



Cost of corruption by state officials high for Illinois taxpayers

By Joseph Ryan | Daily Herald Staff

Published: 4/5/2009 12:04 AM

More Coverage

Related documents

- [Curing Corruption in Illinois](#)
- [Summary of charges against Blagojevich](#)
- [The final Blagojevich indictment](#)

Related links

- [Illinois Reform Commission](#)
- [Complete Daily Herald coverage of Blagojevich arrest, indictment](#)

For many taxpayers, the charges against former Gov. Rod Blagojevich reinforce the belief that Illinois residents have been paying taxes to a corrupt government for years - spending their hard-earned money on patronage hires, wasteful contracts and inefficient bureaucracies.

Prosecutors say Blagojevich ran the state for six years with an intense focus on profiting from taxpayer-funded contracts, state pension investments and selling his power to the highest bidder.

Blagojevich, who was ousted from office in January, insists he is innocent and will be vindicated.

His reign was preceded by that of former Gov. George Ryan, now in prison after being convicted of corruption in his tenure both as governor and secretary of state.

Illinois has a long history of corruption that goes far beyond the governor's mansion, with scores of public officials, including congressmen, city aldermen and judges, as well as business owners doing work for the government, convicted of corruption since 1970.

Experts say the actual dollar cost to taxpayers from all this influence peddling and contract padding is hard to pinpoint, but it's clear the cost is high.

"When you have had systemic corruption the way that we have had, the costs are substantial," says Kent Redfield, interim director of the University of Illinois at Springfield's Institute for Legislative Studies.

And citizens should know this is their money that's being wasted, said David Hoffman, Chicago's inspector general and an Illinois Reform Commission member pushing campaign contribution limits.

"People should feel this is very much their money," he said.

Certainly, many voters and taxpayers do.

"It is us, the taxpayers, that are the ones that have to pay for all this," says Shawn Killackey, a 43-year-old author from Mundelein. "It makes me angry as a taxpayer especially now with a recession going on."

Consider:

- When Blagojevich insiders are accused of extorting cash from pension investors, that raises the possibility that the best company was not chosen and taxpayers might have to cover any lost cash.
- When construction work is steered to a specific contractor who donates big to politicians, the contractor

could potentially pad the bill and do shoddy work.

- When insiders pick appointees to crucial state departments and boards by funneling cash to politicians, then those appointees can be pressured into corrupt schemes.
- Patronage hires may well not even have to work for their paychecks, forcing taxpayers to foot the bill for more employees to get the job done.
- A reputation for corruption chases away honest companies and employees.
- Corruption can pervert the state's mandate to protect and help residents like it did when employees with the Secretary of State's office under Ryan were selling driver's licenses for bribes, which were then used for campaign donations.
- Taxpayers fund the years of tedious investigation, hours of legal preparation and months of trial as well as the prison time for the convicted.

Redfield says it is nearly impossible to come to a definitive figure on how much taxpayers fork over for their elected leaders to effectively steal.

But some have tried.

Dick Simpson, a political professor at the University of Illinois in Chicago, has calculated the "corruption tax" as about \$300 million a year in the Chicago area.

For comparison, a 1 percentage point sales tax increase in Cook County brings in about \$380 million a year.

Simpson's February report, "Curing Corruption in Illinois," concludes, "And so it goes - in a time of deep recession we are wasting taxpayer money and raising taxes and fees on citizens who can ill afford to pay for corruption any longer."

The Illinois Reform Commission has gathered testimony from some experts who peg the "corruption tax" at more than 5 percent of every public contract.

That would easily equate to hundreds of millions of dollars, if not billions, a year, says commission chair Patrick Collins, a former federal prosecutor who helped put Ryan in prison.

Hoffman estimates there is about \$10 billion alone worth of state contracts that are subject to political manipulation that ultimately could mean higher costs and worse service.

"We are not getting better deals," Hoffman told the Daily Herald editorial board recently, "and it is much more wasteful."

Redfield, meanwhile, also points out the true cost goes beyond cash to public policy and social services.

"There is no doubt we have gotten less - less out of social services and less out of almost everything we can think of," he said. "We are in much worse shape than we should be in terms of solving public problems."

Cost: Some experts peg "corruption tax" at more than 5 percent of every public contract