

Blago's real crimes

By Jim Nowlan

Ex-governor Rod Blagojevich has committed “crimes” against Illinois arguably worse than those of corruption. [NOTE: See below for possible revisions to lead, based upon outcome of trial. JN] In his six years in office, Blagojevich mismanaged the state bureaucracy into demoralized chaos and projected to the world such unpredictability, instability and general buffoonery that business has come to see the state as a questionable place, at best, in which to locate or expand.

Blagojevich cut state personnel from 87,000 in 2002 to 70,000 in 2008, according to the Illinois Office of the Comptroller. Illinois now ranks 50<sup>th</sup> in the number of state employees per 10,000 population, at 97 per, while the national average is 143 per 10,000 population, and in Iowa, 179, and Indiana, 141.

Good you say, but at the same time, since 2003, he was increasing union contract wages by 36 percent (about 50 percent if you add in longevity step increases and compounding). This has had the effect of reducing the ranks severely while increasing total overall personnel costs

While union employees were reaping big increases, salaries for “merit compensation” (management and supervisory) employees were frozen.

Friends of mine who work in the trenches at state facilities say the situation is chaotic. “Everybody in management is scrambling to get under a union, even though they hate the unions,” says one.

“Almost all SPSAs (senior public service administrators; the elite of the public service) have gone union,” observes another friend who works in state government.

Today, fewer than 3,000 employees are in the merit comp ranks and many of them make less money than the union employees they supervise. Understandably, union employees capable of moving into management posts are generally unwilling to leave the safety of their union roles to take more senior positions.

The work attitude is “To Hell with it” says one merit comp employee, a once loyal and highly professional management employee. “I leave right at 4:30 now, and that’s not the way it should be.”

“There will be a blow-up some time—somebody will die--when something isn’t covered by our depleted ranks.”

Another management employee complains that under Blagojevich senior management ranks swelled to provide jobs for friends, while the employees who delivered front-line services were being cut back. “We used to have a director and one deputy director at our agency,” my friend said. “Now we have so many deputy directors they are tripping over one another.”

I am told there are 47 or more Illinois state government work sites where there are no supervisory employees present.

Under Blagojevich, the state’s reputation as a place to do business has suffered as well. We should have a good reputation. Our business taxes are moderate overall; we

are at the center of a huge market, and we have a rich transportation system. Yet according to *CEO* magazine, the Illinois business climate ranks 46<sup>th</sup> among the 50 states; *Forbes*, another business publication, says we rank 44<sup>th</sup>. Part of the reason for the abysmal ratings, I believe, is the perception that Illinois decision-makers are unpredictable and unstable. Business leaders crave predictability and stability, which helps them plan for the future.

For example, in Blagojevich's first term, he proposed a gross receipts tax on business that would have been the largest tax increase in the state's history. Businesses everywhere recoiled, and while the tax proposal was rejected by the legislature, businesses continue leery of doing or expanding business in a state whose leaders harbored such goofy (in their eyes) ideas.

Add to all this the surreal behavior of Blagojevich, twice elected as governor by Illinois voters, and you have a state which has become the punching bag of late night TV jokesters.

Illinois state government delivers direct services to about 3 million of our 13 million residents, not including those enrolled in education. Many of these citizens are aged, mentally ill, severely disabled. Good management of the state requires calm, reasoned, ideally inspirational leadership. Rod Blagojevich has instead been a study in dysfunctional management, and the state's most vulnerable citizens are worse off as a result. It's a real crime.

NOTE: Possible changes to lead, based upon possible outcomes of Blago trial:

“ . . . than those of corruption, for which Blagojevich was convicted this past week.”

Or, “ . . . than those of corruption, on which he was absolved by a jury this past week.”