

# PRISONS AND RURAL ECONOMIC DEVELOPMENT

## FACT SHEET # 1: JOBS

### **While prisons create jobs, these benefits do not necessarily aid the host county.**

Findings from recent studies on prisons and rural communities in New York, Washington State, California, Colorado and Missouri show:

#### **\* Residents of rural counties with one or more prisons do not gain employment advantages compared to rural counties without prisons.**

From 1982-2001, unemployment rates in rural counties in New York with one or more prisons were consistent with unemployment rates in rural counties without any prisons.

#### **\* Rural counties hosting prisons received no economic advantage as measured by per capita income.**

From 1982 - 2000, per capita income rose 141% in New York counties without a prison and 132% in counties with a prison.

#### **\* Local residents do not fill most of the jobs in a new prison. Over two thirds of tax revenue and other economic benefits associated with prison jobs leak out of the host county.**

58% of the jobs at a Missouri prison were filled by individuals living in counties bordering the host county and another 10% were filled by persons living in counties not immediately adjacent to the host county.

Only 40% of jobs in a prison in Corcoran, California were filled by residents of the host county.

#### **\* Local residents may not qualify for prison construction jobs. Much of the money from prison construction flows out of the host county.**

In Fremont County, Colorado, home to 13 prisons, the skills required for construction jobs were too sophisticated for local tradesmen and required bringing in outside contractors and workers to build the facilities.

A prison in Clallam Bay in the state of Washington became a contentious issue for local citizens when they discovered they were ineligible for the jobs and temporary jobs to set up initial operations were filled by transfers from another prison.

An analysis of the major bids accepted for the construction of the Upstate Maximum Security Correctional Facility in Malone, New York shows that none were from the host county.

---

Fact Sheet Compiled by Tracy Huling (February, 2003)

#### **Sources:**

- Carlson, K.A. (1992) "Doing Good and Looking Bad: A Case Study of Prison Community Relations", *Crime & Delinquency*, 38, (1).
- Gilmore, R.W. (1998) *From Military Keynesianism to Post Keynesian Militarism: Finance, Capital, Land, Labor and Opposition in the Rising California Prison State*. (Dissertation)
- R. King, , Mauer, M. & Huling, T. (2003) *Big Prisons, Small Towns: Prison Economics in Rural America*. The Sentencing Project. Washington, DC.
- Setti, C. (2001) *Prisons and Their Effects on Local Economies: The Colorado Experience*. Vol. XLVII, #3, December. CPEC Center for Tax Policy Research: University of Denver.
- Thies, J.S. (1998). *The Big House in a Small Town: The Economic and Social Impacts of a Correctional Facility on its Host Community* (Dissertation)
- Wielgosz, R., Brown, T. & Lategola, A.R. (2000) *Rural Boomtowns: The Relationship Between Economic Development and Affordable Housing*. Washington DC: Housing Assistance Council.