Chicago: Still the Capital of Corruption

Anti-Corruption Report Number 8
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University of Illinois at Chicago Department of Political Science For more than a century and a half Chicago and Illinois have been notorious for public corruption. Year after year, national and international news media delightfully recount every new case of bribery, fraud, stealing from taxpayers, ghost payrollers and illegal patronage. Our shameful reputation has continued to provide fodder for scores of comedians and late night talk show hosts.

But corruption is not funny and it is not free. Its costs are steep. We all pay a staggeringly high corruption tax and we suffer from diminished government services. In addition, we are handicapped by a poorly functioning democracy because a large number of our citizens -- with good reason -- have lost faith in the honesty and fairness of government.

The Department of Justice's public corruption conviction statistics for the year 2013 have recently been released. They show that the Chicago-based Federal Judicial District for Northern Illinois continues to report more public corruption convictions than any of the nation's 92 other judicial districts.

The judicial district, which includes Chicago, Cook and 17 other counties across the northern tier of Illinois, reported 45 public corruption convictions for 2013 and a total of 1,642 convictions for the 38 years since 1976 when the U.S. Department of Justice began compiling the statistics.

These convictions figures show that Chicago is still in first place, while the Central District of California (Los Angeles) and the Southern District of New York (Manhattan) continue in second and third place as they were in 2010.

The high conviction numbers for Chicago, Los Angeles and New York are reflected in the state-wide totals but the ranking order is different. The new report lists New York state first with 2,657 public corruption convictions for the period 1976 - 2013, California second with 2,549 convictions and Illinois third with 1,982. The state rankings are the same as they were in Corruption Report Number 5, *Chicago and Illinois, Leading the Pack in Corruption*, published by UIC in February, 2012.

Again for 2013, an analysis of the 10 states with the most federal public corruption convictions, shows that on a per capita basis, Illinois again is in third place ahead of all other large states including New York, Pennsylvania, Ohio, New Jersey, Florida, Texas and California. Louisiana, and the District of Columbia, considered a state for this study, have fewer total convictions than Illinois but their much smaller populations cause them to have higher per capita rates of convictions.

If you consider all states, not just the 10 with the highest number of convictions, Illinois -- on a per capita basis -- would be seventh place behind the District of Columbia, Louisiana, Mississippi, Alaska, and South and North Dakota.

All of the corruption in Chicago and Illinois has real costs -- hard dollar costs and intangible costs. In the book, *Corrupt Illinois: Patronage, Cronyism and Criminality*, co-authors Thomas J. Gradel and Dick Simpson estimated the cost of corruption in Illinois to be about \$500 million per year.

The Hired Truck scandal cost Chicago taxpayers \$15 million per year for over 10 years. Police corruption, including more than \$100 million paid out to victims of Lieutenant Jon Burge and his crew, cost about \$50 million per year. Corruption, according to one state official, inflates the costs of all state government contracts by about five percent. With contracted goods and services representing a sizable portion of the state's \$61 billion annual budget, five percent quickly adds up to real money.

The intangible costs are also real and important. Six children were killed in an accident caused by a truck driver who got his license after bribing a Secretary of State employee. And, research shows that Illinois's reputation for corruption causes companies to avoid locating here.

But the greatest cost of corruption is the loss of faith in the fairness and honesty of government. If people believe the fix is in and all politicians are crooked, they won't report corruption. They may stop voting because they don't believe things will change. If they distrust the police, they won't cooperate with investigators. This lack of faith, or cynicism, is a major contributing factor to why Chicago continues to be both the murder capital and the corruption capital of the nation.

To end corruption, society needs to do more than convict the guys that get caught. A comprehensive anti-corruption strategy must be forged and carried out over at least a decade. A new political culture in which public corruption is no longer tolerated must be created.

Following is an eight-step reform program to combat public corruption:

- 1) Demand more transparency and accountability;
- 2) Hire more inspectors general, including suburban inspectors general;
- 3) Provide a new program of civic education in schools by passing the law pending in the state legislature;
- 4) Encourage more citizen participation in government and politics by moving the date of the primary;
- 5) Adopt public financing for political campaigns;
- 6) Elect better public officials;
- 7) Change how we remap legislative districts and adopt term limits for elected officials; and
- 8) End political machines and change Illinois' culture of corruption."

For a comprehensive discussion of corruption in Illinois and Chicago see *Corrupt Illinois: Patronage, Cronyism and Criminality*, by Thomas J. Gradel and Dick Simpson. This paperback book is available in bookstores, from on-line booksellers, and from the publisher, the University of Illinois Press, at http://go.illinois.edu/s15gradel.

Table 1

Federal Public Corruption Convictions
by Top 16 Federal Judicial Districts 1976 - 2013

District (Major city)	1976- 1989	1990- 1999	2000- 2009	2010- 2012	2013	1976- 2013	Rank
Illinois-Northern (Chicago)	508	610	367	112	45	1,642	1
California-Central (Los Angeles)	268	595	383	95	19	1,360	2
New York-Southern (Manhattan)	550	398	242	57	13	1,260	3
District of Columbia	229	393	342	127	18	1,109	4
Florida-Southern (Miami)	108	437	404	62	21	1,032	5
New Jersey * (Newark)	188	264	410	102	30	994	6
Ohio-Northern (Cleveland)	173	314	333	109	8	937	7
Pennsylvania-Eastern (Philadelphia)	267	246	316	76	29	934	8
Virginia-Eastern (Richmond)	188	213	303	158	53	915	9
New York-Eastern (Brooklyn)	308	237	204	35	5	789	10
Texas-Southern (Houston)	115	205	267	92	83	762	11
Florida-Middle (Orlando)	159	178	230	67	20	654	12
Maryland * (Baltimore)	176	95	207	105	47	630	13
Louisiana-Eastern (New Orleans)	116	173	230	84	20	623	14
Massachusetts * (Boston)	189	159	187	59	22	616	15
California-Eastern (Sacramento)	156	203	200	36	4	599	16

^{*} Indicates state with only one federal judicial district

Source: Department of Justice Report to Congress On the Activities and Operations of the Public Integrity Section for 2013, available at http://www.justice.gov/criminal/pin/

Table 2

Total Federal Public Corruption Convictions for Most Corrupt Ten States 1976 – 2013

State	Convictions 1976-2013	Convictions Per Year	Rank
New York	2,657	69.9	1
California	2,549	67.1	2
Illinois	1,982	52.2	3
Florida	1,913	50.3	4
Texas	1,897	49.9	5
Pennsylvania	1,686	44.4	6
Ohio	1,480	38.9	7
District of Columbia	1,109	29.2	8
Louisiana	1,059	27.9	9
New Jersey	994	26.2	10

Source: Department of Justice Report to Congress On the Activities and Operations of the Public Integrity Section for 2013, available at http://www.justice.gov/criminal/pin/

Table 3

Federal Public Corruption Convictions Per Capita for the Ten States with Most Convictions

1976 - 2013

State	Convictions 1976 - 2013	Population 2013	Convictions Per 100,000 Population	Rank
District of Columbia	1,109	646,449	171.6	1
Louisiana	1,059	4,625,470	22.9	2
Illinois	1,982	12,882,135	15.4	3
New York	2,657	19,651,127	13.5	4
Pennsylvania	1,686	12,773,801	13.2	5
Ohio	1,480	11,570,808	12.8	6
New Jersey	994	8,899,339	11.2	7
Florida	1,913	19,552,860	9.8	8
Texas	1,897	26,448,193	7.2	9
California	2,549	38,332,521	6.6	10

Sources: Department of Justice Report to Congress On the Activities and Operations of the Public Integrity Section for 2013, available at http://www.justice.gov/criminal/pin/

Population data from: U.S. Census Bureau's "Annual Estimates of the Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2013," available at http://www.census.gov/popest/data/state/totals/2013/tables/NST-EST2013-01.xls

Table 4

Federal Public Corruption Convictions by All States and the District of Columbia per Capita 1976-2013

State	Population 2013	Convictions 1976-2013	Convictions per 100,000 Population	Rank
Dist. of Columbia	646,449	1,109	171.6	1
Louisiana	4,625,470	1,059	22.9	2
Mississippi	2,991,207	604	20.2	3
South Dakota	844,877	164	19.4	4
Alaska	735,132	140	19.0	5
North Dakota	723,393	122	16.9	6
Illinois	12,882,135	1,982	15.4	7
Kentucky	4,395,295	662	15.1	8
Montana	1,015,165	148	14.6	9
Tennessee	6,495,978	929	14.3	10
Oklahoma	3,850,568	525	13.6	11
Alabama	4,833,722	657	13.6	12
New York	19,651,127	2,657	13.5	13
Pennsylvania	12,773,801	1,686	13.2	14
Ohio	11,570,808	1,480	12.8	15
Virginia	8,260,405	1050	12.7	16
West Virginia	1,854,304	231	12.5	17
New Jersey	8,899,339	994	11.2	18

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Maryland	5,928,814	630	10.6	19
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Florida	19,552,860	1,913	9.8	20
Delaware	925,749	90	9.7	21
Wyoming	582,658	56	9.6	22
Rhode Island	1,051,511	101	9.6	23
Massachusetts	6,692,824	616	9.2	24
Missouri	6,044,171	552	9.1	25
South Carolina	4,774,839	419	8.8	26
Georgia	9,992,167	875	8.8	27
Maine	1,328,302	113	8.5	28
Hawaii	1,404,054	119	8.5	29
Connecticut	3,596,080	298	8.3	30
Arkansas	2,959,373	228	7.7	31
Indiana	6,570,902	480	7.3	32
Michigan	9,895,622	715	7.2	33
Texas	26,448,193	1,897	7.2	34
New Mexico	2,085,287	149	7.1	35
New Hampshire	1,323,459	92	7.0	36
California	38,332,521	2,549	6.6	37
Arizona	6,626,624	421	6.4	38
Vermont	626,630	39	6.2	39
Kansas	2,893,957	173	6.0	40
Wisconsin	5,742,713	332	5.8	41

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Idaho	1,612,136	91	5.6	42
lowa	3,090,416	158	5.1	43
North Carolina	9,848,060	497	5.0	44
Nebraska	1,868,516	91	4.9	45
Nevada	2,790,136	114	4.1	46
Colorado	5,268,367	207	3.9	47
Minnesota	5,420,380	204	3.8	48
Utah	2,900,872	92	3.2	49
Washington	6,971,406	219	3.1	50
Oregon	3,930,065	103	2.6	51

Sources: Department of Justice Report to Congress On the Activities and Operations of the Public Integrity Section for 2013, available at http://www.justice.gov/criminal/pin/

Population data from: U.S. Census Bureau's "Annual Estimates of the Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2013," available at http://www.census.gov/popest/data/state/totals/2013/tables/NST-EST2013-01.xls