CAN'T TRUST HER

by JT

11 5 2016

Donald Trump etal;

Hang tight. I have previously contributed to your cause. Hillary Clinton WILL go down and she is taking Chelsea, Bill and Clinton Foundation with her.

NOONE is checking out the Hospital, Health Care and Insurance connections to Hillary, Chelsea, Clinton Foundation, ALLIANCE FOR A HEALTHIER GENERATION, INC., Barrack and Michelle (Michael) Obama. They are acting in concert and collusion and conspiring to commit treason and fraud. The FBI DOES have a case.

Check out the Florida Medicaid/Medicare/ Tricare Fraud with Governor Scott. Run connections to Clinton Foundation see where & if they collide.

Hospitals are built with money laundered from court cases through COURT REGISTRY INVESTMENT SYSTEM (CRIS) and COMMITTEE ON UNIFORM SECURITIES IDENTIFICATION PROCEDURES (CUSIP) through Dallas Houston Texas Federal Reserve. Counties get their cut.

Clinton has deep ties with the DOJ. DOJ and FBI collide through Clintons control.

I know first hand and for a fact they(above entities) used $9,155,004,308.00 stolen from me to build numerous hospitals through theft from the courts. The money was shared through county offices including Washington Governor Christine Gregoire who received over 2 billion for/through/by FEMA for a December storm. FEMA withheld the funds and was not used for people to repair their flooded homes in Oregon and Washington on or about 8 years ago (2008).Just like Haiti and Katrina.

I have done the research.

Follow some of the connections attached. More connections on this huge PONZI scheme are found in the Scott Rothstein cases in Fort Lauderdale Florida. He was a scapegoat sent to prison for life to draw the heat off the rest of the players.

Miami Herald and Sun Sentinel (Ft Lauderdale FL) have the articles. So do I. I also have all the court cases. Rothstein is also a name of the infamous mobster, Arnold "The brain" Rothstein, also known as

"The Fixer" for more than one reason, from New York. A majority of Scott Rothstein's shell companies are located in New Jersey, where lives Governor Chris Christie.

Ponzi Scott Rothstein, Rick Scott "the ultimate Medicare thief," and Chris Christie all key players. New York and New Jersey connections to Florida and Rick Scott.

Surely I am not the only person on the planet putting this puzzle together connecting the notorious Clinton Crime Cabal together with the Government Financial Office of Accountability (GFOA) set up by the mob in 1946, CUSIP, Courts, DOJ, Hospitals, Healthcare, Insurance, Rothschilds and Rockefellers. Is anyone exempt? Few if any.

I am not EVEN touching bases with the General Land Office (GLO), BLM, PACIFIC RAILWAY ACT OF 1862, and subsequent Acts, URANIUM ONE and the connections to Marc Mezvinsky Chelsea Clinton's corrupt husband, Clinton Foundation showing all the land fraud that the Clintons are also directly connected to!

Let's just throw in for good measure that the Title Companies are owned by attorneys and run through the counties. Particularly FIRST AMERICAN TITLE COMAPNY, and TICOR, both were notoriously connected to the beginning of the land fraud deals.

See; Looters of Public Domain by Puter Kingpin of Land fraud and HHYPERLINK "https://catalog.hathitrust.org/Record/008701311"R22002 Concerning the Oregon and California Land Grant April May 1912

The entire first page of The PACIFIC RAILWAY ACT of 1862 is a list of names, all Railway, Bankers, Lawyers, Judges, Congressmen Senators and relatives thereto as employees of "The Union Pacific Railroad Company".

Nearly every company referenced with the name PACIFIC can be traced back to the Railway Companies, the Rothschilds, Rockefellers and their puppets the Clintons.

There are no clean land Titles as the Railway companies and their associates, the lumber and oil companies, stole American land from the Natives, killed them off, relocated what was left of them and forced them into bogus Treaties, most if not all were broken and all were derived through fraud.

The General Land Office created Titles out of thin air working with the Railway, Lumber and Oil companies. Foreclosures to date are all a part of this ongoing PONZI scheme that Scott Rothstein stated " every Judge, attorney, mortgage Company, Real Estate and Insurance company is involved in.

Rothschild's, Rockefellers and Clintons all key players. Whitewater scandal was only a small piece of Clinton land fraud.

Here is a Rockefeller connection to the Clintons. Rockefellers and Rothschilds = Railway. Rockefellers are Very close to Clintons.

See Rothschilds here here here and here (see pg 102 for "Core lenders". This entire document refers to

railways.)

It is the "Debt For Equity Exchange Plan" involving Jarvis PLC, N M Rothschilds in England with global offices including Washington D.C. Everyone is involved in this web of deceit and Hillary Clinton is the black widow whose venomous bite kills

.

> ''Debt for Equity Exchange''
>
> the release of all claims of Converting Creditors (including the Converting Creditor who is subject to the Contractual Arrangements and being issued New Ordinary Shares in respect of a claim of approximately £0.6 million) against the Company in respect of such claims in consideration for the issue of New Ordinary Shares to the Converting Creditors on the terms set out in the Scheme and, where applicable, the Contractual Arrangements, or a Restructuring Agreement, as the case may be..."

> ''Core Lenders''
>
> Banc of America Securities Limited, Barclays Bank plc, Bayerische Landesbank, CanPartners Investments IV, LLC, Commerzbank AG, London Branch, Credit Suisse, London Branch, Danske Bank A/S, De Montfort Insurance Company plc, Deutsche Bank AG London, Euler Hermes Guarantee plc, Greywolf Loan Participation LLC, JPMorgan Chase Bank, N.A., Liberty International Underwriting Services Limited, Mellon HBV Alternative Strategies LLC,Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley Bank International Limited, Orn European Debt SARL, Prudential Insurance Company of America, River Run Fund Limited, The Royal Bank of Scotland plc / National Westminster Bank plc, St Paul Travellers Insurance Company, Strategic Value Partners (UK) LLP, Teachers Insurance and Annuity Association of America and Third Point Loan LLC and their assignees or transferees from time to time

..."The strategy for the Jarvis Rail division during the business plan period is to further develop the Accutrack process in the UK and the division's project management and design capabilities and to seek selective international expansion, focusing on those new eastern European EU accession countries to which EU funds have been allocated for the modernisation of rail infrastructure....."

CLINTONS ROTHSCHILDS AND ROCKEFELLERS MUST GO DOWN

JT

2 Attachments;

Connecting Clinton Corrupt Criminal Connections.pdf

Aug 05 Jarvis.pdf (Debt For equity Exchange)

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Referencing the following remember that **Federal Prisons Inc. parent Company is UNICOR**

Additional Supporting Evidence

http://www.dunwalke.com/8_Dillon_Investment_in_Cornell.htm

Dillon Read & Co. Inc.
And the Aristocracy of Stock Profits

by Catherine Austin Fitts

8. Dillon's Investment in Cornell

Did Barings, Dillon's lead investor when they

bankrolled Cornell Corrections, have historical ties to the drug trade? (Logo courtesy Wikipedia)

On February 21, 1991, after I had left the Bush Administration and remained in Washington D.C. to invest in my own start up, Hamilton Securities, Dillon Read's Venture group invested in Cornell Corrections — essentially bankrolling the creation of quite a different startup in the newly emerging private prison industry. Cornell was founded with David M. Cornell who was Operations Manager - Special Projects of Bechtel and Chief Financial Officer of its subsidiary Becon Construction from 1983-1990.[33] Cornell Corrections was created to take advantage of plans to privatize the government's prison operations. The War on Drugs and its related mandatory sentencing were fueling an explosion in the U.S. prison population. The construction and management of new prison facilities was potentially big business for the construction industry — firms like Brown & Root who Cornell used to build their first detention center — and those who financed them — like Dillon Read.

According to a later Harvard case study on Cornell's facility,[34] David Cornell was pursuing the prison business while at Becon in partnership with Dillon Read — presumably the part of the firm that helps to create and sell the types of local government bonds that finance many prisons. When Becon decided not to pursue the prison business, Cornell decided to leave and start his own private prison company. With Bechtel out of the business, Cornell and Dillon then decided to use Brown & Root to construct the first prison. Brown & Root was a subsidiary of Halliburton, both based in Houston like Cornell Corrections.

According to Cornell's filings with the SEC and other corporate reports, Dillon used funds from three of its venture funds, Concord, Concord II and Concord Japan to make these initial investments. Dillon Read's April 1997 SEC filing described Concord and Concord II as limited partnerships organized under the laws of New York and Delaware.

Yoh Kurosaw, Chairman

of the Industrial Bank of Japan, seen here at the Harvard Dinner at Davos, Switzerland was a director of Concord Japan, a Dillon venture Fund that invested in Cornell Corrections
(Photo courtesy Harvard Business School)

To understand Dillon's investments in Cornell it is essential to understand who governed Dillon Read, who at Dillon invested personally as well as who at Dillon along with outside directors helped to govern the Dillon venture funds that invested in Cornell. These are the people who are responsible for the investment decisions and who would have benefited in various forms.

As provided in Dillon's Cornell SEC filings, Dillon, Read Holding Inc.,[35] Dillon, Read Inc.[36] and Dillon, Read & Co. Inc.[37] listed their officers and directors as including John P. Birkelund, David W. Niemiec, Franklin W. Hobbs, IV, Francois de Saint Phalle as well as senior leadership from Barings, the British bank that was now an investor in Dillon and ING, the Dutch financial conglomerate that acquired Barings when it failed in 1995.[38]

The presence of Barings in Dillon's governance structure is noteworthy. Barings, the oldest merchant bank in England and said to be a financial leader in the 1800s China opium trade, collapsed in February 1995 as a result of a trading scandal in Asia and was taken over by ING. Barings became the lead outside investor in Dillon Read in late 1991, when they effectively financed Dillon's management buying out Travelers. This was the same year that Dillon bankrolled Cornell Corrections. Barings' difficulties in 1995 may have increased the pressure on Dillon to generate revenues, particularly before it was sold to Swiss Bank Corporation (now part of UBS) in the summer of 1997, changing its name to SBC Warburg Dillon Read.

Peter A. Liedel, a Dillon Senior Vice President joined the board of

Cornell and had a Cornell facility contracted by the Federal Bureau of Prisons in Houston in 1996 named after him. (Photo courtesy Willbros Group, Inc.)

In the April 1997 Dillon Cornell SEC filing, the Concord Japan venture fund invested in Cornell is described as a corporation organized under the laws of the Bahamas, whose principal office and business address was c/o Roy West Trust Corporation, (Bahamas) Limited, West Bay Street, Nassau, Bahamas. Hence, Concord and Concord II were "onshore" funds and Concord Japan was an "offshore" fund. The officers and directors of Concord Japan include representatives of some of the largest most prestigious Japanese corporations as well as Amerex SA which listed its address as the Coutts Bank office in the Bahamas. Coutts is considered one of the most prestigious private banks in the world.[39]

In May 1991, Dillon invested additional funds from one of the Lexington Funds.[40] The Lexington Funds were created to invest money for Dillon officers and directors. Dillon then made additional investments with these various funds in September and November 1991. By the time of Cornell's initial public offering of stock in October 1996, Dillon Read and the funds it managed and its officers and directors had accumulated approximately 44% of the outstanding common stock. This meant that they were the controlling shareholders.

Along the way, Dillon officers and directors had personally purchased significant shares of Cornell stock. Investors included Chairman John Birkelund, Vice Chairman Dave Niemiec who signed many of the documents on behalf of Dillon and Lexington, President and CEO Franklin "Fritz" W. Hobbs, IV as well as numerous other senior partners, including Ken Schmidt. Dillon officer Peter A. Liedel, who signed on behalf of Concord, had joined the board of Cornell. Cornell named one of its facilities after him — the Liedel Community Correctional Center, a pre-release facility in Houston.

Seven Largest Dillon Holders of Personal Positions in Cornell

SHAREHOLDER	SHARES	OPTIONS INCLUDED	AMOUNT OF FUNDS
JOHN P. BIRKELUND	39,579	3,736	$96,990.16
JOHN H. F. HASKELL, JR.	36,730	3,505	$85,382.75
DAVID W. NIEMIEC	35,018	3,270	$76,989.51
FRANKLIN W. HOBBS, IV	30,455	2,803	$56,986.04
PETER FLANIGAN	28,178	2,687	$48,781.40
GEORGE A. WIEGERS	28,176	2,571	$44,988.85

KENNETH M. SCHMIDT	24,778	2,454	$35,622.38

Source: Cornell Corrections, Inc. April 1997 13-D Filing by Dillon Read.

Note: For the full list of 32 Dillon officers with personal positions, click here.[41]

Total Estimated Dillon Investment in Cornell Corrections Stock [41.5]

SHAREHOLDER	AMOUNT OF FUNDS
Concord (Est.)	$630,000
Concord II	$2,120,459.83
Concord Japan	$338,734.26
Lexington III	$70,000.65
Lexington IV	$9,541.14
Dillon Read Officers and Directors	$652,999.99
TOTAL (Est.)	**$3,821,736**

Source: Cornell Corrections, Inc. October 1996 Prospectus and April 1997 13-D Filing by Dillon Read.

Dillon's investments in Cornell represent an extraordinary firm-wide commitment to starting up one company. This was not a common occurrence, but as we will see, this was not the first time that Dillon Read had backed a Houston business involved in privatization in an extraordinary way. The decision for an officer and director to buy shares would have been an individual decision — whether they used their own funds or if the firm helped arrange credit or other funds for them to finance their purchases. Hence, this meant that a significant number of Dillon's leadership decided that investing was something they actively wanted to do and for which they chose to be financially and ethically liable. One can only wonder what the Dillon leadership had been led to believe about the future of the private prison business, let alone what it implied about the future of the country.

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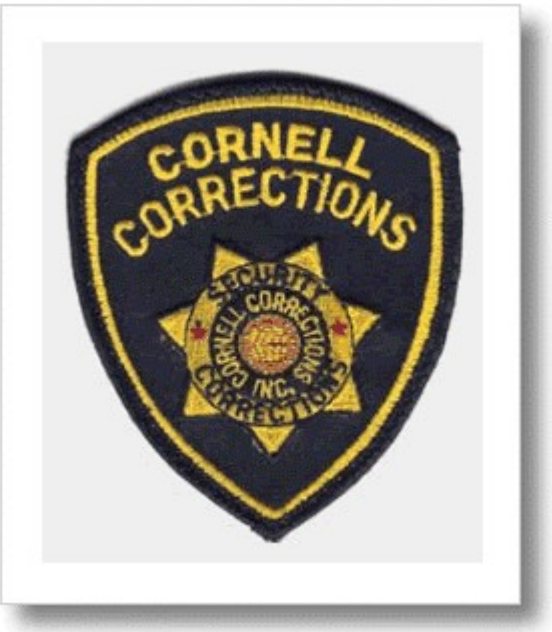
Dillon Read & Co. Inc.
And the Aristocracy of Stock Profits

by Catherine Austin Fitts

9. Cornell Corrections

Based on company SEC filings, Houston-based Cornell Corrections started off with correctional facilities in Massachusetts and Rhode Island in 1991 and then in 1994 acquired Eclectic Communications, the operator of 11 pre-release facilities in California with an aggregate design capacity of 979 beds. An important relationship for Cornell from the start was the U.S. Marshals Service, an agency of DOJ, who was Cornell's primary client for its Donald W. Wyatt Federal Detention Facility in Central Falls, Rhode Island, a facility with a capacity of 302 beds.



The U.S. Marshals Service is the oldest U.S. enforcement agency. Among other duties, the U.S. Marshals Service houses and transports prisoners prior to sentencing and provides protection for the federal court system. According to the Marshals Service's website, they are also:

> *"Responsible for managing and disposing seized and forfeited properties acquired by criminals through illegal activities. Under the auspices of the Department of Justice Asset Forfeiture*

Program, the Marshals Service currently manages more than $964 million worth of property, and it promptly disposes of assets seized by all DOJ agencies. The goal of the program is to maximize the net return from seized property and then to use the property and proceeds for law enforcement purposes."

An article by Jeff Gerth and Stephen Labaton in the *New York Times* in November 1995, 'Prisons for Profit: A Special Report; Jail Business Shows Its Weaknesses" describes the problems that Cornell ran into with its Rhode Island facility. This facility had been financed with municipal bonds issued through the Rhode Island Port Authority in the summer of 1992 and underwritten by Dillon Read. The article states:

"Two years ago, the owners of the red cinder-block prison in this poor mill town threw a lavish party to celebrate the prison's opening and show off its computer monitoring system, its modern cells holding 300 beds and a newly hired cadre of guards.

"But one important element was in short supply: Federal prisoners.

The Donald W. Wyatt Facility in Rhode Island was Cornell's first facility, constructed by Halliburton and financed by Dillon Read with tax-exempt municipal bonds issued through the Rhode Island Port Authority and Economic Development Corporation.

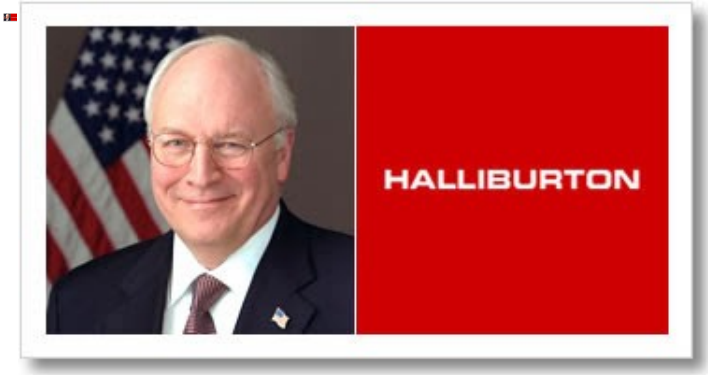
(Photo courtesy Cornell Companies)

"It was more than an embarrassing detail. The new prison, the Donald W. Wyatt Detention Facility, is run by a private company and financed by investors. The Federal Government had agreed to pay the prison $83 a day for each prisoner it housed. Without a full complement of inmates, it could not hope to survive.

"So the prison's financial backers began a sweeping lobbying effort to divert inmates from

other institutions. Rhode Island's political leaders pressed Vice President Al Gore while he was visiting the state as well as top officials at the Justice Department to send more prisoners. Facing angry bondholders and insolvency, the company, Cornell Corrections, also turned to a lawyer who was then brokering prisoners for privately run institutions in search of inmates.

"The lawyer, Richard Crane, has done legal work for private corrections companies and Government penal agencies. He put the Wyatt managers in touch with North Carolina officials. Soon afterward, 232 prisoners were moved to Rhode Island from North Carolina, and Mr. Crane was paid an undisclosed sum by Cornell Corrections."



Dick Cheney served as the Chairman and CEO of Houston-based Halliburton from 1995-2000, then parent of Houston-based KBR.

Cornell's Donald C. Wyatt facility later became a case study at the Harvard Design School's Center for Design Informatics. This was an indication of the wave of business and investment opportunities that prisons and enforcement presented to everyone from architects to construction companies to real estate and tax-exempt bond investors.[42] Harvard's case study mentions that Cornell arranged for the facility to be constructed by Brown & Root of Houston, Texas, then a subsidiary of Halliburton. (Brown & Root, now known as KBR, separated from Halliburton in April 2007 after 44 years as a subsidiary.) Brown & Root/KBR's construction of prison facilities was to become more visible many years later after its construction of detention facilities at Guantanamo Bay, prisoner of war camps in Iraq and its winning of contracts to build detention centers for the Department of Homeland Security. A request to Cornell for information regarding companies used for prison construction subsequent to the Wyatt facility has been made, but no response has yet been received.

Dillon Read had long standing relationships with Brown & Root and the Houston banking and business leadership as a result of the firm's historical role in underwriting oil and gas companies, including

pipelines. In 1947, Herman and George Brown, the founders and owners of Brown & Root, were part of a group of Texas businessmen banked by Dillon Read as investor and underwriter (in a manner very similar to Dillon's backing of Houston-based Cornell many years later) to form the Texas Eastern Transmission Co. to buy the "Big Inch" and "Little Big Inch" pipelines in a privatization by the U.S. government.

The Texas Eastern pipelines were critical to bringing natural gas from Texas and the Southwest to Eastern markets. For most Americans, Houston and New York seem far apart. However, the intimacy of their connection is better understood when you study the investment syndicates that controlled the railroad, canals, pipelines and other transportation systems that have connected these markets and helped to determine control of the local retail businesses for both goods and capital along the way. For example, Texas Eastern's Big Inch pipeline went from east Texas to Linden, New Jersey, some 30 miles away from the Dillon and Brady estates in New Jersey and approximately 20 miles from the Dillon Read offices on Wall Street.

According to investigative journalist Dan Briody in *The Halliburton Agenda: The Politics of Oil and Money*, the Brown brothers netted $2.7 million in profits on their shares in their initial public offering right after the company was formed and won the bid to buy the pipelines from the government in the late 1940's. That, however, was not the real payoff. According to Briody, Brown & Root subsequently worked on 88 different jobs for Texas Eastern, and generated revenues of $1.3 billion from Texas Eastern between 1947 and 1984. [42.1]

According to Robert Sobel in *The Life and Times of Dillon Read,* under August Belmont's personal leadership of the transaction, Dillon Read also made a profit on the Texas Eastern shares. "Nothing is known of Dillon Read's profits on the underwriting, but it was a sizeable owner of TETCO [Texas Eastern] common, acquired at 14 cents a share, which rose to $9.50." [42.2] While figures for Dillon Read revenues from underwriting and other investment banking services over the years comparable to Brown & Root's construction contracts are not available, my recollection was that Dillon continued to maintain a profitable relationship with Texas Eastern when I worked at the firm in the 1980s many decades later. Interestingly enough, Briody also describes in detail the McCarthyist efforts that were made to destroy Federal Power Commission chairman Leland Olds, an honest government official, because his ethical regulatory decisions threatened the richness of the Texas Eastern profits. The clear implication is that the pattern of generating financial windfalls from government privatizations combined with dirty tricks against honest government officials is nothing new. [42.3]

The closeness of the Brown & Root relationship with Dillon Read is also underscored by Briody's description of the head of Brown & Root’s frustration with Lyndon Johnson's decision to serve as John Kennedy's running mate. He quotes August Belmont, by then a leader of Dillon Read, who was with Brown in Houston in his private hotel suite listening to the radio coverage of Johnson's announcement. According to Belmont, "Herman Brown....jumped up from his seat and said, 'Who told him he could do

that?' and ran out of the room." [42.4]

What Briody does not mention is allegations regarding Brown & Root's involvement in narcotics trafficking. Former LAPD narcotics investigator Mike Ruppert once described his break up with fiance Teddy — an agent dealing narcotics and weapons for the CIA while working with Brown & Root, as follows:

> "Arriving in New Orleans in early July, 1977 I found her living in an apartment across the river in Gretna. Equipped with scrambler phones, night vision devices and working from sealed communiqués delivered by naval and air force personnel from nearby Belle Chasse Naval Air Station, Teddy was involved in something truly ugly. She was arranging for large quantities of weapons to be loaded onto ships leaving for Iran. At the same time she was working with Mafia associates of New Orleans Mafia boss Carlos Marcello to coordinate the movement of service boats that were bringing large quantities of heroin into the city. The boats arrived at Marcello controlled docks, unmolested by even the New Orleans police she introduced me to, along with divers, military men, former Green Berets and CIA personnel.
>
> "The service boats were retrieving the heroin from oil rigs in the Gulf of Mexico, oil rigs in international waters, oil rigs built and serviced by Brown and Root. The guns that Teddy monitored, apparently Vietnam era surplus AK 47s and M16s, were being loaded onto ships also owned or leased by Brown and Root. And more than once during the eight days I spent in New Orleans I met and ate at restaurants with Brown and Root employees who were boarding those ships and leaving for Iran within days. Once, while leaving a bar and apparently having asked the wrong question, I was shot at in an attempt to scare me off."[43]
>
> **Source:** "Halliburton's Brown and Root is One of the Major Components of the Bush-Cheney Drug Empire" by Michael Ruppert, *From the Wilderness*

Another important relationship for the Houston-based Cornell Corrections was the California Department of Corrections. Whether this reflected that California was home base for David Cornell's former employer, Bechtel, is not clear. When Cornell Corrections got started, California had the largest prison population of any U.S. governmental entity. In part due to extraordinary growth in incarcerations of non-violent drug users as a result of the War on Drugs, the federal prison population managed by the Federal Bureau of Prisons at the Department of Justice has become the largest with 186,560 based on their September 8, 2005 weekly update.[44] California is close behind with 168,000 youths and adults incarcerated in California prisons and 116,000 subject to parole.

Cornell's early years of business were not financially profitable. The private prison industry faced significant resistance and legal and operational challenges to privatizing federal, state and local prison capacity. Within the private prison industry, Cornell faced competition for new contracts and acquisitions from two larger, more experienced companies, CCA and Wackenhut. By 1995, compared to industry leaders, Florida-based Wackenhut and Tennessee based Corrections Corporation of America (CCA), Cornell Corrections appeared to be lagging in government contract growth. As of mid 1996, Cornell was carrying $8 million of cumulative losses on its balance sheet.

Cornell's Chief Financial Officer, Treasurer and Secretary was Steven W. Logan, who had served as an experienced manager in Arthur Anderson's Houston office. This was the same office of Arthur Anderson that had served as Enron's auditor until the Enron bankruptcy brought about the indictment and conviction of Arthur Andersen.[45] Arthur Andersen was Cornell's auditor, having first served as a consultant to create market studies which helped support the approvals for and financing of the building of the Rhode Island facility for the U.S. Marshals Service. Logan was later forced out of Cornell after an off-balance sheet deal[46]engineered with the help of a former Dillon Read banker Joseph H. Torrence, like those done for Enron was called into question and significant stock value declines triggered litigation from shareholders.

Cornell's Reported Revenues and Net Income for 1992-1996

	1992	1993	1994	1995	1996
Revenues	$2.5MM	$3.2MM	$15.7MM	$20.6MM	$32.3MM
Net Income (Loss)	.9	(.9)	(.6)	(1.0)	(2.4)
Beds in Operation	-	282	1,155	1,135	2,899

(MM = In millions)
Source: Cornell Corrections, Inc., Selected Consolidated Financial Data, Form 10-K For Fiscal Year Ended 1996

Most venture capital investors prefer to exit their investment within 5 years. That means that Dillon Read would have likely wanted to establish or start their exit from Cornell by 1996. The stock market was hungry for Initial Pubic Offerings (IPOs) where a new company sells its stock to the public for the first time. Venture capitalists typically make their profit from financing a company and then selling

their equity when a public market has been established for the company's stock. However, by the end of 1995, Cornell's story was not an exciting one. It was not a market leader, its growth was slow and it had no profits. If the calf was going to be taken to market, it would need fattening.

A Note on "Prison Pop"

The "pop" is a word I learned on Wall Street to describe the multiple of income at which a stock is valued by the stock market. So if a stock like Cornell Corrections trades at 15 times its income, that means for every $1 million of net income it makes, it's stock goes up $15 million. The company may make $1 million, but its "pop" is $15 million. Folks make money in the stock market from the stock going up. On Wall Street, it's all about "pop."

Prison stocks also are valued on a "per bed" basis — which is based on the number of beds provided and the profit per bed. "Per bed" is really a euphemism for people who are sentenced to be housed in their prison.

For example, in 1996, when Cornell went public, based on the financial information provided in the offering document provided to investors, its stock was valued at $24,241 per bed. This means that for every contract Cornell got to house one prisoner, at that time, their stock went up in value by an average of $24,261. According to prevailing business school philosophy, this is the stock market's current present value of the future flow of profit flows generated through the management of each prisoner. This, for example, is why longer mandatory sentences are worth so much to private prison stocks. A prisoner in jail for twenty years has a twenty-year cash flow associated with his incarceration, as opposed to one with a shorter sentence or one eligible for an early parole.[47] ***This means that we have created a significant number of private interests — investment firms, banks, attorneys, auditors, architects, construction firms, real estate developers, bankers, academics, investors among them— who have a vested interest in increasing the prison population and keeping people behind bars as long as possible.***

When you invest in stock, you make money if and when you sell the stock at a higher price than you paid for it. This would be true for the people who invested in Cornell stock, including Dillon Read and its venture funds. Cornell was run by a board of directors that represented the shareholders, particularly the controlling shareholders — in this case Dillon Read. The board is the group of people who decides what goes. Senior management officials, such as the founder and Chairman David Cornell, who run the company day to day, are also on the board. Most of the money they make comes from stock options that they get to encourage them to get the stock to go up for the investors. That means that what everyone who runs the company wants is for the stock to go up.

There are two ways to make the stock go up. First, you can increase net income by increasing capacity — the number of "beds" — or profitability — "profits per bed." Second, you can increase the multiple at which the stock trades by increasing the markets' expectations of how many beds or what your profit

per bed will be and by being very accessible to the widest group of investors. So, for example, passing laws regarding mandatory sentencing or other rules that will increase the needs for prison capacity can increase the value of private prison company stock without those companies getting additional contracts or business. The passage of — or anticipation of — a law that will increase the demand for private prisons is a "stock play" in and of itself.

The winner in the global corporate game is the guy who has the most income running through the highest multiple stocks. He is the winning "pop player." Like the guy who wins at monopoly because he buys up all the properties on the board, he can buy up the other companies. So the private prison company that wins is the one that gets the most contracts that guarantee it the most prisons and prisoners that generate the most income for the longest period with the smallest amount of risk.

The way that Cornell could become a winner quickly was to get lots of government contracts to house lots of prisoners and acquire other companies with government contracts to house lots of prisoners and do it quickly.[48] And that was exactly what happened.

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