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Corruption Case Taints Rising Political Star

By **SUSAN SAULNY** and **CATRIN EINHORN**
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CHICAGO — As the corruption trial of the political fund-raiser [Antoin Rezko](#) winds to a close here, testimony about power-brokering at the highest levels of state government has battered the career of an [Illinois](#) politician who once had his sights set on the White House.

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Sally Ryan for The New York Times

Gov. Rod R. Blagojevich of Illinois, shown at a news conference last year, and his administration have been mentioned repeatedly in testimony at the corruption trial of a political fund-raiser.



Brian Kersey/Associated Press

The fund-raiser, Antoin Rezko, leaving federal court in Chicago this month. Closing statements in his trial will begin Monday.

When the trial began two months ago, national attention focused on how Senator [Barack Obama](#) of Illinois might suffer because of his connection to Mr. Rezko, a former patron who made a fortune on fast food and real estate.

But it is Gov. [Rod R. Blagojevich](#), an ambitious chief executive who has not been charged and denies any wrongdoing, who is left flailing in the wake of weeks of testimony. His name and administration have surfaced repeatedly, described as a participant in the kickback schemes of which Mr. Rezko is accused.

While Mr. Obama's campaign for the presidency has been dogged by questions about Mr. Rezko, the fallout for him has so far been slight. Mr. Obama, who has not been accused of any crime, donated money that was raised for him by Mr. Rezko to charity and said he regretted what he called his bad judgment on a property sale between their families.

But Mr. Blagojevich, a Democrat, has been so badly wounded by association with the case that he may not be able to recover, whatever the verdict for Mr. Rezko, according to interviews with academic experts and political commentators who are weighing the impact of testimony.


Former allies have called on Mr. Blagojevich to quit. His lieutenant governor, Pat Quinn, has asked him to "clear the air" by clarifying his relationships with the accused. And his plummeting popularity fueled a drive in the Legislature to give voters the power of recalling elected officials. It only narrowly failed.

"The governor's behavior up to this point suggests he won't go quietly, but it becomes increasingly more difficult for him to be effective and for people to take him seriously," said Kent Redfield, a professor at the Institute for Legislative Studies at the [University of Illinois](#), Springfield. "It just seems like daily we get something new that links the governor's office to something. It's pretty disappointing."

But even before the trial, Mr. Blagojevich (pronounced bluh-GOY-uh-vich) was embroiled in a federal investigation into hiring fraud that spanned multiple departments under his

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That the Rezko trial has compounded these woes has generated more than just bad press and a sour public mood. There is rising expectation among the public and political experts that [Patrick J. Fitzgerald](#), the United States attorney in Chicago, will bring charges against Mr. Blagojevich, 57, even as the governor has denied any criminal activity.

A spokeswoman for the governor, Abby Ottenhoff, disputed the characterizations that Mr. Blagojevich is a less effective leader or politically damaged. "This is a case the governor is not a party to," she said. "His focus continues to be the work at hand."

Talk around the state about the likelihood of criminal charges has been fueled by testimony from the trial of Mr. Rezko, who is charged with soliciting kickbacks from companies seeking business or regulatory approval from the state.

"There seem to be enough serious occasions in which the governor was present when at least promises were made or money exchanged," said Dick W. Simpson, head of the political science department at the University of Illinois, Chicago.

A spokesman for federal prosecutors here refused to discuss any of the investigations.

Closing statements in Mr. Rezko's trial are to begin on Monday. The defense is not presenting any witnesses.

With a verdict imminent, Mr. Blagojevich has become a governor under siege, keeping to himself for days at a time, refusing to answer questions about Mr. Rezko, and has fewer and fewer allies, even in his own party.

"I've known the governor for a long time, and this is really sad," said Mike Jacobs, a Democratic state senator. "I think this is the kind of political damage you never recover from."

For Mr. Blagojevich, one of the more troublesome moments during the Rezko trial came during the testimony of Ali Ata, the former director of the Illinois Finance Authority.

Mr. Ata, who testified under a plea-bargain agreement, said he met in 2002 with Mr. Blagojevich and Mr. Rezko and took a \$25,000 check to the governor's campaign. Mr. Blagojevich called Mr. Ata "a supporter and a friend," Mr. Ata testified, "and asked Mr. Rezko if I'd identified job opportunities."

Mr. Ata said that shortly after he made another \$25,000 contribution in July 2003, he saw the governor at a fund-raiser. "Mr. Blagojevich thanked me for my continued support," Mr. Ata testified, saying the governor then mentioned a state position.

"He said it better be a job where I can make some money," Mr. Ata told jurors.

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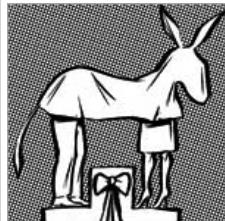


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In January 2004, Mr. Ata officially assumed leadership of the Illinois Finance Authority, which issues bonds, makes loans and invests capital. His annual salary was about \$127,000. He left in 2005 and was indicted two years later.

Earlier in the trial, witnesses testified about other conversations with Mr. Blagojevich.

Joseph Cari, a former national Democratic fund-raiser who pleaded guilty to attempted extortion, testified that Mr. Blagojevich told him of plans to finance his dreams of higher office by rewarding donors with state contracts.

And Stuart Levine, the government's star witness who pleaded guilty to money laundering and fraud, said that when he went to Mr. Blagojevich to thank him for a state board appointment, he said, "Stick with us and you'll do very well for yourself."

Mr. Levine told jurors, "I took it to mean I would have an opportunity to make a lot of money."

Ms. Ottenhoff, however, took issue with some descriptions in the testimony, saying they "certainly don't describe the way we do things." She added, "To the extent that questions have come up, we have answered them."

The son of a Serbian steelworker and son-in-law of a powerful Chicago ward boss, Mr. Blagojevich used Chicago as a launching pad to higher political goals. With a populist touch, he ran for governor as a reform candidate promising to clean up the state's messy politics and to change the mood after the previous governor, [George Ryan](#), a Republican, was sentenced to six and a half years in federal prison for racketeering and fraud.

"Blagojevich capitalized on the scandals and ran as a reformer, then governed as an insider," said Laura Washington, a professor of humanities at [DePaul University](#) and commentator on local politics. "He was calculating a run for the presidency even as he was running for governor. That's why he worked so hard to lure big donors. He was looking at the next rung in the ladder."

Mr. Cari's testimony backed up that sentiment. He told jurors that Mr. Blagojevich said it was easier to run for president as governor than as a member of Congress because it was easier for governors to raise money through the awarding of contracts.

Mr. Blagojevich had experience as both. Before winning the governorship, he was a member of Congress representing the North Side of Chicago and was seen as a rising star in the party. When he won the governor's race in 2002, the Democrats had not been in the governor's mansion since 1977.

He told the crowd at his victory party in 2002: "Tonight, ladies and gentlemen, Illinois has

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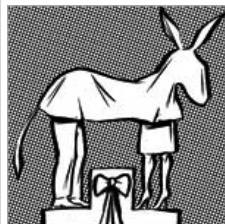


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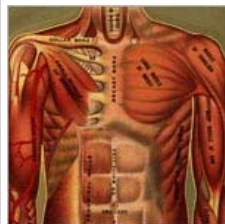
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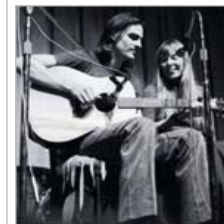
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