

BOOK REVIEW

THE SOCIAL ORDER OF THE UNDERWORLD: HOW PRISON GANGS GOVERN THE AMERICAN PENAL SYSTEM

DAVID SKARBEEK

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Neither Carl Menger, Ludwig von Mises, Murray Rothbard, nor Israel Kirzner are found within the bibliography of David Skarbek's latest book *The Social Order of the Underworld: How Prison Gangs Govern the American Penal System* published by Oxford University Press. In fact, no citations are made to any of the popular field journals of contemporary Austrian economics. And yet, I would urge readers to consider this book both one of the best and most important pieces of scholarship for Austrian economics to be published in recent years. In short, if one does not recognize the role of the Austrian paradigm within the text itself or the

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relevance of the text to the Austrian tradition, one might consider reassessing what exactly are her understandings regarding the essential facets of Austrianism. As Mises suggested in *Theory and History*, the inherent purpose of theory is to do history, to explain the complex social world around us. In this vein, the proof of the pudding is in the eating, and readers will likely want seconds of Skarbek's compelling research.

Skarbek's thesis is straightforward and I would argue correct. Prison gangs have emerged in recent decades, they possess dominant power within the American penal system, and they have taken on the particular qualities and characteristics that they possess, because they service a much needed function for maintaining social order amidst the unique circumstances created by the confines of incarceration and penal growth in recent decades. In short, prison gangs emerged to provide security, property enforcement, and conflict adjudication when formal government enforcers explicitly failed to provide such for inmates behind bars.

Skarbek's work should be recognized as an ideal application of the most foundational concepts within the Austrian paradigm as well as a methodological approach accessible to those interested in pursuing Austrian economics as a progressive research program. The success of such research represents a significant professional victory for the Austrian tradition, first because the insights and methods of Austrianism have been effectively internalized and second, they have been meaningfully applied to offer a compelling account for a real and important social phenomenon. For those interested in pursuing a professional academic career in the Austrian tradition, this book provides a methodological pathway for how similar research can and ought to be conducted henceforth.

Skarbek adheres to methodological individualism by investigating the unique incentives and knowledge limitations faced by rationally motivated inmates. Inmates desire security of their persons and property as do ordinary citizens but in the context of extreme risk and uncertainty of the prison community. He then explains how interactive processes of these decision-makers contribute to the spontaneous development of institutional forms complex and functional beyond the planning capacities of any individual inmate alone. Prison gangs conform to self designed and enforced systems of electoral politics, checks, and balances.

Their profitability from controlling production and distribution chains within the prison economy stems from their relative power over administered violence in the prison social order more generally. Lastly, readers inevitably posit the broader implications for society write large by comparing the operations of prison gangs and related institutional forms to those in the traditional world around them. If prison gangs stem from the inabilities of traditional government enforcers, how do similar failure processes operate outside of prisons? What gang-like institutional forms stem from governmental failure beyond the prison walls?

Such techniques are an obvious parallel to the approaches taken by scholars throughout the classical liberal and Austrian traditions such as Adam Smith, Carl Menger, Ludwig von Mises, and F.A. Hayek. Though Smith is perhaps best known for his phrasing of the “invisible hand” to describe the self-adjusting properties of prices in market economies, his broader political theory encapsulated in his comments surrounding the “man of system,” communicates an even more nuanced and insightful perspective. Not only do free, choosing individuals naturally contribute to a structure of spontaneous and functional social institutions, but such organic forms are also systematically displaced and manipulated by the imposition of centrally enforced and planned schemes.

Menger’s *Origins of Money*, arguably one of the most foundational pieces of scholarship in the Austrian corpus, does so similarly. It was not merely to pontificate the potentials of a voluntarily coordinated monetary mechanism that prompted Menger, but also the conceptual need for a benchmark of comparison from which to assess the political manipulation of monetary stocks and flows in the real economy around us. Mises’s hypothetical construct, the evenly rotating economy, echoes with regard to the broader coordinative processes of economic production, distribution, and consumption. Lastly, Hayek’s contributing insights surrounding the role of knowledge in society reaffirms, mainly that political processes decidedly lack the unique forms of local, tacit, decentralized, and dispersed knowledge particularly necessary for effective social coordination.

Prior to Skarbek, structural functionalist and prison ethnographer Gresham Sykes perhaps most closely embodied this inherently liberal perspective as he explained in his *Society of*

Captives that prison management techniques were inevitably short sighted of the complex details undergirding the otherwise natural and organic self-governance of inmate communities. It has long been argued that the prison community can and does provide a conceptual microcosm of social operations as a meaningful point of comparison from which to assess traditional institutional forms throughout society. In such light, Skarbek's work replicates Sykes's observations that the origins of extreme social disorder stem from the tensions arisen between excessively totalitarian controls forcefully imposed and out of step with the tendencies and operations of the inmate social order. Prison gangs in part mitigate such disorder.

Skarbek's research also uncovers the pervasive influence of gang power beyond their prison walls and as such invokes a disconcerting question in the minds' eyes of his readers. Mainly, given how prison gangs have emerged in consequence from the extreme growth of prison populations and as a counter-reaction to administrative state failures therein, how has prison growth shaped and influenced institutional forms throughout conventional society? How much of our endured social disorder stems not from the inherent tendencies of free acting individuals but from the direct and indirect effects of state failures and tensions between natural and imposed social controls? Work like Skarbek's gives us some basis for conceptually separating these trends.

Again, I sincerely hope that Skarbek's work is well read and well received as it represents a unique and much needed perspective on an undeniably important subject matter. This book and the rich legacy of applied research it draws upon are both inherently informed by and crucially valuable to the Austrian tradition. Hopefully more similar research will be provided in the future both by Skarbek himself and those influenced by his groundbreaking work.