set of rules that bind the informal system whose goal is to alleviate the psychological and material deprivation of the residents.

The guards' authority and abilities are further limited by the constraints of the formal "Weberian" quasi military system they are theoretically required to function in as opposed to the somewhat flexible and team-work oriented informal organization the residents utilize. The militaristic form of management is usually ineffective when pitted against subordinates with a degree of group solidarity (Fiedler, 1967) which certain groups of residents seem to possess. Residents have the time and opportunity to synthesize into smaller group and cliques and often sit together in brain-storming sessions developing and sharing ideas on

how to "beat the system" individually and/or collectively. The guards have little such opportunity to collectively plan methods of being more efficient and thwarting the variety of schemes that many residents enjoy developing as a recreational pastime.

Research in industrial management indicates that group goals can be powerful and destructive to organizational goals (Cook and French, 1948; Pettibone, 1952). Production can be increased when tasks are assigned to small groups rather than specialized (Rice, 1958; Base, 1957). Effective work groups that overlap in terms of function and communication create an interaction-influence system which will create a highly effective organization (Likert, 1961). Essentially, residents do tend to fall into cliques or groups that work together for the group goals which in the area of contraband are opposite to those of the formal organization. In a real sense, the inmate groups do often overlap and tacitly cooperate in beating the system, and the communication system between groups is fluid. The residents work in what appears to be an effective, although informal, organization. The guards are working in what appears to be a less effective organization lacking good team effort and communication.

More liberal methods of dealing with the resident population brought about by policy changes and court actions have

further contributed to the inability of the guards to control the flow of contraband. The freedom of movement discussed above is a creation of a more liberalized approach to prison management. Residents have been allowed to possess more material goods such as TV sets, clothing, etc., which makes accounting by the guards extremely difficult, as compared to historic methods which allowed the inmates cigarettes and commissary items only. Historically, inmates all wore the same clothing making accountability by the guards quite simple. Presently, at SPSM, inmates can wear a wide array of street clothes. Historically, during lock-up periods, or during the day when inmates were not involved in programs or recreation, they were required to remain in their cells or, if their cells were open, they were required to remain very near their cells. With liberalization of prison management policies residents may interact with much more frequency than in the past.

Recently, inmates have been provided quasi-judicial hearings after they have been cited for a violation of a prison regulation. This has made enforcing rules more difficult from the guards' point of view. The perception of the guards is that the last priority of the prison administration or prison management is indeed to control contraband or even to control the resident. This has had its effect on the morale of the guards. The varying perceptions of the guards,

especially between age groups, adds to the problem of controlling the residents. Some guards are termed extremely strict and will shake-down residents to look for contraband. Other guards are lenient about such things as contraband food items, hot-plates and cooking utensils and most cell block managers are liberal about the illegitimate inmate store. These varying perceptions create an additional slack in the system that the inmates can exploit, as they can play one guard off against another, hoping to destroy accurate communications between guards and concerted effort on their part. This type of philosophical conflict seems far more dysfunctional to prison management in terms of resident controls than the split between treatment and custody staff. The presence of a treatment staff would probably give the guards a symbol to unite against (Welensky, 1967).

While the formal power guards have traditionally held over residents appears to be eroding, de facto prison management has been a pro quid pro relationship between guards and inmates, especially inmate leaders. Guards having no rewards to offer inmates who did not violate the rules or who kept the peace, allowed inmates a marginal amount of contraband and allowed inmates to occasionally violate rules and an informal method of rewards was developed. One guard interviewed related an incident where a resident gave

information that thwarted an escape attempt. The residents information proved correct and he, in effect, "contributed to the well-being of the institution" as the guard stated it. The informant's homosexual partner was moved into the cell next to him as a reward for his assistance. As their access to the use of punishment to control residents appears to be decreasing at least from the point of view of the guards, the increased use of the sub rosa reward system by the guards may be taking place. Guards may feel they must be more prone to overlooking rule violations on the parts of inmates who are not by and large trouble-makers and who tend overall to cooperate. The use of inmate leaders to control other inmates may also be on the increase as guards feel the loss of control in the formal structure. As the dependency on inmate leaders increases, the pay-back to those inmate leaders must necessarily increase. In effect, those inmate leaders who cooperate in keeping the cell-block quiet and relatively clean will be allowed to run more contraband into the blocks. In spite of the liberalization of prison management, guards will continue to be judged in traditional terms by the bureaucratic model they function under and to some extent their peers. The major criterion will continue to be a trouble-free cell block. Guards may be entering into the exchange model informal system of the prison more deeply than in the past (Blau, 1964; Coleman, 1966). Resident leaders may have thus taken on more power than they had historically.

There are three elements common to resident leaders: first, they have had extensive knowledge of the informal institutional structure from past experience, and are doing a long period of time before they will go before the parole board; secondly, they have jobs in the institution that provides them with freedom of movement from one block to another in the institution, or often from outside of the institution to the inside of the institution, and thirdly, they have a large number of contacts with their fellow inmates who work for them and with them, as well as a large number of contacts with active criminals on the outside, which provides them with the resources to fund and develop their organizations. In addition to these elements, they must have the skills to develop good relations with inmates and guards. They usually gain some degree of trust with both residents and guards giving both groups the perception of allegiance. In many instances these dealers indeed have a vested interest in the status quo and a quiet peaceful institution and are to some extent on the side of the custody staff, and help keep cell blocks in order and reasonably quiet--the ultimate criterion by which a guard is judged. Classically and today, these residents are considered the politicians in the institution. They have resources, the ability to negotiate with two sets of groups who are at odds, they can contribute to the sense of well-being and order on the part of the

custodial staff and they can control their "constituents"-- the inmates--through overt or covert means and help keep order in the prison community.

References have been made to important key positions that residents may hold in the prison system that enhance their abilities to operate in the contraband system. The use of resident manpower in running a prison is a traditional way of defraying costs and providing residents with employment. In recent years, many of the clerical positions that residents have typically held are being performed by a civilian staff. However, resident manpower is still crucial to maintaining and running SPSM and positions that give residents access to channels of communication and freedom of movement still exist. Politicians and dealers generally are placed in institutional assignments where they have freedom of movement and have ample opportunities to interact with the staff. Those residents who are not politicians or dealers of contraband and are given assignments with which they can facilitate the flow of contraband will become politicians and deal contraband or they will not hold their position for any period of time.

The positions that provide resident employees with opportunities to deal in the contraband market come under the general category of institutional work assignments, and consist of the following functions:

Barber
Building trades worker
Elevator operator
Fire safety worker
Food service worker
General clerk
Motor vehicle operator
Porter/runner
Stock clerk
Technical specialist worker

As shown earlier, residents having institutional assignments earned about \$13.00 a month in 1976. Residents interested in dealing in contraband, however, are anxious to obtain positions such as motor vehicle operator, porter runner, general clerk, barber, or other positions that give them active interaction with both residents and staff. There is a well-defined procedure for placing individuals in these positions which, theoretically, gives everyone interested in a position, a fair chance of being assigned. However, a practice among some unit or office managers is to look for individuals who have the specific skills required for the job and who have a good knowledge of how the institution functions at the informal level, or "how the prison really operates", as one unit manager expressed it. The residents who "know how the prison really works" have usually spent some length of time in SPSM, have been upwardly mobile in the system, and are politicians. A consensus throughout the interviews with SPSM residents and guards was that the "good jobs", defined earlier as the key jobs needed to hustle contraband, always went to the politicians.

Residents who are not politicians or dealers who are assigned to positions that can generate the flow of contraband come under subtle and direct pressure to exploit their positions and become dealers. Overt threats of violence are rarely needed to cause conformity to the informal system. The resident who does not facilitate the flow of contraband will be alienated from his peers and will deny himself the material profit and status among residents that accompany a resident who successfully exploits the system. If a resident in a key position refuses to live up to the expectation of his peers he may eventually be "dealt out" of his job. Fellow residents may sabotage his work, give false information to the staff that is detrimental to him, or may even effect the paperwork that will transfer that resident to another job assignment.

An ex-offender, with whom this writer is well-acquainted, related an incident that took place at SPSM earlier in his life. The ex-offender--then an inmate assigned to a camp--had a guard bring in liquor for him. Another resident attempted to interfere in his operations. The liquor dealer called SPSM and contacted a clerk in the deputy wardens office who was a personal friend of his. He stated that he wanted the inmate who was interfering with him transferred out of the camp to another assignment. The deputy warden's clerk filled out the proper paperwork, included it in a stack of

routine paperwork which included several routine inmate transfers the deputy warden had to sign, and the transfer order was signed. The day after the inmate attempted to interfere with the more influential inmate, he was transferred.

Conclusion

The control which the prison administration can exert over residents through the custody staff is limited. The guard resident ratio is extremely high and the residents have freedom of movement within the major sections of SPSM making it difficult, if not impossible, to monitor the behavior of all or most of the residents. There is an abundance of physical places where residents may trade contraband with relative ease.

Traditionally guards have been able to use an array of punishments to deter unacceptable residents behavior. However, the formal system never provided methods by which guards could give residents rewards for their good behavior. Guards, therefore, created rewards at the informal level for those residents who participated in keeping the cell blocks in reasonable order. Inmate leaders who are making money by dealing in contraband have a vested interest in a smooth running cell block and will assist the guards in maintaining order. Recent liberalization in prison rules

that restrict residents behavior and limitations on the guards ability to mete out punishment--at least from the guards point of view--have added to the difficulty in controlling residents' behavior.

The resident informal organization seems more effective in achieving its organizational goals than the guards' quasi military structure. Residents work in small effective overlapping groups. Guards work individually for the most part and do not have the luxury of time to sit down together in subgroups and develop methods of dealing with their day-to-day problems.

Finally, resident manpower is used to maintain and manage the prison. Residents are given key jobs where they have access to channels of communication, can make good contacts with staff and residents alike which allows them to gain the trust of staff members and exploit their positions in terms of providing themselves and other residents freedom of movement within the institution allowing them to deal freely in contraband or facilitate its flow.

Lastly, an important inmate norm is to "beat the system". Those residents who are skilled at beating the system enjoy a great deal of status among other residents. Status is an extremely important commodity among most prison residents, therefore, the incentive to beat the system and deal in contraband is extremely high.

CHAPTER VII

IMPLICATION FOR MANAGEMENT

Introduction

This chapter begins by discussing the general dilemma of managing SPSM, the largest walled prison in the world. It is suggested that short term changes in the flow of contraband may lead to general instability of the prison's environment which in turn may lead to increased criminal behavior by the residents, such as assaults on guards and other residents, extortion, larceny, etc., and may even lead to a prison riot. A "holding action" against the flow of contraband for the short run is recommended and observing price fluctuation is given as a tool to gauge the success of the "holding action". General and specific recommendations are given to tighten up security and improve control over the contraband flow. However, it is recommended that any tightening up of control be done systematically and gradually to avoid disrupting the informal power structure that helps govern the inmate population.

The use of smaller institutions or smaller modules within an institution is recommended. A theoretical case is made that residents in a smaller institution can be

controlled more efficiently. Resident input into the management of institutions is also suggested. Real input on the part of residents could minimize the incongruity between the institutional goals and their personal psychological goals. If resident input helps legitimize prison programming from the viewpoint of the resident population, the compliance on the part of the resident may be based more on their normative commitment and less on the potential the prison organization has for coercion (Etzioni, 1966).

The Level of Contraband Flow at Which General
Institution Stability is Maintained

There appears to be some level of contraband flow in SPSM which provides optimum stability in terms of the resident's general behavior. If the contraband supply significantly decreases below, or increases above, that level in a relatively short time period, the frequency of assaults, thefts, and general ungovernable behavior on the part of the resident will take place. The optimum level, or the amount of contraband available in the prison setting required to keep the peace, depends on several factors: the general needs of the resident population and the degree to which their needs can be met with existing contraband and legitimate goods and services; the resident population's tendency toward compliance; the extent and level at which

the custodial personnel can successfully maintain consistent coercive effort over the residents, which in turn is a function of the resident-guard ratio and the skills of the custodial personnel. If these factors remain constant and general stability exists, a significant change in the level of contraband flow may lead to instability.

The contraband goods studied, such as drugs, have no realistic substitute products and the demand for these goods and services tends to be highly inelastic. The relative change in quantity of a contraband good or service the residents purchase will be much smaller than the relative change in the prices of that good or service. For example, as the price of drugs increases, the quantity purchased by the resident in the drug market would decrease but proportionately less than the price increase. The demand for drugs is not highly sensitive to fluctuation in drug prices. Successful efforts by the prison administrator to curtail the flow of drugs can increase their price. Figure 8, on the following page, represents the estimated demand curve for drugs in SPSM (D D) and hypothetical supply curves ($S S$, and $S^1 S^1$).

Assuming initial equilibrium with price, p_1 , and quantity consumed, q_1 , the total revenue going into the drug market is $p_1 \times q_1$. If the custodial staff successfully eliminates part of the drug flow, the supply schedule will

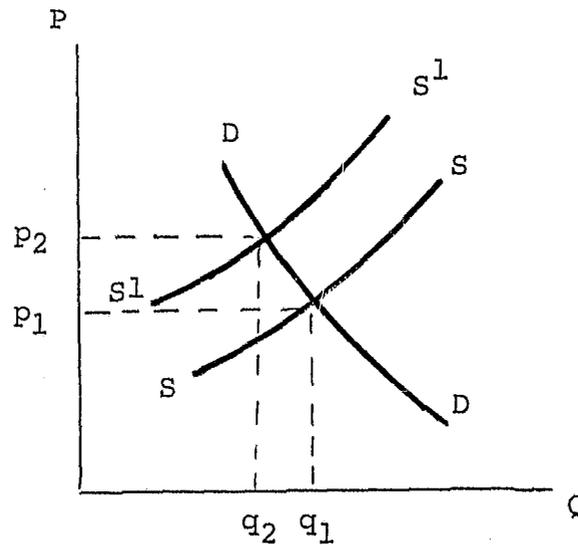


Figure 8. Hypothetical drug market in SPSM.

move to S^1S^1 , and the total revenue going into the drug market will increase from $p_1 \times q_1$ to $p_2 \times q_2$ (the price increase is higher in proportion to the decrease in consumption after the supply schedule shifts from SS to S^1S^1). Consumers in the drug market may increase their activities in other contraband or illegitimate activities in order to purchase q_2 of drugs at the higher price p_2 . After a past successful "drug bust", the price of marijuana more than doubled. Concurrent with the rise in marijuana prices, the theft of items from residents' cells increased, and the prison store storage room was burglarized and TV sets and Tape Recorders were stolen.

Residents may choose to allocate less of their illegitimate incomes on other contraband goods and more in the drug market. This may lead to increased activity on the part of the "businessman" in the other contraband markets to counter their revenue losses. Ultimately, the higher price of marijuana created by the shift in supply may give residents the impression--whether accurate or not--that enormous profits can be made by selling drugs. This will probably be ample incentive for other residents to attempt to deal in the drug market as sellers. If the new entrants into the market are successful, the supply of drugs will increase and the supply curve will move toward the original supply schedule SS unless the custodial staff can maintain constant pressure on drug dealers. If the custodial staff maintains constant pressure in the drug market, additional slack and opportunities may be exploitable in other contraband areas.

If constant pressure cannot be maintained, as would-be drug sellers will attempt to enter the market, their attempts to enter the newly established territories of those drug dealers who are making large profits may be met with violence. A near small-scale war between a Chicano and a black group over a drug territory took place several months ago. Recently, a drug dealer was burned to death by a competitor who was angry about the victim's attempts to encroach on the former's territory.

In addition to the direct negative consequences of cutting back on the supply of contraband, changes in resident leadership patterns may take place and could add to the lack of stability and create a climate of potential chaos. As pointed out earlier, a major function of resident leaders is to facilitate the supply of contraband. A price they pay is to assist the custodial staff in keeping reasonable order in the cell block for which they are given relative freedom of movement. This allows them opportunities to make whatever contacts necessary to exert their influence on residents. The resident leaders eventually have a vested interest in the status quo of the prison: stability. If the flow of contraband is suddenly or drastically cut down through additional custodial efforts, the existing resident leaders' posture may weaken and those resident leaders who are losing status and money due to the cutback may no longer have an interest in stability. Thus, a crucial part of the power structure that governs and controls residents will have been substantially weakened.

If a reduction in the flow of contraband increases the residents' general sense of physical and psychological deprivation, the degree of hostility on the part of the inmates toward their captors will similarly increase. An increase in the hostility level on the part of the residents toward their captor mixed with the suggested increase in

competitive and aggressive activities between residents at a time when the controlling power structure has been significantly weakened may lead to a general prison riot (McCleary, 1961).

Reducing controls over the contraband flow significantly in a short period of time may also cause instability in the prison community. As the flow of contraband increases, well-organized dealers may attempt to control the flow and, in effect, will increase enforcement at the informal level comparable to the lessening of controls at the formal level. The informal enforcement methods may range from economic to violence. If their efforts to increase informal controls are successful, the dealer would take a power position greater than the line custodial staff--a situation that may promote stability. If this power balance is recognized by the prison administration and they attempt to take some actions to alter that structure, which they likely would, their attempts may weaken the power structure, lessening controls over residents.

If the supply of contraband increases and demand remains constant, prices will fall and the total revenue to the supplier of contraband that is price inelastic will decrease. Dealers may attempt to maintain their incomes by taking over other dealers' business or territories or by resorting to theft or extortion. Both methods of maintaining

income has the possibility of individual or group violence between and among residents.

If the supply of contraband is perceived by the residents as relatively plentiful and inexpensive and little risk is involved in obtaining contraband, the value of the traditional resident leader--the skillful intelligent resident who can deal with guards and residents and facilitate the flow of contraband--would diminish accordingly. In this situation, the payoffs for being a resident leader in the traditional sense will appear minimal; therefore, there will probably be limited, if any, competition for that status among residents. As the quality and quantity of resident leadership decreases, the power structure which controls the residents would weaken. The resident population would become relatively ungoverned creating an atmosphere of relative instability.

There are several possible consequences of residents being relatively ungoverned. First, nothing at all may take place except for an increased consumption of contraband. The residents feeling of material deprivation may similarly decrease, which may help keep the peace. Secondly, the lack of control may encourage residents or groups of residents to exploit the weaker residents through fear or violence or to aggrandize themselves or their groups without consideration of the traditional prison power structure.

Residents who could no longer depend on the traditional power structure to bring them security may band together in self-defense groups. Gang wars, assaults and the parallel-ing personnel injuries might increase drastically. The residents may experience a sudden increase of tension and the resident population may develop increased feelings of hostility toward the prison administration for not exerting sufficient controls. As in the first instance where excessive controls over contraband were executed, excessive loosening of controls over contraband in a short time period may lead to a state of instability in the prison population which may manifest itself in violence between residents or a general riot in the prison.

Given a stable condition in the prison community, policy changes on the part of prison administrators should be examined in terms of their potential impact on stability. If policy change severs the linkages between the formal and informal power structure that governs the resident population, control of that population could be lost and negative consequences could be suffered by all. McCleary (1961) describes how the traditional prison administrators in one prison were replaced by rehabilitation oriented administrators who broadened the channels of communication between the prison administration and inmates. This succeeded in diluting the power of the inmate leaders who formerly controlled

channels of communication. Control was lost especially over the "reform school graduates" who were prone to violence and wanted to run the prison. The reform school graduates' attempts to take control of the informal prison power structure, with force and threats of force, were challenged and a full scale riot took place.

If an institution or cell block is relatively stable, before efforts are made to significantly curtail the flow of contraband in a short period of time, or before formal or informal policy allows a significant increase of the flow of contraband in a short period of time, steps must be taken to avoid general instability. The number of custodial personnel will have to be increased and their ability to exert control will have to be increased. If the intent is to decrease the flow of contraband, the needs of the residents will have to be increasingly met through legitimate channels.

What is being suggested for short term purposes is that prison administrators and custodial staff plan and execute a "holding action" to keep the contraband flow at constant level when the prison environment appears to be stable. Other things being equal, the level of the contraband flow can be estimated by the going price of the contraband item. "Other things being equal," is an important qualifier. If, for example, the street price for drugs would increase, the price of drugs in SPSM would also increase. If the

composition of the inmates population would change and fewer inmates would have a taste or demand for drugs, the price of drugs would decrease without any increase in supply. Or, if more inmates would require alcohol, the price for alcohol would increase without any decrease in the supply of alcoholic beverages. Prices are usually well-known to most experienced personnel at SPSM. If prices are falling below what appears to be normal fluctuations, the supply of contraband is probably increasing. If prices are increasing beyond what appears to be normal fluctuations, the supply of contraband is probably decreasing. To execute a "holding action", when the price level of contraband is decreasing beyond normal fluctuations, efforts should be exerted to curtail the flow. Conversely, if the price level of contraband is increasing beyond normal fluctuations, controls should be relaxed. For contraband items such as sophisticated weapons that clearly threaten the safety of staff and residents, a near infinitely high price level would indicate few if any sophisticated weapons exist. Applying extreme efforts to eliminate forms of contraband that are obvious and immediate threats to all members of the prison community would have the support of residents as well as staff. Most residents interviewed for this research stated they would give information to the guards about the existence of sophisticated weapons such as hand guns. Applying extreme

efforts to eliminating this existence of hand guns, for example, would not threaten the stability of the prison environment. It appears that this type of judicious "holding action" is implicit in the tacit compromise between resident leaders and line custodial staff who create the real power base that controls the prison community.

Prison management problems occur when the informal power structure that to some extent provides a "holding action" against contraband is interfered with by good faith but unsystematic and short run attempts by the formal management structure in its attempt to control the contraband flow. It may, however, be possible for the prison administration to gradually decrease the flow of contraband through long-term and systematic planning without disrupting the fundamental power structure. The following sections discuss methods by which security controls over the flow of contraband may be improved, residents' needs may be met more effectively through the legitimate or formal system, and how, at least theoretically, prisons may be programed to provide residents with positive incentives to encourage their compliance.

Specific Security Recommendations To Improve Contraband Control

The following recommendations range from changes in the organizational structure of the custodial staff at SPSM which

may improve, to guards' general effectiveness in dealing with the resident population, to specific technical improvements which may improve the custodial staff's efficiency in reducing the contraband flow.

1) The present quasi-military chain of command the guards work within should be drastically modified if not discarded. Guards should be encouraged to work in small teams and share their work loads and methods of dealing with the everyday custodial problems. Horizontal communication between work groups should be built into the structure on a formalized basis and encouraged on an informal level. Ad hoc and planned input on the part of the guards into administration decision-making should be developed for the purpose of gaining valuable information and creating an atmosphere within the work environment that is supportive of individual thinking and creativity that can enhance the effectiveness of the work groups and the total custodial operation. The team approach suggested for the SPSM custodial staff parallels an innovative approach to reorganizing police work referred to as team policing that has the theoretical possibility of increasing the effectiveness of law enforcement agencies in dealing with community crime problems (Block and Specht, 1973; Kovermen, 1974; Police Foundation, 1974; and Roberg, 1976).

Earlier research suggests that the most effective organizations consist of highly effective work groups that are linked together functionally and in terms of communications by planned overlapping membership (Likert, 1961). The guards do work in small groups but it is doubtful if their groups overlap. Communications overlap could be created. Presently guards coming on work shifts stand roll call where they are inspected and given information. This time might be better served by having the guards from both shifts who work the same area discuss the problems of that area and some possible methods of dealing with them. In addition, guards should be provided the luxury of retreats and seminars where they could develop new approaches to new and old problems in brain-storming sessions. The memberships of the guard groups could overlap by occasionally rotating guards to different areas and assignments.

While overlapping work groups can facilitate ongoing coordination and communications, the work groups must be effective to promote an effective organization. The elements of highly effective work groups as spelled out by Likert are perhaps unreachable. What is pointed out, however, is that groups which work as a team, communicate and share ideas readily, encourage creative and innovative approaches to work tasks, and allow talents to emerge from the group as needed, will be more effective in getting a

job done. It appears that resident groups function along these lines to some degree and may therefore be more skillful in manipulating the system than the guards who function under the traditional "Weberian" chain of command structure in attempting to control the system.

To develop groups of guards that exhibit these elements and are effective and creative in performing their custodial function, administrative changes will have to be implemented. The guards at SPSM, and probably most prisons, feel restricted, and, like the inmates they police, they are subject to punishment for nonconformity. They clearly do not feel they are working in a supportive atmosphere where their contributions are valued. If truly creative working teams are desired, the guards will have to be encouraged to be innovative rather than punished for nonconformity. Much of the present creative and clinical methods by which many guards perform their duties can be taken from their subrosa repertoire and shared with their fellow officers if the job environment provides psychological rewards for doing so. The present quasi-militaristic chain of command which provides for only upward and downward communication through the ranks does not facilitate the [horizontal] communication necessary for guards to share their work and their ideas in a team effort.

Aggressive attempts on the part of the prison administrator to make the guard an active member of the total environment as opposed to a mechanical cog in the machinery with the specialized task of rule enforcement become more imperative as the number of guards with junior college and four year college degrees is increasing. The individuals will expect to contribute more to the environment than to simply walk through cell blocks looking for violations. This kind of capability and interest should not be suppressed in favor of tradition.

2) There are several line guards who have a legitimate reputation among residents and fellow officers for being skilled at discovering contraband. These guards should be utilized in the Officer Training Program provided for new officers by the Michigan Department of Corrections. This would have the effect of rewarding these guards who have been particularly skilled in their profession by giving them the status that accompanies being asked to teach. The skills the instructor guards have developed over the years might be imparted to the trainees. It would also create a favorable impression on the guard trainees to see their future colleagues being utilized as teachers.

3) More efficient searches of residents returning from visitation should be conducted. While thorough search of each resident returning from visitation is a SPSM policy

requirement, it apparently is not followed. Recently a resident clerk was found with marijuana tucked in his sock. He told the counselor for whom he works that he had rarely been searched in the past. Apparently, a new enthusiastic guard thoroughly searched the resident. Strip searching residents after visitation would seem to be a very unpopular job which would be handled loosely by any normal human being after working at it for some time. It might be wise to rotate that position or assign it to new custodial personnel who are eager to do a thorough job.

4) Better control over personnel who are smuggling contraband into SPSM is necessary. It is suggested that employees be subjected to random and thorough searches. A positive tone could be set by the warden and his deputies volunteering for the first series of extensive personal searches. The warden could then require the gate guards to include himself and his deputies in the ongoing random searches. If properly implemented, those employees who are not involved in contraband smuggling would favor this procedure. In cases where circumstances are appropriate, polygraph examinations could be administered to employees. Extensive random searches of employees coupled with appropriate use of polygraph testing could aid in apprehending corrupt employees and act as a deterrent to others.

5) A major leakage point for contraband is the south gate at SPSM where commercial deliveries are made. It appears that, due to the amount of traffic, all vehicles can not be given a thorough search. Random thorough searches of vehicles, however, can take place. The department of corrections should consider assigning dogs, trained at discovering drugs, to the south gate custodial staff.

6) The visitation facility for the outside trustee division seems to be a major leakage point for contraband for that division. This is due in part to the more relaxed procedures with which trustees are dealt with and insufficient personnel to deal with the heavy load of visitors handled there. Increase in custodial personnel in the trustee visitation room and random and thorough searches of residents before and after visitation might minimize the flow of contraband into the trustee division.

7) Residents in key clerical positions facilitate the flow of contraband. The department of corrections should continue to replace residents with civilian personnel in these key jobs.

8) The contraband markets for food, clothing, and appliances might be challenged by the legitimate sector by providing residents with more opportunities to earn an increased legitimate income to purchase clothing and appliances and more opportunities to purchase more of these items

from the resident store. For example, food carts from the resident store could deliver snacks and food items to the cell blocks in the evenings precluding the necessity of residents buying goods from the illegal stores in the cell blocks. Residents indicated that a great deal more food would be purchased from the resident store if their legitimate income was increased (see page 97). The department of corrections might consider selling state lottery tickets to residents to compete with the illegal gambling trade in SPSM.

9) Before the SPSM administrators attempt to curtail the flow of a particular contraband item, they should attempt to learn if there are any substitute products for the item in the illegitimate as well as legitimate market. If a substitute product exists, the demand for items of contraband being curtailed will be relatively price-elastic. Cutting back on that item will increase its price and consumers will enter the market for the substitute product. This will curtail many of the negative results that come from interfering with the flow of contraband that has an inelastic demand. For example, if supply of sophisticated weapons is impeded, residents can revert to home-made weapons. This may satisfy the residents' needs and decrease the danger that sophisticated weapons may create.

10) The administration should attempt to control contraband by ranking and prioritizing the risk each form of

contraband poses for the prison community. Concerted effort could be placed on policing that contraband which poses the most threat to the safety of the members of the community. The limited custodial resources could be focused on combating dangerous contraband with some intensity. This implies that the flow of "non-dangerous" contraband may increase as custodial resources will be allocated away from controlling non-dangerous contraband in favor of intensive policing of more dangerous forms of contraband. However, prioritizing contraband by risk and policing based on that priority probably goes on at the informal level. Formal prioritizing may help organize and plan the policing of dangerous contraband.

Smaller Institutions: A Logical Alternative
to Traditional Prison Environments

Relatively small institutions with relatively sparser inmate populations would greatly enhance the custody staff's ability to control the activities of the residents and the flow of contraband. Administrations, treatment staff, and custodial personnel working in an environment where fewer resources are required to effect controls would have more resources and the opportunity to be creative in meeting the needs of the residents through legitimate acceptable methods. Meaningful and flexible programming could then be developed that may decrease the natural incongruity between the goals

of the institution and the psychological goals of the residents.

The problems of controlling resident behavior in an institution the size of SPSM were discussed in the previous chapter. Much less information is required to control a smaller institution with a relatively lower population even when the staff/resident ratio is similar to the staff/resident ratio of larger institutions, for the staff to develop information about the behavioral patterns of the residents. In the larger environment having, for example, four guards for four hundred prisoners the four guards must have an understanding of most of the 400 resident's individual behavior and the interaction between dyads, triads, and groups of inmates if each guard is to have a thorough knowledge of what activities are taking place in the cell block. In a smaller setting with just one guard and one hundred residents, the guard would have to understand most of only one hundred residents individual behavior, and the interactions between dyads, triads and groups of inmates to enable that guard to have a thorough knowledge of the activities in his area. A staff working with a smaller inmate population can therefore make more accurate assessments of which resident can be trusted and which resident must be given additional surveillance. Fewer staff members would be required to manage institutions with lower inmate population,

and the staff could have greater opportunity to function as a team providing more opportunities for interactions and more efficient and accurate communications between group members. Group decision-making and consensus in dealing with ongoing and unique problems could be achieved more rapidly than in a traditional prison setting. As less information would be required to understand the dynamics of the less populated environment, it is more likely that staff and group decisions would facilitate the ability to control the institution.

The amount of traffic entering and leaving a smaller physical plant will clearly be much less than that required of a large physical plant and the flow may be more consistent. A small camp, for example, may make plans for visitation, food deliveries, etc., independent of the overall needs and demands of a larger institution. Residents housed in a particular cell block in SPSM all leave the block at about the same time to have their meals in the dining hall regardless of the security problems which are created for the custody personnel in that block. In a small or modular setting, the residents could be fed in that complex.

In an ideal system with a large number of smaller institutions, a more useful classification system could be developed and residents may be placed in various institutions

based on more accurate assessment of the degree to which controls must be exerted over them. Thus, residents needing less control could be given relatively more freedom, a commodity which is precious to most. Within each institution, similar, but less rigorous classification decisions could be made on more accurate assessments of resident behavior. The ability to make more discriminate classification decisions in terms of residents' behavior would make the custody function more efficient providing time and resources could be reallocated. An effective and equitable classification system could give deserving residents more freedom and privileges which would help minimize their degree of hostility toward the prison staff (American Correction Association, 1974).

The resources that need not be allocated to custody and control in a system of smaller institutions could be applied to creative programming that attempts to meet the physical and psychological needs of the residents. As information about the residents can be collected with relative efficiency, as suggested, the staff can develop somewhat of an accurate assessment in regard to the needs of individual residents and groups of residents. Programs that are developed to meet the needs of residents have a greater chance of being on target than programs developed in larger institutions that are usually based on general assumptions about offender population.

With advantages of smaller institutions as portrayed, the management staff of a small institution may feel less suspicious of at least a portion of the inmate population than the custodial personnel in a traditional prison environment. The staff may therefore be more open to input into policy development from the residents at both informal and formal levels. Some form of inmate government or representative could be implemented. If the input from the residents is taken seriously the likelihood that programs designed to meet the need of the residents will be on target may be enhanced. Both the formal and informal methods of communication that would allow residents to have input into prison policy, would provide a mechanism by which the upwardly mobile residents with leadership abilities might gain the status they usually obtain through manipulation and corruption in the traditional prison setting. Input on the part of the residents into the management process would legitimize programming from the point of view of the inmate population (Levison and Gerand, 1973).

In a prison setting where custody is an easier chore and more resources are effectively programmed to deal with the needs of the residents, the classical sense of deprivation felt by inmates may be diminished. When the inmates share in decision-making and programming, the program may be more acceptable to the residents. Those inmates who have

participated directly or vicariously into the prison programming may feel more inclined to conform to the prescribed structure of the institution as they may perceive that the institutional goals and their psychological goals are more congruent (Argyris, 1964).

The cooperation process described will work both ways. The advantages that the staff would have in working with a smaller population hold true for the residents' ability to manipulate the staff. It would be more difficult for residents to play one staff member off against another, which goes on in the traditional prison setting. However, if the staff is actively interacting with the residents, the residents will have consistent opportunities to manipulate the thinking of the staff and cause the staff to identify with the resident goals to the extent that the staff may lose sight of the needs of the institution. This is a weakness of participative management. When work is organized around the clientele being served, it is not unusual for the organization to identify with the needs of the clientele to the extent of losing sight of the original organizational mission.

It seems that checks and balances could be built into the system of resident participation to minimize staff tendencies to over identify with the feelings of the residents. However, the possibility some staff members may

over identify with residents may not be problematic enough to preclude experimenting with resident participation in prison management in smaller, more well-controlled settings.

Conclusion

Keeping order in a traditional prison environment such as SPSM is dependent upon a delicate symbiotic relationship between the guards and inmate leaders. The inmate leaders gain much of their power through their ability to deliver contraband goods and services to the residents or at least facilitate the flow of contraband. A sudden cutback or increase in the flow of contraband will weaken the posture of existing inmate leaders which will weaken the focus of power which governs the residents.

Changes in the flow of contraband may alter prices and profit structures. If price for demand inelastic goods increase, consumers may increase their "hustle" in order to obtain money to purchase those goods. If prices decrease, suppliers may increase their "hustle" to maintain their incomes. Robberies, extortion, and increased activities in black market activities may increase or take on more volatile forms. Competition for funds and/or entry into the black market as a seller may be met with violence. Conditions for a prison riot would be increased greatly.

If increased contraband control is desirable, long range systematic plans should be made to reduce the flow of contraband. Several weak areas in the existing SPSM system of contraband control exists. They can be strengthened by restructuring the custodial personnel organization away from the present quasi military organization to a more team oriented approach to custody as well as enforcing more vigorous conformity to custodial procedures that can slow the flow of contraband.

Smaller institutions seem theoretically a more manageable alternative to the traditional prison for several reasons. In a smaller setting, staff will have more opportunity to evaluate the individual residents. Having a better understanding of the needs and behavioral patterns of the residents. Programming aimed at legitimately meeting residents' needs could be developed and residents who are prone to creating problems could be dealt with more efficiently as they would be more readily identified. Inmate participation could be utilized in managing smaller units, if the staff was confident that they would not lose control. They may be prone to accept input from the residents. If resident input is utilized, programming may be more apt to meet the needs of the residents and the acceptance of resident input may help legitimize programs. To the degree programming is based on the needs of the residents,

the congruity between the goals of the institution and the psychological goals of the resident may similarly be decreased. If the prison policy and programming is viewed as legitimate by the residents their tendency toward compliance may increase.

There is always the danger that the staff may over-identify with the residents if programming is based solely upon the residents' needs. It may be that some informal coercive potential on the part of inmate leaders will be needed to maintain order. This may be especially true if the trend toward limiting the disciplinary discretion of the custodial staff continues. Therefore, some contraband may continue to exist in even the most controlled setting. However, from most points of view, smaller, less densely populated prison environments seem to be a favorable management alternative to the traditional massive prison such as SPSM.

CHAPTER VIII

SUGGESTIONS FOR FUTURE RESEARCH

In the previous chapter, a theoretical case was made that the flow of contraband would be greater in large traditional institutions than in smaller institutions or prison components. This was based on the assumption that better interpersonal relations could be developed in smaller institutions between the staff and residents. The better relationships between staff and residents would facilitate more impact on the part of the residents on the structure of the environment which could decrease the hostility they might hold toward that environment.

This expresses and implies an array of future research concerning the dynamics of prison environment and the impact of that environment on the attitudes and behavior patterns of the residents during imprisonment.

Smaller institutions, with a population similar to the resident population of SPSM or similar institutions with one having inmate self-government, could be compared to SPSM in the following areas:

1. The contraband flow.
2. The interpersonal relationship between residents and staff and their interpersonal relationships within each group.
3. The receptiveness of staff to residents having formal input into prison programming.
4. The amount of input residents may have on prison programming through informal channels of communication.
5. Possible differing resident social structure and resident leadership patterns.
6. The degree of resident participation in prison training, educational and treatment programs both qualitatively and quantitatively.
7. The degree of incongruity between the residents psychological goals and institutional goals.
8. The problems of policing the prison communities.
9. The perceptions of the treatment and custody staff toward various aspects of their respective milieus, including their attitudes toward offenders.
10. The differing psychological effects on the residents such as self-image, paranoia, dependency, etc.
11. The possible long-run impact on the residents after their release to the community.

While research comparing the process and outputs is feasible, one must be aware that the prison classification system attempts to place different types of residents in different types of institutions. It is, therefore, difficult to find prisons that are different in terms of structure and policy with similar resident populations. For example, prisoners with short sentences and limited criminal

background who do not appear to be an escape risk may be placed in an honor camp while prisoners with longer sentences and lengthy criminal backgrounds may be placed in maximum security institutions. The inmate social structure may well be a function of the various institutions if different types of inmates are purposely placed in different institutions. This possibility seems to be an important research question.

Conclusion

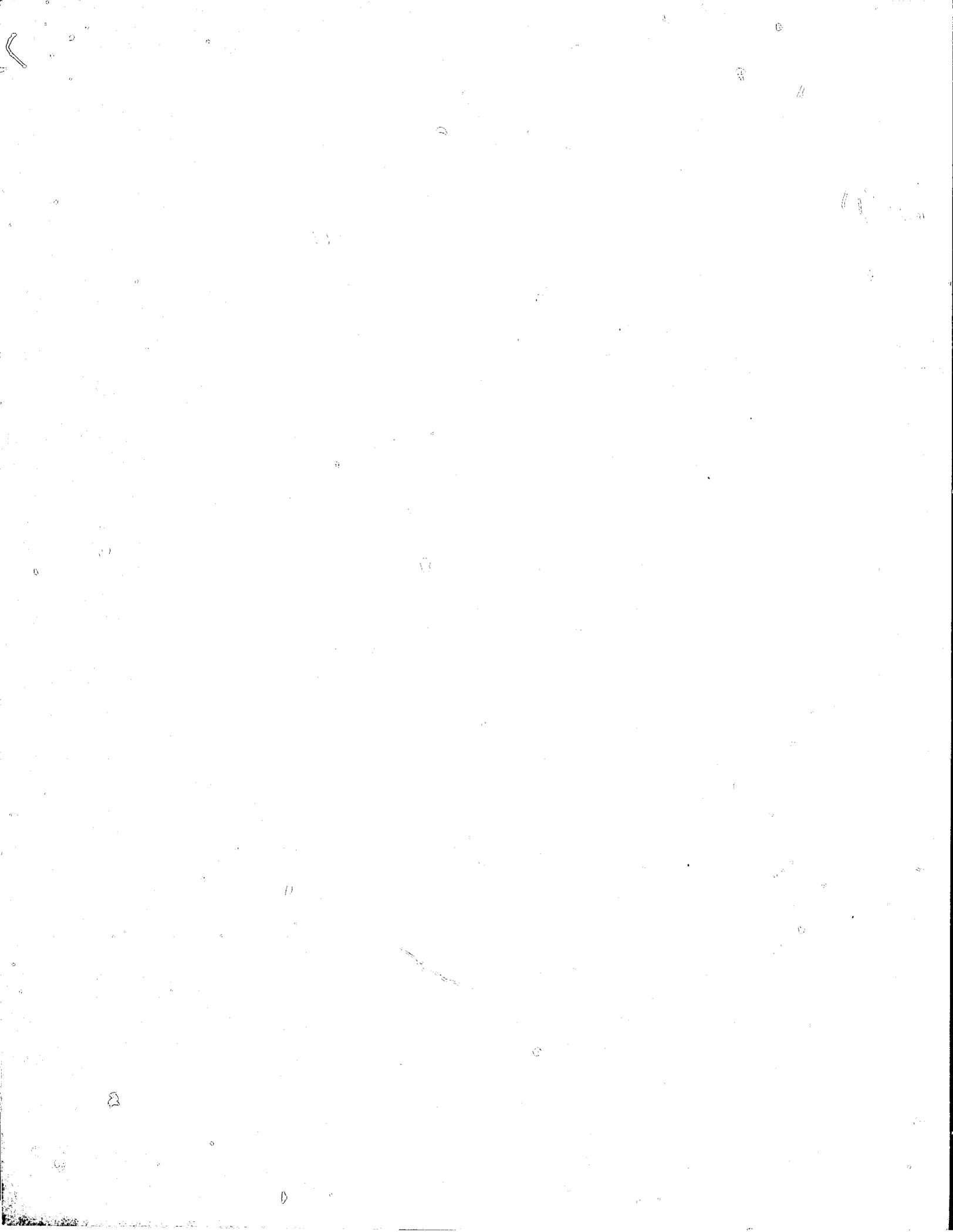
The suggested research is only a partial representation of the array of research that a prison community could facilitate. Informal organizations, communications, policy development and implementation study are but a few areas that a prison could serve as a test-tube for. Studies in areas with more than a correctional orientation can provide a planner, manager, or researcher with information and tools to better understand the prison environment and its impact on its residents. It appears that Lipton, Martinson, and Wilkes (1975) have added substantially to the current notion that rehabilitation has failed in their published review of research in correctional treatment programs. It seems, however, that more knowledge is needed about the environment in which treatment programs for offenders take place.

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APPENDIX

Gentlemen:

I am a professor of Criminal Justice at Michigan State University. I am attempting to do some research on the informal market system in SPSM. To do this, I need your help in filling out the following questionnaire. There are four areas to the questionnaire. One lists contraband goods and services available and asks what the prices of those items are and how available they are. If any unit of money indicated, such as script, is not used in purchasing a good or service, put an "x" in the space. Another area asks how residents would spend additional income they might receive on available goods and services. Another section asks how much risk is involved in dealing certain contraband. The final area asks how residents would alter their buying habits as prices of contraband items change. It is not necessary for you to have firsthand knowledge of the information. What you may have heard through the "grape vine" is okay. I am interested in average prices. If you feel a price may fluctuate a lot, indicate a high and low price. If you feel an item cannot be purchased, draw a line through that item.

Thanks a great deal for your help!!!

Sincerely,

DK/lh

Dave Kalinich

CONTRABAND GOODS AVAILABLE

	<u>PRICE</u>	GREEN	SCRIPT	CIGARETTES
A sandwich ripped off from the commissary		_____	_____	_____
Sugar per pound		_____	_____	_____
Marijuana/joint		_____	_____	_____
Marijuana/lid		_____	_____	_____
Marijuana/ounce		_____	_____	_____
Spud juice/quart		_____	_____	_____
Smuggled liquor/pint		_____	_____	_____
Hot plate		_____	_____	_____
"Hot" TV Set		_____	_____	_____
"Hot" Tape Player		_____	_____	_____
Heroin/gram		_____	_____	_____
Heroin/ounce		_____	_____	_____
A Hyperdermic Needle		_____	_____	_____
A Shiv		_____	_____	_____
A Home-made Gun		_____	_____	_____
A Blackjack or Pipe		_____	_____	_____
"Pills" Uppers or Downers		_____	_____	_____
"Porno Book"		_____	_____	_____
Other:		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____

HOW MUCH IS CIRCULATING?

	None	Small Amount	Large Amount	Very Large Amount
1. Sandwich from the commissary	1	2	3	4
2. Sugar	1	2	3	4
3. Marijuana	1	2	3	4
4. Spud juice	1	2	3	4
5. Smuggled liquor	1	2	3	4
6. Hot plates	1	2	3	4
7. "Hot" TV Set	1	2	3	4
8. "Hot" Tape Player	1	2	3	4
9. Heroin	1	2	3	4

HOW MUCH IS CIRCULATING?

	None	Small Amount	Large Amount	Very Large Amount
10. Hyperdermic needles	1	2	3	4
11. Shivs	1	2	3	4
12. Guns	1	2	3	4
13. Blackjacks or pipes	1	2	3	4
14. "Pills"	1	2	3	4
15. "Porno books"	1	2	3	4
Other:				
16. _____	1	2	3	4
17. _____	1	2	3	4
18. _____	1	2	3	4
19. _____	1	2	3	4
20. _____	1	2	3	4
21. _____	1	2	3	4

FOR YOUR COUNSELOR FILE

PRICE

	GREEN	SCRIPT	CIGARETTES
GED Certificate	_____	_____	_____
Vocational Training Certificate	_____	_____	_____
Certificate of Completing Counseling Programs	_____	_____	_____
Psychologist Evaluation	_____	_____	_____
Parole Recommendation	_____	_____	_____
Rick Screening	_____	_____	_____
Additional:	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

HOW EASY TO OBTAIN?

	Not	Not Very	Very	Extremely
1. GED Certificate	1	2	3	4
2. Vocational Training Certificate	1	2	3	4
3. Certificate of Completing Counseling Programs	1	2	3	4
4. Psychologist Evaluation	1	2	3	4
5. Parole Recommendation	1	2	3	4
6. Risk Screening	1	2	3	4
Additional:				
7. _____	1	2	3	4
8. _____	1	2	3	4
9. _____	1	2	3	4
10. _____	1	2	3	4
11. _____	1	2	3	4
12. _____	1	2	3	4

CAN YOU BUY THE FOLLOWING INSTITUTION PRIVILEGES OR FAVORS?

	<u>PRICE</u>		
	GREEN	SCRIPT	CIGARETTES
Furlough	_____	_____	_____
Transfer (block)	_____	_____	_____
Change of work assignment	_____	_____	_____
Original work assignment	_____	_____	_____
Favorable counselor reports	_____	_____	_____
Special parole consideration	_____	_____	_____
Risk screening	_____	_____	_____
Home placement report for file	_____	_____	_____
Good time	_____	_____	_____
Entrance into college programs with G.I. Bill	_____	_____	_____
Cell transfer	_____	_____	_____
Getting a cell	_____	_____	_____
Additional:			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

HOW EASY ARE THEY TO OBTAIN?

	Not	Not Very	Very	Extremely
1. Furlough	1	2	3	4
2. Transfer (block)	1	2	3	4
3. Change of work assignment	1	2	3	4
4. Original work assignment	1	2	3	4
5. Favorable counselor reports	1	2	3	4
6. Special parole consideration	1	2	3	4
7. Risk screening	1	2	3	4
8. Home placement report for file	1	2	3	4
9. Good time	1	2	3	4
10. Entrance into college programs with G.I. Bill	1	2	3	4
11. Cell Transfer	1	2	3	4
12. Getting a cell	1	2	3	4
Additional:				
13. _____	1	2	3	4

CONTRABAND SERVICES

PRICE

	GREEN	SCRIPT	CIGARETTES
Prostitution (a trick)	_____	_____	_____
Legal Services (one inmate helping another with legal problems)	_____	_____	_____
Football Pools	_____	_____	_____
Basketball Pools	_____	_____	_____
Baseball Pools	_____	_____	_____
Numbers	_____	_____	_____
Loans	_____	_____	_____
Interest Rates _____ Per what time period _____			
Additional:			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

HOW COMMON ARE THEY?

	Not	A Little	A Lot	A Great Amount
1. Prostitution (a trick)	1	2	3	4
2. Legal Services (one inmate helping another with legal problems)	1	2	3	4
3. Football Pools	1	2	3	4
4. Basketball Pools	1	2	3	4
5. Baseball Pools	1	2	3	4
6. Numbers	1	2	3	4
7. Loans	1	2	3	4
Assitional:				
8. _____	1	2	3	4
9. _____	1	2	3	4
10. _____	1	2	3	4
11. _____	1	2	3	4
12. _____	1	2	3	4
13. _____	1	2	3	4

THE EFFECT OF CHANGES IN PRICE ON BUYING

Here we are interested in how much more or less of an item residents would purchase as prices of those items change. In the examples below for "soap", if the price of soap would increase a large amount as shown on line a, and you think residents would buy a lot less, circle no. 1 opposite. If you think residents would purchase less but not a lot less, circle 2 and so on. Do that operation for lines a, b, c, d, for each category.

<u>CHANGE IN PRICE</u>	<u>CHANGE IN BUYING</u>				
	A Lot Less	Less	The Same Amount	More	A Lot More
<u>Example "Soap"</u>					
a. large price increase	①	2	3	4	5
b. some price increase	1	②	3	4	5
c. some price decrease	1	2	③	4	5
d. large price decrease	1	2	3	④	5
<u>1. Drugs</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5
<u>2. Alcohol</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5
<u>3. Reports for Counselor Files</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5
<u>4. Gambling</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5
<u>5. Contraband and Appliances</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5

	A Lot Less	Less	The Same Amount	More	A Lot More
<u>6. Clothes</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5
<u>7. Buying privileges or favors such as work assignments</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5
<u>8. Weapons (a) if a resident already possessed one</u>					
a. large price increase	1	22	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5
<u>Weapons (b) if a resident did not possess one but was in the market</u>					
a. large price increase	1	2	3	4	5
b. some price increase	1	2	3	4	5
c. some price decrease	1	2	3	4	5
d. large price decrease	1	2	3	4	5

RESIDENT EARNINGS

If residents script allowance increased, what percent of that increase do you think they would spend?

1	2	3	4	5
0%	25%	50%	75%	100%

What item or items from the prison store would you buy more of or less of if your script income increased?

	Stop Buying	Much Less	A Little Less	Same Amount	A Little More	Much More
1. Cigarettes	1	2	3	4	5	6
2. Other tobacco items	1	2	3	4	5	6
3. Stationary supplies	1	2	3	4	5	6
4. Appliances (including accessories and time pieces)	1	2	3	4	5	6
5. Clothing	1	2	3	4	5	6
6. Baked Goods	1	2	3	4	5	6
7. Candy, cookies, and soft drinks	1	2	3	4	5	6
8. Coffee	1	2	3	4	5	6
9. Packaged meats and cheeses	1	2	3	4	5	6
10. Milk Products	1	2	3	4	5	6
11. Snacks	1	2	3	4	5	6
12. Toiletries	1	2	3	4	5	6
<u>Other:</u>						
13. _____	1	2	3	4	5	6
14. _____	1	2	3	4	5	6
15. _____	1	2	3	4	5	6
16. _____	1	2	3	4	5	6
17. _____	1	2	3	4	5	6

If residents would earn more "green" by dealing what percent of that increased green would they save?

1	2	3	4	5
0%	25%	50%	75%	100%

What contraband items do you think residents would buy if the "green" they had would increase?

	Stop Buying	Much Less	A Little Less	Same Amount	A Little More	Much More
1. Drugs	1	2	3	4	5	6
2. Alcohol	1	2	3	4	5	6
3. Reports for counselor file	1	2	3	4	5	6
4. Gambling	1	2	3	4	5	6
5. Weapons	1	2	3	4	5	6
6. "Hot" appliances	1	2	3	4	5	6
7. Buying special favors like work assignments	1	2	3	4	5	6
8. Clothing	1	2	3	4	5	6
9. Contraband Food	1	2	3	4	5	6
10. _____	1	2	3	4	5	6
11. _____	1	2	3	4	5	6
12. _____	1	2	3	4	5	6

RISK IN DEALING

A. How much risk do you think there is of getting caught by the guards when a resident is dealing the following?

	No Risk	Not Much Risk	High Risk	A Great Deal of Risk
1. Drugs	1	2	3	4
2. Alcohol	1	2	3	4
3. Reports for Counselor File	1	2	3	4
4. Gambling	1	2	3	4
5. Contraband Appliances	1	2	3	4
6. Clothes	1	2	3	4
7. Privileges or favors such as Work Assignments	1	2	3	4
8. Weapons	1	2	3	4
9. Contraband Food	1	2	3	4
10. _____	1	2	3	4
11. _____	1	2	3	4

B. How much risk of harassment such as getting ripped-off by other residents do you think there is in dealing the following?

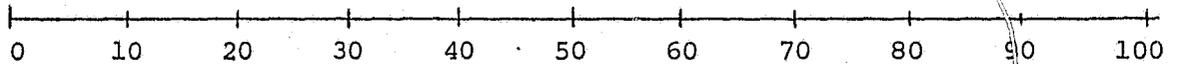
1. Drugs	1	2	3	4
2. Alcohol	1	2	3	4
3. Reports for Counselor File	1	2	3	4
4. Gambling	1	2	3	4
5. Contraband Appliances	1	2	3	4
6. Clothes	1	2	3	4
7. Privileges or favors such as Work Assignments	1	2	3	4
8. Weapons	1	2	3	4
9. Contraband Food	1	2	3	4
10. _____	1	2	3	4
11. _____	1	2	3	4

Gentlemen:

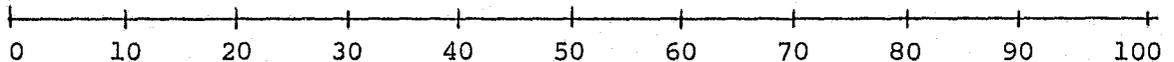
To complete the research on the problems residents face in surviving in prison, I would appreciate your help in the areas of resident spending habits. The two questions below ask how much of the "green" a resident might get ahold of he would spend. I am interested in your estimate based on your knowledge of fellow residents' habits. Circle the percent figure you think is about correct.

In general:

1. What percent of the contraband money such as cigarettes or green do residents spend?

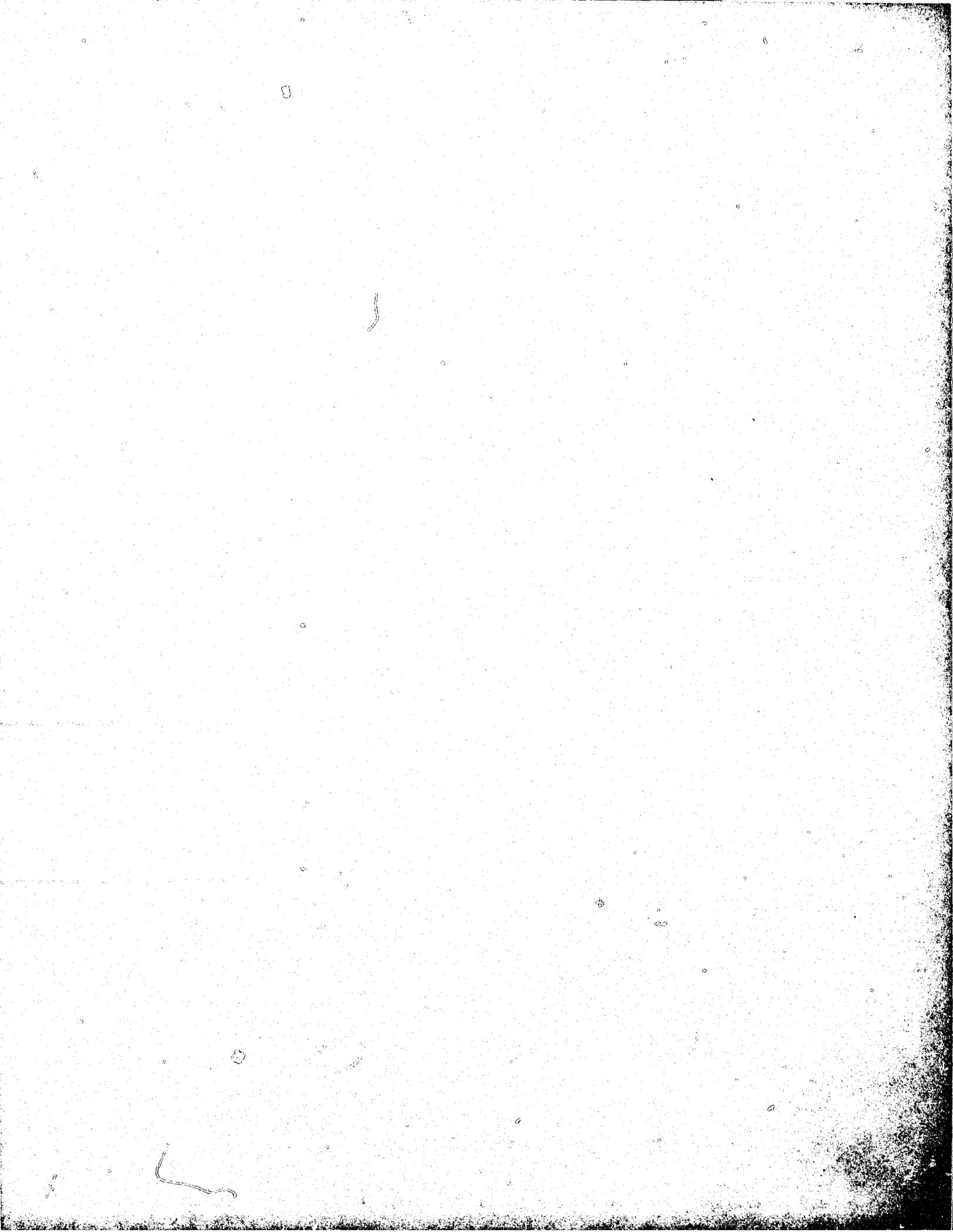


2. If residents contraband money such as cigarettes or green would increase for any reason, what percent of that increase do you think they would spend?



Thanks a great deal for your help.

mj



END