

Barack Obama - The Wizard of Oz

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Column: Evelyn Pringle

by [*Evelyn Pringle*](#)

The most trusted leaders of the Democratic party, such as John Kerry and Ted Kennedy, ought to be ashamed of themselves for supporting Barack Obama. With use of the internet, a fifth grader could connect the dots to show a picture of a guy who was picked up in college and carried up the political ladder by a corrupt gang of influence peddlers.

John McCain is just drooling waiting for Obama to become the nominee so that he can come out with the trail of dirt that the Democratic party is too afraid to reveal this late in the in the game. If nominated, Obama will not survive a month when faced with the Republican attack machine.

If he becomes the nominee, the web of corruption leading to Obama's rise to power that this investigative journalist was able to untangle in less than three weeks, will be front page news right up until election day, handing the Republicans their only chance in hell of winning the White House.

Instead of the leaders of the Democratic party doing their homework, a small group of investigative reporters in Chicago will be credited with exposing the corrupt backbone of Obama political career and the mainstream media need only follow their lead if the Democrats hold him out to be a viable candidate.

The list of reporters deserving of credit for doing the investigative work that should have been done by the leaders of the Democratic party before they got behind Obama, includes, but is not limited to, Chicago Sun-Times reporters, Tim Novak, Dave McKinney, Fran Spielman, Chris Fusco, Natasha Korecki, Steve Warmbir and Lynn Sweet. Chicago Tribune reporters especially deserving of credit include Jeff Coen, Bob Sexter, John Chase, Virginia Groark, Rick Pearson, David Jackson, John McCormick, Mickey Ciokajlo, Rudolph Bush and Dan Mihalopoulos.

This article is the first in a series that will give the details of Obama's rise to fame.

As for the most recognized allegation against Obama, that helped slumlords operate in Chicago, while accepting their campaign contributions, its true. Obama was a member of the political machine that helped a whole gang of slumlords funnel local, state and federal tax dollars, over the backs of poor people in need of affordable housing, to line their own

pockets and fund the campaigns of politicians in positions to recommend and award contracts.

The Davis Miner Barnhill & Galland law firm, where Obama worked for nearly a decade, served as a hub for a slew of slumlord deals, many that benefited the firm's founder, Allison Davis, and Obama's claims that he knew nothing about the inner workings of this small firm, represent an insult to the intelligence of the American public.

Tony Rezko was Obama political Godfather. Obama received his first contributions of \$2,000, to launch his political career as a state senator on July 31, 1995, from Rezko. Obama started out saying that Rezko only raised \$50,000 or \$60,000 for his political career but after a year of lying his way through the primaries, the latest total he gave to the Sun-Times and Tribune during interviews on March 14, 2008, adds up to \$250,000.

For a year, he also minimized his relationship with Rezko by telling the media that he only had dinner or lunch with Rezko one or twice a year. But when confronted by Sun-Times reporters during the March 14 interview, with the allegation that an FBI mole saw him coming and going to Rezko's office often and that three sources said he talked to Rezko on the phone daily, Obama changed his tune.

Now the story is that he may have talked to Rezko daily at times during campaigns but sometimes he went for a whole month without talking to him. "I have to say we're talking over the course of 10 years," Obama said, "there might have been spurts where I talked to him daily."

But then he added: "There might have been stretches over a month where I wouldn't have talked to him at all."

This story is a far cry from the picture Obama gave to the public of him and Rezko meeting once or twice a year, and he never did respond to the allegation by the Times reporter that an FBI mole "saw you coming and going from Rezko's office a lot."

Without Rezko's fundraising, Obama would not have been elected to the Illinois senate, or the US Senate, and he would not have sold the books he wrote about himself because like the Wizard of Oz, Obama is nobody special.

Even with Rezko's massive fund raising, Obama could not beat former Black Panther, Bobby Rush, in his 2000 bid for a seat in Congress. And the only reason he won the US Senate race was because his viable opponents had to drop out due to the public airing of personal scandals. Beating Alan Keyes is hardly a victory to brag about.

The media needs to quit grouping all the Obama backers under the name Antoin "Tony" Resko because the list of contributors to his political campaigns includes the names of many individuals and entities with their own agendas.

The trail of corruption involving the people raising money for Obama's political career stretches from the city of Chicago to the Illinois tollway to the O'Hare airport all the way over to Iraq. And testimony in Rezko's corruption trial reveals that an equal number of Democrat and Republican crooks benefited from all the moneymaking schemes.

Rezko is not a Democrat; he's an equal opportunity profiteer. He supported President George Bush and attended a Christmas party at the White House in December 2003, at the same time that he was a top fundraiser for Obama's US Senate campaign.

Rezko co-hosted a \$3.8 million Chicago fundraiser for Bush in 2003, and on December 9, 2003, he donated \$4,000 to Bush, as a "self-employed businessman," and gave another \$2,000 on December 19, 2003, according to the Center for Responsive Politics.

Prior to backing Rod Blagojevich for governor of Illinois, Rezko threw his money behind Republican candidates for governor, including George Ryan, who was convicted of doling out leases and contracts to cronies and sentenced to prison for more than 6 years.

Rezko then switched horses and chose Blagojevich in 2002 and Obama has supported Blagojevich, even when his administration was embroiled in corruption investigations. Recent testimony in the Rezko trial by his co-conspirator, Chicago businessman, Stuart Levine, explained that Rezko had plans for Blagojevich to be Presidential, not Obama. However, anybody following the trial knows that Blagojevich is more likely to be headed to the "Big House" rather than occupying the White House.

Obama's entering into real estate deals with Rezko, while it was public knowledge that he was under investigation for funneling illegal contributions to Illinois politicians, was not a "boneheaded" move, it was motivated by pure greed. While knowing that he would get caught up in a major scandal, Obama went ahead with the deal because he and his wife wanted that mansion, with four fireplaces, six bathrooms, and a wine cellar, period.

On March 16, 2008, the Boston Globe added an interesting twist to the story when reporting that Donna Schwan, of MetroPro Realty, which listed the mansion and lot next door for the owners, "said it is her recollection that the Obamas may not have made the highest bid, and that other bidders may have matched Rezko's bid," but the willingness of both buyers to close in June 2005, "was decisive."

Which logically means had Rezko not been willing to buy the lot in June, the deal was off.

According to an article by Edward McClelland in the February 1, 2008 Salon Magazine, when asked who approached her about the house, Donna Schwan told Salon, "I honestly don't remember. Tony Rezko lived across the street, so he'd been interested in the lot."

Any claim that Obama was unaware of the investigations into the corrupt dealings of Rezko with Illinois politicians in June 2005 is ridiculous. On February 15, 2005, the Chicago Tribune reported:

"Gov. Rod Blagojevich long has vowed to purge the Illinois tollway of cronyism, yet two of his closest friends and political advisers have links to food vendors awarded lucrative contracts to operate inside the toll road's sleek new oases, government records show."

"The Subway sandwich shops and Panda Express Asian restaurants now being installed in the tollway's seven revamped rest stops are controlled by firms with strong ties to the food-service empire of Antoin "Tony" Rezko, a Blagojevich confidant who has seeded the governor's cabinet with former business underlings."

Christopher Kelly, Blagojevich's chief fundraiser, "who also recommended the tollway's executive director for his job, is an investor in at least one Rezko-controlled food firm," the Tribune wrote. On March 16, 2005, the Tribune reported that:

"City officials alleged Tuesday that a minority contractor at O'Hare International Airport acted as a front for a firm run by Antoin "Tony" Rezko, a top adviser and fundraiser for Gov. Rod Blagojevich....

"Rezko, a member of Blagojevich's kitchen cabinet of advisers, has come under increased scrutiny in recent weeks following questions about his links to operators of new tollway oasis franchises. The revamp of the oases is a showcase project for the Blagojevich administration."

On May 15, 2005, the Sun-Times reported that the accusations by his father-in-law that Blagojevich doled out jobs for campaign contributions had "resulted in dozens of grand jury subpoenas being sent to the governor's office, his unpaid advisers, agency directors and his top fund-raisers".

Among those subpoenaed for documents, sources told the Times, were "Blagojevich's biggest money men, Christopher Kelly and Antoin "Tony" Rezko."

On May 20, 2005, less than a month before Obama bought the mansion, the Tribune reported that Resko, "has had a business relationship with First Lady Patti Blagojevich for eight years, the governor's office acknowledged Thursday."

Six months before Obama bought the strip of land from Rezko's "wife" to enlarge his yard, on August 28, 2005, Natasha Korecki reported in the Sun-Times that, "there's so much corruption to investigate in the Chicago area, the FBI is adding manpower."

Robert Grant, FBI Special Agent in Charge, told the Times that he had reorganized the bureau to add a third public corruption squad, giving Chicago the largest corruption unit in the country, even bigger than those in New York and Los Angeles.

"It is the second time in two years the FBI in Chicago has expanded its public corruption force," Korecki noted.

On November 6, 2006, the Times asked Obama why he did not reveal the land deal with Rezko before it was reported by the Tribune stating: "Why did you not publicly disclose the transaction after Rezko got indicted?"

"At the time, it didn't strike me as relevant," Obama answered. It seems like a lot of events were not relevant a couple months before he announced his candidacy for president.

In the November 2007, Chicago Magazine, James Merriner described a "fashion show" that took place in the first week in November 2006, to benefit St Jude Children's Research Hospital, which he said, "attracted little if any media coverage, which may have been exactly as its organizers and sponsors had hoped."

"The invitation to the affair," he wrote, "offered a veritable guidebook to political influence in Illinois, much of it centered on one St. Jude benefactor, Antoin "Tony" Rezko."

"Just three weeks earlier," Merriner pointed out, "Rezko had been indicted on charges of extorting kickbacks from businesses seeking contracts from the Blagojevich administration."

The "fashion show" was chaired by Rita Rezko, co-chaired by the Governor's wife, Patti Blagojevich, and Michelle Obama was a special guest that day, according to Merriner.

Two weeks after the "fashion show," on November 17, 2006, the Sun-Times reported that Blagojevich's wife Patti got nearly \$50,000 from a real estate deal in late 2002 involving Rezko.

In terms of dollar amounts of campaign contributions directly from Rezko in Illinois, the top four earners were, the now deceased President of the Cook County Board, John Stroger, Blagojevich, Chicago Mayor, Richard Daley, and Obama - in that order.

Rezko was the head of Stroger's campaign finance committee at the same time that he served on Obama US Senate finance committee.

When it came time for Stroger's reelection campaign, in the midst of the erupting Rezko scandals in the media, on April 8, 2005, the Tribune reported that Stroger "has selected beleaguered businessman and political powerbroker Antoin "Tony" Rezko as one of the honorary chairs of his campaign fundraiser next month."

Stroger appointed Rezko's wife Rita to the Cook County Employee Appeals Board, which hears cases filed by fired or disciplined workers, at a part-time salary of \$37,000 a year.

According to documents filed in the Rezko corruption case, this was Rita's sole income when she supposedly came up with a \$125,000 down payment and secured a \$500,000 mortgage to buy the \$625,00 lot next to Obama. Less than a year after Obama bought his strip of land, Rita sold the rest of the lot to attorney Michael Sreenan, and made a profit of more than \$50,000.

On February 27, 2007, the Sun-Times pointed out that Obama's "new neighbor, Michael Sreenan," had contributed \$5,000 to Obama's campaigns. Less than a year after buying the lot, Sreenan put it up for sale for \$1.5 million in October 2007.

Of course John Stroger will not be answering any questions about corruption, or any other matter, because he died on January 18, 2008. His former chief of staff and godson, Orlando Jones, will not be talking either because he was found dead of self-inflicted gun wounds in September 2007, "just as a corruption inquiry targeting him was heating up," according to a September 7, 2007 report by CBS News channel 2 Chicago. "Jones left his position in county government to create a lobbying firm in association with Tony Rezko, who has been indicted on fraud charges," CBS reported.

Cook County Commissioner Tony Peraica told CBS that Orlando Jones' death raised many questions about the Cook County president's office. "Some of these matters Jones was involved in that are currently being investigated by the FBI and the U.S. Attorney's Office are reaching to the highest level of county government," Peraica said.

Obama endorsed John Stroger's son, Todd Stroger, in his bid for Cook County Board President after his father died. Todd was in the news as recently as March 24, 2008, when the Sun-Times published a front-page article reporting that his cousin Donna Dunning, the county's new chief financial officer, was receiving a 12% pay increase.

Dunning's salary will be the largest increase of any county employee, with the average increase being around 5%. She will make nearly \$160,000 with the pay increase, or roughly \$5,000 more than her predecessor made at the job, according to the Times.

Mayor Daley endorsed Obama immediately after he announced he was running for president and in return, Obama endorsed Daley's reelection for Mayor right smack in the middle of major federal investigations of corruption in the Daley Administration.

Obama's ties to the corrupt Daley machine began when he was dating his wife Michelle and she brought him into the fold. Valerie Jarrett, the deputy chief of staff to Mayor Daley, hired Michelle as her assistant in 1991. Daley made Jarrett the chairman of the Chicago Department of Planning and Development and Michelle worked as her assistant in that Department during 1992-93.

From there Michelle moved up the political tiers to the University of Chicago and ultimately got an overnight pay raise from about \$121,000 to close to \$317,000, after Obama became a US Senator, as a vice president at the University of Chicago.

Susan Sher, was corporation counsel in the Daley Administration when Michelle was hired back in the early 1990s, and Sher is now Michelle's boss at the University of Chicago, according to the April 22, 2007 Chicago Tribune.

Shortly after Obama entered the US Senate, Michelle was also handed a position on the board of TreeHouse Foods. Wal-Mart is the largest customer of TreeHouse Foods.

Factoring in stock options and other payments, the value of her compensation package for serving on the board in 2006 was \$101,083, according to the Tribune report.

On May 14, 2007, during a meeting with the AFL-CIO in New Jersey, Obama was asked about Wal-Mart and he said: "I won't shop there." Michelle resigned from the board of TreeHouse eight days after husband said he would not shop at Wal-Mart, CBS News reported on May 27, 2007.

When it came time for Obama's US Senate campaign, Valerie Jarrett became the campaign finance chairman and worked hand and hand with fellow finance committee members, Rita and Tony Rezko, and his former boss at the law firm, Allison Davis, in fundraising endeavors. The committee raised more than \$14 million, according to Federal Election Commission records, Tim Novak reported in the Sun-Times on April 23, 2007.

Jarrett is now the CEO of Habitat Co, a real estate development and management firm which manages the housing program for the Chicago Housing Authority, the entity mandated to administer public housing, and she serves as an unpaid advisor to Obama's Presidential campaign.

Mayor Daley's brother Bill also became an Obama advisor. Mayor Daley's chief image defender, David Axelrod, is a top strategist for Obama's campaign and he was also the media consultant for Obama's US Senate campaign.

On April 1, 2007, Dick Simpson, a former Chicago alderman who is now chairman of the political science department at the University of Illinois at Chicago, told Ben Wallace-Wells in the New York Times: "David Axelrod's mostly been visible in Chicago in the last decade as Daley's public relations strategist and the guy who goes on television to defend Daley from charges of corruption".

The scandals involving the Daley administration have no beginning and no end. In January 2004, the Sun-Times published a three-part series exposing widespread corruption in the Hired Truck Program and revealed that some companies were being paid for doing little or no work and that some had mob connections or were tied to city employees.

On January 25, 2005, the Associated Press reported that trucking company manager, John Cannatello, the 16th person charged in the scandal, was charged with getting \$6.6 million in city hauling work "by giving campaign contributions and cash to officials and falsely claiming his firm was eligible for jobs set aside for women-owned businesses."

According to the article, city officials said the Hired Truck program, "which at its height doled out \$38 million worth of work in one year to contractors without bids, was designed to save taxpayers money by outsourcing hauling jobs that otherwise would require the city to buy trucks and insurance."

On June 6, 2006, the Sun-Times reported that the brother-in-law of Cook County Commissioner, John Daley, was sentenced to 18 months in prison "for taking about \$5,400 in bribes to steer city business to a Hired Truck company."

Of course John Daley is another brother of Mayor Daley.

On January 6, 2006, the New York Times ran the headline, "Corruption Scandal Loosening Mayor Daley's Grip on Chicago," and reported that a "wide-ranging federal investigation into what prosecutors describe as "pervasive fraud" in hiring and contracts at City Hall has led to 30 indictments, including two senior administrators close to the mayor, and a dozen cabinet-level resignations. "

The Tribune broke the hiring scandal on April 29, 2005, after federal agents carried out an all-night raid of Daley's patronage office at City Hall and less than three months later, Robert Sorich, the patronage chief in the Office of Intergovernmental Affairs, and three former city officials, were arrested and charged with fraud to rig city hiring for 12 years. During the criminal trial, prosecutors produced a list of more than 5,700 politically connected job applicants, and Patricia Molloy, a longtime secretary in Mayor Daley's office, testified that aides kept track of applicants and their political sponsors during much of Daley's time in office, according to a July 7, 2006 report by Rudolph Bush and Dan Mihalopoulos in the Tribune.

City officials testified that they "were heavily involved in politics and directed city workers and aspiring public employees to knock on doors and work the phones for political candidates endorsed by the mayor," the July 7, 2006 Tribune report noted.

"Witnesses who marshaled pro-Daley political groups testified that they took campaign orders from top Daley aides," the Tribune wrote, "and later got jobs and promotions from the mayor's office for loyal and effective political workers."

Sorich and three others were convicted on July 5, 2006, of carrying out what prosecutors described as fraud in hiring, "complete with sham interviews, rigged test scores and color-coded charts to track political sponsors," according to the July 6, 2006 Sun-Times.

Chicago attorney, Michael Shakman, whose federal lawsuit against the city led to anti-patronage decrees, told the Tribune on July 7, 2006, that Daley was to blame for the political hiring system. "You have to lay the responsibility squarely at the feet of Mayor Daley," he said. "These [defendants] are his people, who never would have thought of doing this without his approval."

At the sentencing hearing in November 2006, US District Judge David Coar told Sorich: "If I thought that by sentencing you I could stop this type of hiring corruption in the city of Chicago, I would throw this building at you.... But it won't," the Tribune reported on November 21, 2006.

Obama is a political psychopath. He exhibits no shame, no matter where his money comes from. On September 5, 2007, the New York Post reported that, "Alexi

Giannoulas, who became Illinois state treasurer last year after Obama vouched for him, has pledged to raise \$100,000 for the senator's Oval Office bid."

"Giannoulas is so tainted by reputed mob links," the Post noted, "that several top Illinois Dems, including the state's speaker of the House and party chairman, refused to endorse him even after he won the Democratic nomination with Obama's help."

If the Democratic party places Obama on the ballot against John McCain, Democratic voters will have no choice in this election. Once the whole truth becomes public, and it will the minute he becomes the nominee, no honest American could support sending Obama and his corrupt gang of cronies to the White House.

(The second article in this series will be "Obama and the Slumlords")

Barack Obama - Operation Board Games For Slumlords

Monday, 7 April 2008, 12:03 pm

Column: Evelyn Pringle

Barack Obama has a long history of working with Chicago Mayor Richard Daley and governors of Illinois, including the current Governor Rod Blagojevich, in doling government funding for housing development in Chicago. His history is hardly a model of success, except for the hundred of millions in profits made by the chosen few slumlords.

Less than a year ago, in the April 26, 2007, Chicago Sun-Times, Fran Spielman reported that Chicago aldermen were accusing the Daley administration "of being asleep at the switch while low-income housing projects developed by the now-indicted Tony Rezko collapsed into disrepair."

"The spigot of loans, grants and tax credits should have been cut off when the first of 30 taxpayer-supported Rezko buildings in Chicago fell into disrepair, the aldermen said," according to the report.

Instead, Spielman said, a "Sun-Times investigation showed that the city, state and federal governments kept the gravy train rolling -- to the tune of \$100 million between 1989 and 1998."

The lending continued, the Times noted, even as the city repeatedly sued Rezko's development company, Rezmar, "for such basics as no heat."

"They were going after people for being slum landlords in one department and loaning them money in another," said Alderman Freddrenna Lyle.

Obama now wants to bring this dog and pony show to Washington. I can see it now. His former boss, Allison Davis, at the Davis, Miner & Barnhill law firm, that served as a hub for Rezko's thriving slumlord business for a decade before Davis quit and became partners with Rezko, will be appointed to head the Department of Housing and Urban Development.

Davis and his partners, which include his sons Jared and Cullen, have received more than \$100 million in taxpayer subsidies to build and rehab apartments and homes over the past 10 years and have made at least \$4 million in development fees, according to the Times.

"Davis has gotten deal after deal from the mayor, helping to make Davis one of the city's top developers," Tim Novak noted in the November 7, 2007 Sun-Times.

There's already a plan in place to guarantee that the Chicago model of "community development" is carried out in the White House. In his "Plan to Fight Poverty in America," Obama says, "we should create an Affordable Housing Trust Fund to develop affordable housing in mixed-income neighborhoods."

The Plan will create a "White House Office of Urban Policy" to develop a strategy for metropolitan America, and Obama will appoint a Director of Urban Policy who will report directly to him, as president, to "coordinate all federal urban programs," the Plan states.

Mayor Daley will probably be hired for this gig. The Plan explains that Obama will task his new Director "to work across federal agencies and with community and business leaders to identify and address the unique economic development barriers of every major metropolitan area in the country."

While climbing the political ladder, Obama held himself out to be a champion of rights for minority-owned businesses. According to an article on Black Enterprise.com, "it is Obama's strong record when it comes to supporting minority-owned businesses that has black business leaders working overtime to send the 42-year-old congressman to Washington."

However, an example of the Chicago version of a minority-owned business is DV Urban Realty Partners, where Allison Davis, who is an African American millionaire many times over, owns 51%, and Robert Vanecko, Mayor Daley's nephew, owns 49%.

On July 18, 2007, Obama discussed his plan to deal with urban poverty in a speech at the Town Hall Education Arts and Recreation Center in Washington and started out by tugging the heart strings by invoking the name of Bobby Kennedy and stated:

"It's been four decades since Bobby Kennedy crouched in a shack along the Mississippi Delta and looked into the wide, listless eyes of a hungry child. Again and again he tried to talk to this child, but each time his efforts were met with only a blank stare of desperation.

"And when Kennedy turned to the reporters traveling with him, with tears in his eyes he asked a single question about poverty in America: 'How can a country like this allow it?'"

"Forty years later," Obama said, "we're still asking that question."

First of all, "Barack Obama you are no Robert Kennedy," and we're still asking the question because the careers of politicians like Obama are funded by a political mafia which has turned helping the poor into a cottage industry.

During his speech, Obama himself spelled out why low-income housing developers get away with funneling tax dollars through poor people in cities like Chicago without drawing any scrutiny, when he stated:

"These Americans cannot hire lobbyists to roam the halls of Congress on their behalf, and they cannot write thousand-dollar campaign checks to make their voices heard. They suffer most from a politics that has been tipped in favor of those with the most money, and influence, and power."

In Obama's case, a whole gang of slumlords in Illinois made their "voices heard" by writing campaign checks to fund his rise to fame. But as long as the focus of the slumlord allegations remains solely on a crook named Rezko, the other members of the gang will not get the credit they deserve.

One fact is beyond dispute. Without the fundraising of his political Godfather, Rezko, Obama's rise to power would not have occurred. However, Rezko was not the pied piper of Hamlin who led Illinois politicians astray. It's the other way around. Without the cooperation of the corrupt government officials, Rezko would not have been able to fund their political campaigns.

In Illinois, favored politicians are joined at the hip when it comes to fundraising. For instance, from 1999 through 2006, an analysis by the Chicago Tribune shows Obama took in more than \$1.5 million from some 700 people who also contributed to Mayor Daley during his political career.

A cursory review of Illinois campaign records shows Allison Davis and his family members giving close to \$16,000 to Obama's presidential campaign. The Sun-Times reports that Davis has donated more than \$400,000 to dozens of political campaigns, and the top beneficiaries include Mayor Daley, Blagojevich and Obama.

The truth about all the scams run by the political mafia operating in Illinois is only coming out now because of Rezko's corruption trial, and if the Democrats want to lose any chance of winning the White House, all they have to do is nominate Obama.

This case is only the first of what could be many to go to trial. Other criminal charges are pending against several people listed in the indictment, and civil lawsuits have been filed against many of the same people and are awaiting the outcome of the criminal cases.

If Obama had an ounce of respect for Democratic voters, he'd drop out of the race before the details of the corruption in Illinois spread to the rest of the country. If the leaders of the Democratic party had a lick of sense, they would inform Obama right now that under no circumstances will his name be on the ballot come fall.

Political junkies know the details of all the sordid scandals swirling around Obama in Chicago, but the average American voter does not have a clue.

The prosecution team is led by the US Attorney for Northern Illinois, Patrick Fitzgerald, of Scooter Libby fame; the same guy who put the last Illinois Governor behind bars and convicted a host of government officials from the Daley administrations who were involved in what prosecutors called "pervasive fraud" to rig city hiring for 12 years with persons who got out the vote for Mayor Daley, and the candidates he endorsed, as well as numerous crooks rounded up during the scandal involving Daley's Hired Truck program.

The list of names in the indictment includes about eight persons referred to as "Co-Schemers," and reads like a "who's who list" of major campaign donors to Obama, Blagojevich, Daley and other powerful Illinois politicians.

Blagojevich is referred to as "Public Official A," Obama is referred to as a "political candidate," and there is a list of "Individuals" from "Individual A" all the way up to "Individual HH."

By now, everybody following the case knows the names of the "Co-Schemers" and "Individuals", and the Republicans can use the court filings as a roadmap for their plan of attack on Obama. In fact, they are probably editing their talking points for cable news shows as we speak. They no doubt already have video clips in the can of every failed low-income housing project in Chicago connected to Obama to splash across the airwaves the minute he is nominated.

In addition, the Chicago Tribune has two ace reporters, Bob Sexter and Jeff Coen, stationed at the courthouse, who provide a daily blog called "Gavel-to-Gavel" on the Tribune website which gives a blow-by-blow account of the live testimony in the trial every few hours.

The names of corrupt politicians and power brokers from both the Democratic and Republican parties are being dropped before the jury like flies. Many of the witnesses, including the main co-defendant, Chicago businessman Stuart Levine, have already pleaded guilty and are testifying under grants of immunity in hope of getting a lighter sentence, which means they have everything to gain by testifying about the other crooks.

Although the Tribune's Gavel-to-Gavel coverage is just as good as having a front-row seat in the courtroom, the Obama camp apparently feels the need to monitor the trial first-hand. On March 14, 2008, during an interview with the Sun-Times, a reporter said to Obama: "You have somebody in the courtroom to monitor the trial, right?"

"We may," he replied, "I think that may be true."

The case involves the corruption of two state regulatory boards. The investigation, dubbed "Operation Board Games," by the Feds, began in December 2003, based on information supplied by an informant. Its now obvious that Rezko was aware of the investigation as early as 2004, because during a January 16, 2007, court hearing his attorney, Joe Duffy, told US District Judge Amy St Eve that he was hired in 2004.

"And my guess is you hired Mr. Duffy to deal with the Feds?" the judge said to Rezko, and Rezko replied, "Yes, your Honor."

The first board controls the Teachers Pension System, which administers pensions and benefits for all Illinois teachers except for those in Chicago, and the Health Facilities Planning Board, which approves all proposals for construction projects that involve medical facilities in Illinois.

The Teacher's Pension fund has over \$30 billion in assets. Investment firms that want to do business with the fund submit proposals, and the board votes on whether to approve the proposal. Some members of the board are elected by teachers in the state, others are appointed by the governor and others serve by virtue of their state office such as the school superintendent.

On Blagojevich took office, the Schemers were able to stack the TRS board with members who would vote whichever way they were told. Once they accomplished that feat, they demanded kickbacks from investment firms in exchange for the approval of their proposals.

Rezko's partner in the Rezmar development company, Daniel Mahru, is referred to as "Individual Z" in the indictment, and according to court filings, Rezko told Mahru that "\$500 million" of TRS money was earmarked for their company. Mahru is reportedly cooperating with federal investigators.

In addition to lining their own pockets, the money gained through the scheme was funneled to the campaigns of Blagojevich and Obama. Prosecutors have identified two \$10,000 payments that were made to Obama's US Senate campaign through straw donors Joseph Aramanda and Elie Maloof, which originated from a kickback paid by investment firm, Glencoe Capital, to secure approval for a \$50 million deal.

Aramanda and Maloof also each gave Obama \$1,000 for his failed run for Congress in 2000. Once Obama became a US Senator, Aramanda's son was granted a coveted intern position in Obama's Senate office in Washington during the summer of 2005, based on a request which the Obama's camp has admitted came from Rezko.

Levine was appointed to the TRS Board in 2000, by Republican Governor George Ryan and was reappointed in 2003 by Blagojevich. As part of the team led by Levine to rig the votes, Blagojevich appointed, attorney Anthony Abboud, to serve. He is "Individual Q" in the indictment. He has been donating money to Obama's political career since March 2000, with a total of more than \$2,800.

Blagojevich also appointed, attorney Jack Carriglio, or "Individual R." On June 30, 2003, Carriglio donated \$1,000 for Obama's US Senate campaign.

The TRS story has the makings of a great Hollywood movie with subplots upon subplots. Allison Davis, or "Individual BB," was a friend of Hollywood producer Tom Rosenberg,

who produced the movie, "The Human Stain," with Anthony Hopkins and Davis in a small part. He also produced the Oscar winning, "Million Dollar Baby."

Rosenberg, or "Individual J," is a central figure in the case. His investment firm, Capri Capital Advisers, a real estate manager, had done about a billion dollars of business with the TRS in the past and wanted to do more. In 2004, the Schemers tried to coerce a bribe from Rosenberg, or in the alternative a \$1.5 million contribution for Blagojevich, in exchange for approval of a \$220 million deal.

According to the indictment, Davis admitted to Rosenberg that Rezko, and Blagojevich's top fund raiser, Christopher Kelly, or Co-Schemer B, had asked Davis who could raise funds for Blagojevich from the state pension system and he volunteered Rosenberg's name.

During his testimony on April 1, 2008, Levine explained that he was already mad at Rosenberg because he expected \$500,000 for help he gave Rosenberg in getting the TRS board to approve a \$100 million deal in 2001, but he never came through with the money.

The only benefit Levine received from the deal was that Rosenberg said Levine no longer had to pay him \$50,000 a year for lobbying efforts, according to the monitoring by Gavel-to-Gavel.

However, all hell broke loose when Rosenberg refused pay the \$1.5 million. During the trial, prosecutors played tapes of phone calls in which comical conversations were discussed between the bipartisan group of Co-Schemers and Individuals, as they were trying to figure out how to deal with Rosenberg and his threats.

The jury heard conversations between Republican power broker, William Cellini, or Co-Schemer A, and Levine, in which they said Rosenberg was threatening to "stand at State and Madison," and make public the attempt to extort money for Blagojevich's campaign and that he would "take them all down," and even threatened to go to the Feds.

They claimed Rosenberg said he considered Rezko and Christopher Kelly the two most likely members of Blagojevich's inner circle to end up in prison someday, according to Gavel-to-Gavel. Kelly has been charged in a separate case with hiding \$1.3 million from the IRS and using money from his business to pay gambling debts with Chicago bookies and Las Vegas casinos.

Levine testified that Rezko wanted things to settle down and quoted Rezko saying, "Mr. Rosenberg was a dangerous individual, and nobody wanted to be put in a dangerous situation."

Levine said Rezko told him that TRS should grant Capri the \$220 million. "But, in fact, that should be the last business that Mr. Rosenberg does with the State of Illinois," Levine recalled Rezko telling him, according to Gavel-to-Gavel. Levine testified that Rezko said Blagojevich had been briefed on the plan and agreed with it. During his testimony, Levine also told the jury that Rezko had plans for Blagojevich to

run for President. "He said that he had raised a great deal of money for Gov. Blagojevich and that he had great hopes and expectations that Gov. Blagojevich would run for president," Levine told the jury.

"And although he knew it was a long shot, he was working toward that end," Levine said.

He also told the jury about an October 29, 2003, trip in a plane he chartered to carry Blagojevich and others to fundraisers in New York, during which Levine thanked Blagojevich for reappointing him to the Planning board and said the governor told him, "Never discuss any state board with me, discuss them with either Tony Rezko or Chris Kelly."

The TRS part of the story has many subplots. For instance, in 2005, the Feds issued a subpoena to the TRS for records pertaining to a \$150 million deal approved for the Carlyle Group, in which Robert Kjellander, or Individual K, described in the August 11, 2005 Sun-Times as the "national Republican Party treasurer," and "a Springfield lobbyist with close ties to the White House," was to be paid a \$4.5 million fee.

The most famous investor in the Carlyle Group is the family of Osama bin Laden, and its most famous advisor is the first President George Bush. On October 26, 2001, the New York Times reported that the "Saudi family of Osama bin Laden is severing its financial ties with the Carlyle Group, a private investment firm known for its connections to influential Washington political figures."

"It came largely as a result of public controversy about the family's stake in a Carlyle fund that invests in buyouts of military and aerospace companies," a Carlyle executive told the Times.

After the September 11 attacks, the Times noted, "the investment was criticized amid speculation that the family might profit from increased military spending from America's war on terrorism."

Kjellander reportedly headed Bush's reelection campaign in three states and in December 2003, he was able to obtain an invitation from the Bush administration for Levine, Rezko, and Cellini, along with their wives, to attend a Christmas Party at the White House.

Apparently Kjellander is still in good graces with the Republicans because he is "helping plan this September's Republican National Convention in Minneapolis," according to John Kass in the March 7, 2008 Chicago Tribune.

The subpoena issued to the TRS in 2005, also included a request for records involving a \$10 million investment approved for Hopewell Ventures in 2003, whose principals included David Wilhelm, a former chairman of the Democratic National Committee, who is now a super delegate who openly supports Obama. Wilhelm was a main player in getting members approved to serve on the Health Facilities Planning Board.

The Board is made up of nine members and approval of a project requires a majority of five votes. At the center of this scheme was a proposal by Mercy Health System to gain approval to build a new hospital in Crystal Lake. On April 21, 2004, the board voted to approve the project, even though state analysts said the hospital was not needed.

Levine was also appointed to the Planning Board by a Republican Governor. However, he established himself as a bipartisan crook early in the trial. On March 10, 2008, he told the jury that even before he got involved with the Blagojevich administration, he used to funnel campaign contributions to Democratic candidates through straw donors at the request of former Chicago Alderman Edward Vrdolyak, who has also been indicted on federal fraud and bribery charges in a related case.

Levine's term on the Board was set to expire in 2004, but the Schemers made sure he remained on the panel. On March 10, 2008, Rezko's lawyer questioned Susan Lichtenstein, former general counsel to Blagojevich, about a series of email exchanges she had related to the appointments of members to the Board in 2003.

One of the emails was between Lichtenstein and the office of Wilhelm, who ran Blagojevich's 2002 campaign, which suggested several appointees, including Levine.

"With the e-mails," Gavel-to-Gavel reports, "Rezko's lawyers appear to be pushing the point that Rezko wasn't alone in backing Levine and that Levine's appointment had a broad array of support."

While all this was going on, as a state senator, Obama was the chairman of the Senate Committee on Health and Human Services. As such, his name also appeared in the email exchanges as a member of a team working on legislation to keep the board from expiring under a sunset provision of Illinois law.

The email exchanges said, Wilhelm had "worked closely" over six months with state legislators to extend the life of the board and listed Democrat and Republican leaders in the Illinois Senate and House, including Obama.

The exchange with the names of four candidates for the board stated that "our attached recommendations reflect that involvement" with the political leaders.

In the end, the changes made by the lawmakers in 2003 dropped the number of members on the Board from 15 to 9, making it much easier to stack the panel, and by the summer of 2003, the Schemers controlled a 5-bloc vote.

At the time, Thomas Beck was the chairman of panel, and Levine was the vice-chairman. Beck testified, under a grant of immunity, and told the jury that he took a \$1,000 donation for Blagojevich when he met with Rezko to seek reappointment.

The persons chosen to guarantee the votes were 3 doctors: Imad Almanaseer, Michel Malek and Fortunee Massuda.

Massuda, or "Individual Y," gave Obama \$2,000 on January 26, 2004. Malek is "Individual FF," and he donated \$10,000 to Obama's US Senate campaign on June 30, 2003, and another \$500 in September 2003.

Almanaseer, or "Individual EE," contributed \$1,000 to Obama on March 12, 2004, and ponied up another \$2,000 on May 24, 2004.

This part of the scheme also opens up several subplots. The person responsible for working out the details for the kickback on the Mercy proposal was Jacob Kiferbaum. Kiferbaum was the builder hired by Mercy to construct the new hospital. Levine told the jury about a long history of taking bribes from Kiferbaum, who would then pad his bills to hide the payments. He said the money would be passed through middlemen, such as John Glennon, a prominent Republican insider, who had served on a pension board with Levine.

The new hospital was never built after details about the crimes became known. Kiferbaum has pleaded guilty in the case and is cooperating with the Feds.

When referring to the fact that Obama's name shows up in the email exchanges as reviewing the recommendations to appoint Levine and the others to the Planning Board, the media is always careful to mention that Obama is not accused of anything.

However, on March 14, 2008, during an interview with the Tribune, Obama was finally asked directly: "Did you have discussions with him [Rezko] about either recommendations that you sought for people or recommendations that he was making?"

"I did not have any formal discussions with Tony," Obama said, "beyond one individual, and that was Dr. Eric Whitaker, who ultimately became the head of the Illinois Department of Public Health and who had been a longtime friend of mine, who I had known since he was getting his master's at Harvard and I was at the law school there."

"He had expressed an interest in that post," Obama informed the Tribune.

"I think he had applied separately," Obama said, "but I don't recall whether I called Tony or he called me."

"And I simply said, 'I think this guy is outstanding and is certainly somebody who is worthy of an interview,'" he added.

"And was it your understanding that Tony was going to effectuate that?" the Tribune asked.

"No," Obama said. "What I knew was, and I don't think this has been disputed, that he was one of a number of people within the Blagojevich circle who were, you know, helping to screen or interview potential candidates for administration posts."

The job Obama recommended for his friend paid about \$150,000 a year. However, Eric Whitaker is now an executive vice-president of the University of Chicago Medical Center, according to the March 9, 2008, Sun-Times. That would be the same employer that pays Michelle Obama a salary of close to \$350,000 as a vice president.

But Obama's using the lure of the pension funds to raise campaign money goes way back. In 1999, he "was instrumental in the formation of a coalition of black investment firm owners and legislators in Illinois to create an initiative that would award black-owned firms with the management of some of the state's retirement funds," according to a 2004 article on Black Enterprise.com.

"He's out there fighting for us," said John Rogers, chairman and CEO of Chicago-based Ariel Capital Management in the article. Rogers donated \$9,000 to Obama's US Senate campaign.

"He was a catalyst to pull [everyone] together to create the initiative to have these organizations let minority firms do business with state funds," said Lee Holland, managing partner and Chief Investment Officer of Holland Capital. Lee Holland, his wife and two of his partners donated \$35,000 to Obama's US Senate campaign. In the October 1, 2007, New York Times, Christopher Drew and Raymond Hernandez reported that:

"Members of the group, the Alliance of Business Leaders and Entrepreneurs, say Mr. Obama checked into their problems and helped start a drive that enabled minority investment executives to win millions of dollars in business from the state's giant pension funds."

However, the Times pointed out that Obama's political career had benefited many times over from his ties to the group. "Several of the businessmen or their wives would help clear the debts from his Congressional race," the Times wrote, "and six of the group's members are now among the top fund-raisers for his presidential campaign, according to campaign finance records."

All totaled, the Times said, employees at more than 30 companies listed on the group's website and their relatives donated more than \$300,000 to help Obama win his US Senate seat in 2004 and "set fund-raising records early in the 2008 presidential race."

In fact, when Illinois State Senator Emil Jones, Jr became the State Senate president in 2003, he assigned Obama to a committee looking into the pension questions "to help raise his political profile," according the Times.

During this period, the Times says, campaign finance records show executives from Ariel Capital, Loop Capital, Holland Capital and Capri Capital, "sharply increased their donations" to Obama's State Senate campaign fund.

"And once he began his campaign for the United States Senate," the Times wrote, "they quickly became a fund-raising core that has carried over into the presidential race."

Obama quit the State Senate committee in late 2003 as his race for the US Senate heated up, "and just as the panel began a series of hearings that produced the most substantial changes," the Times reports.

The changes generated millions dollars in fees for some of the firms. For instance, Loop saw its fees from one pension fund rise to \$2.4 million in 2006, from \$5,700 in 2001, and Holland and Ariel both got several hundred million from the pension funds to invest.

John Rogers and two other people at Ariel each bundled at least \$50,000 in donations for Obama's presidential campaign, according to the Times.

An October 3, 2005 article in the Sun-Times, by Chris Fusco and Dave McKinney, reported that Ariel and its top executives also contributed \$117,500 to Blagojevich's campaign.

Although the current criminal case focuses on two boards, the testimony of Jill Hayden, the former head of Blagojevich's Office of Boards and Commissions, established that the same process was used to fill some 1,500 positions, on 300 boards and commissions, that control a wide variety of regulatory decisions, which would include other pension funds.

Blagojevich appointed Davis to serve on a separate pension board, the Illinois State Board of Investment, which oversees funds for state employees, judges and legislators, and "also has been under federal investigation," according to the November 7, 2007 Sun-Times

In the September 23, 2007, Sun-Times, in reference to the "minority owned" DV Urban, of Davis and Robert Vanecko, Tim Novak reported that a "nephew of Mayor Daley stands to make millions of dollars from city-connected pension funds" in "winning business from pension funds for city workers, cops, teachers and CTA employees".

All total, the pension funds gave DV Urban \$68 million. The first investor was the Chicago Teachers Pension Fund, but according to Novak's report, the board members did not learn that DV Urban was owned by the Mayor's nephew until 6 months after they voted to approve the investment.

As of September 23, 2007, Davis and Vanecko had received \$1 million in management fees and they are "guaranteed at least \$3 million in management fees and could make as much as \$8.4 million before the pension deal ends on Dec. 31, 2014," Novak reports.

In addition, Davis and Vanecko will share in any profits from the real estate deals and can earn a 3% fee on the property they develop.

Obama says he met Rezko, when he got a call right out of the blue from David Brint, after he was elected president of the Harvard Law Review, wanting to know if he would be interested in being a developer for Rezko's real estate company, Rezmar.

Because they read that he was interested in community development work, Obama says, Rezko and his two partners, Mahru and Brint, met with him to discuss the job. "I said no, but I remained friendly with all three of them," Obama said in the Chicago Tribune on November 1, 2006.

"All three of them remained great contributors of mine," he added.

And so they did. According to the latest tally given during interviews with the Tribune and Sun-Times on March 14, 2008, the amount attributed to Rezko went from a claim of \$50,000 or \$60,000 a year ago, to Rezko raising roughly \$250,000.

In fact, Obama told the Tribune that Rezko "might have raised \$50,000 to \$75,000" for one campaign alone in his failed run for Congress in 2000.

The Rezmar connection is a gift that keeps on giving. In February 2007, David Brint gave Obama \$4,600, and his wife, Elizabeth gave contributed \$2,300. Brint also hosted a fundraiser for Obama in June 2007. Elizabeth donated a couple thousand in 2002 and \$2,000 more in 2003 as well.

On March 17, 2000, Mahru gave Obama \$1,000, listing himself as president of Rezmar. On March 4, 2004, he donated a whopping \$5,000. Mahru also tossed \$1,000 to Mayor Daley in 2001 and gave him another \$1,500 in 2003.

But then Rezko and Mahru had plenty of money to throw around. By 1998, Rezko had a reported net worth of \$34 million and Mahru was worth \$14.6 million, according to the "Rezmar who's who list," published in the April 24, 2007 Sun-Times.

After turning down the surprise job offer from Rezko, Obama expects voters to believe that he just happened to get hired at the small 12-attorney Davis law firm, which just happened to represent Rezmar in development deals. And then a couple years later, Rezko's companies just happened to appear on the very first contributions made to the "Friends of Obama" committee to launch his political career as a state senator.

On March 14, when asked by the Sun-Times, whether the subject of politics was mentioned at his first meeting with Rezko, Obama stated: "Quite frankly, I don't recall. I think it was talking about the possibility of me working for him."

About the same time that Rezko began funding Obama's campaign for the Illinois senate, Rezmar began developing low-income apartments with three non-profit groups, which were also represented by the Davis law firm, including the Chicago Urban League, the Woodlawn Preservation and Investment Corp, and the Fund for Community Redevelopment and Revitalization.

Bishop Arthur Brazier, described as "a powerful ally of the mayor" by the Sun-Times, founded the Woodlawn Preservation Corp and the Fund for Community Redevelopment.

Davis was the treasurer for Woodlawn when the group went into business with Rezmar and he also served on the board that ran the Fund for Community Redevelopment.

By the time Rezmar started working with the non-profits, two of its earlier projects were having major problems, including a building where the tenants were without heat for five weeks between December 1996 and February 1997. The city had to sue to get the heat turned back on and in fact Chicago sued Rezmar for failing to heat buildings at least a dozen times, according to the Sun-Times.

Obama got a \$1,000 campaign donation from Rezmar on January 14, 1997, while those tenants were without heat, Novak reports. Records show that Obama also received a \$1,000 contribution from Resko Concessions, a day earlier on January 13, 1997.

Rezmar rehabbed 15 buildings between 1995 and 1998 in partnership with the nonprofits.. Each project involved public and private financing including loans from the city or state, federal low-income-housing tax credits and bank loans. The way it was set up, Rezko and Mahru always came out ahead because Rezmar was paid part of the development fees when a deal closed and the remainder when tenants moved in.

The projects were supposed to provide housing for low-income tenants for at least 25 years. "But the first deal Rezmar struck with the Woodlawn Preservation and Investment Corp. collapsed in just six and a half years, when the state sued for foreclosure," according to a report by Novak in the April 23, 2007 Sun-Times.

Of the buildings managed by Rezko and Mahru, 17 ended up in foreclosure, six buildings are currently boarded up, hundreds of the apartments are vacant and in need of major repairs, and taxpayers are left stuck with millions in unpaid loans, Novak reports.

An "Operation Board Games" investigation should be conducted on the slumlord business in Illinois over the past 15 years. The Chicago Sun-Times reporters, and especially Tim Novak, have already done an excellent job in connecting all the dots.

Daley became Mayor in 1989 and Rezmar got its first city loan of \$629,000 the same year, even though Rezko and Mahru had no construction experience.

Rezmar stopped making the \$2,982 payments three years later and missed 16 payments before the city changed the terms so that Rezmar would only have to pay \$465 a month, according to the Sun-Times report by Novak.

Over the years Davis has been appointed to serve on the Illinois Capital Development Board, which oversees state construction projects, and the Chicago Public Building Commission. Daily appointed Davis to the Chicago Plan Commission in 1991, where he stayed until January 2006.

The Plan Commission must approve, disapprove or defer any proposal by a public body or agency "to acquire, dispose, or change any real property within the territorial limits of

the city" on the basis of whether or not the referral complies with the city's long range planning goals and objectives, according to its web site.

After Rezko got Davis appointed to the pension fund Board, Davis helped Rezmar in two major developments as a member of the Plan Commission, even though the two men were business partners. The first vote involved a housing development along the Chicago River at Irving Park Road and was cast a month after Davis won a seat on the Board.

The second was cast a year later in March 2004, for the approval of Rezmar's proposal for the 62 acre South Loop project. This deal collapsed shortly before Rezko was indicted in October 2006, according to Novak.

Daley made Thomas McNulty, the attorney who acquired the buildings for Rezmar, president of the Chicago Low-Income Housing Trust Fund, a charity run by the city that doles out tax dollars to landlords to subsidize rent payments for the poor. Rezmar received more than \$2.7 million from this charity fund, according to the "Rezmar who's-who list" in the April 24, 2007 Sun-Times.

Mahru was appointed to the Illinois Affordable Housing Advisory Commission in 1993, which helps decide which projects get state funds, by Governor Jim Edgar.

Obama began serving on the board of Woods Fund, a Chicago charity foundation, in 1993, the same year he was hired by Davis' law firm. In 2000, Davis went to the foundation to help fund his plans to build low income housing. Obama voted to invest \$1 million with Neighborhood Rejuvenation Partners, a \$17 million partnership that Davis still operates, according to a report by Novak in the November 29, 2007 Sun-Times.

Davis used some of the money to build a 72-unit apartment building for senior citizens, a \$10 million project built with a \$5.7 million city loan, which earned Davis nearly \$700,000 in development fees, Novak says city records show.

Davis' son Cullen is paid to manage the building, which opened three years ago with a ceremony featuring Mayor Daley.

Kelly King Dibble was the vice president for business development at Rezmar and she became the executive director of the Illinois Housing Development Authority once Blagojevich became Governor. She is now an attorney with, The Northern Trust Company, the same company that financed Obama's mansion.

Velma Butler, an investor in Rezko's 62 acre Loop project, also serves on the Illinois Housing Authority. She donated \$1,000 to Obama's US Senate campaign in 2003.. On October 1, 2006, Daley appointed Martin Nesbitt chairperson of the Chicago Housing Authority. The CHA was created for "the purposes of engaging in the development, acquisition, leasing, operation, and administration of a Low Rent Housing Program and other federally assisted programs," according to the agency's 2005 annual financial report.

Nesbitt succeeded Sharon Gist Gilliam, according to the CHA web site. Gilliam is a former board member of Rezmar. She told the Sun-Times that she was only on the Rezmar board until 1991. However, the Times found her still listed as a board member in a 1994 biography on the company's web site.

Daley had appointed Nesbitt commissioner of the Housing Authority on July 9, 2003, and he served as vice chairperson of the Board since January 17, 2006.

Nesbitt is also vice president of the Pritzker Realty Group, where he procures new real estate investment opportunities, retail investments and developments for the Pritzker Group, according to the CHA web site. A quick trip to the Huffington Post site showed tens of thousands of dollars donated to Obama from people with the last name Pritzker in the Chicago area but many people are listed as homemaker or not employed or information requested, so its impossible to sort them out.

Nesbitt is treasurer for Obama's presidential campaign according to the Center for Public Integrity. Over his political career, Nesbitt has contributed more than \$10,000 to Obama's campaigns.

Michelle Obama was hired as an assistant in Daley's office by Valerie Jarrett, Daley's deputy chief of staff in 1991. When Daley appointed Jarrett chairman of the Office of Planning and Development, Michelle became her assistant..

Jarrett is now CEO of the real estate development and management firm, called Habitat, which manages the housing program for the Chicago Housing Authority.

The Commission on Chicago landmarks "is responsible for recommending to the City Council that individual buildings, sites, objects, or entire districts be designated as Chicago Landmarks, thereby providing legal protection," according to the government web site.

Daley appointed Michelle to serve on the Chicago Landmark Commission. The current chairman of the Commission is Daley's former chief of staff, David Mosena. Mosena was a member of Obama's US Senate Finance Committee in 2004, with other members that included Valerie Jarrett, Tony Rezko, Rita Rezko, and Allison Davis. The committee raised more than \$14 million, according to Federal Election Commission records, cited by Novak in the Sun-Times on April 23, 2007. Jarrett serves as an advisor to Obama's presidential campaign.

The Illinois Finance Authority was established by Blagojevich in 2004. Its "role is to support the Governor of Illinois' economic development agenda," and "IFA approves about \$3 billion in project financing each year," according to the its site.

Rezko business associate, Ali Ata, was appointed to head the Finance Authority. He is now under indictment in a separate criminal case in which Rezko is also charged. On June 30, 2003, Ata contributed \$5,000 to Obama's US senate campaign.

On June 13, 2007, the Sun-Times reported that as a state senator, "Obama wrote letters to city and state officials supporting his political patron Tony Rezko's successful bid to get more than \$14 million from taxpayers to build apartments for senior citizens."

"I am writing in support of the New Kenwood LLC's proposal to build a ninety-seven unit apartment building at 48th and Cottage Grove for senior citizens," Obama wrote in October 28, 1998 letters to both city and state housing officials. "This project will provide much needed housing for Fourth Ward citizens."

New Kenwood was set up as another "minority owned" company, where Davis owned 51% and Rezko 49%.

In the Times, Novak reported that the deal included \$855,000 in development fees for Rezko and Davis, while Obama was still working at the Davis law firm, for a bid on a project that was "four blocks outside Obama's state Senate district."

Although the law firm represented several companies owned by Davis and Rezko when Obama wrote the letters, the firm did not represent New Kenwood in the deal. According to the Sun-Times, Davis and Rezko instead hired a firm owned by Mayor Daley's brother Michael, "to help them get \$3.1 million from bonds issued by the city of Chicago."

"In addition to the development fees, a separate Davis-owned company stood to make another \$900,000 through federal tax credits," Novak reported in the June 13, 2007 Sun-Times.

The development opened in 2002 and was supposed to be managed by William Moorehead & Associates. William Moorehead was also a client of the Davis law firm and a business partner of Davis. In April 2007, Moorehead told the Times that his company was dropped from the deal before the apartments opened. The apartments are now managed by a company owned by Davis' son, Cullen Davis, according to Novak.

In the Times article, Novak also noted that Moorehead received a 4-year prison sentence "for stealing more than \$1 million from ... public housing projects he managed for the Chicago Housing Authority and the U.S. Housing and Urban Development Department, as well as from two developments he co-owned with Davis."

In a 2006, Moorehead pleaded guilty to fraud and other crimes and admitted stealing more than \$600,000 from the Island Terrace and other federally subsidized projects.

During the period when Moorehead was stealing money, the Times reports, he lent Davis \$100,000. Davis sent Moorehead a letter on June 15, 2000, and said the sale and refinancing of one of their housing projects had been delayed and wrote: "I need to borrow \$100,000 from the Island Terrace resources."

As part of a plea deal, Moorehead is cooperating in an ongoing federal investigation. David Brint now owns Brinshore Development. He told the Times that he quit Rezmar four years after the company got its first deal with city because Mahru did not find money

for building repairs. Brint and his partners have taken over four failed Rezmar buildings -
- "in one case paying the city \$1 million to settle a \$4 million loan made to Rezmar,"
according to the Times.

Gary Poter owned the construction company that rehabbed all of Rezmar's buildings. He
was stabbed to death in May 2006, supposedly by a disgruntled employee, according to
the Times "Rezmar who's who" list. Back on March 3, 2004, Poter donated \$2,000 to
Obama's US senate campaign and on July 19, 2004, he gave Obama another \$1,000.

Its more than obvious that the political mafia of Illinois now has plans to install the new,
"White House Office of Urban Policy," as a means of getting richer by funneling tax
dollars through poor people and retirees on a national level via Obama.

The leaders of Democratic party need to tell him that he will not be the nominee and to
drop out of the race. If they do not, the Republicans have enough truthful information
lined up to drive Obama out before election day.

A month ago a friend of mine who knew I did not think Obama was qualified to be
president, asked me what I would do if he was nominated. I replied that I would vote for
him of course, what a dumb question. No more. After a month of research, I could no
more support Barack Obama as the leader of this country than I could support another
war profiteering Republican.

If he becomes the nominee, all the Democrats in America will be viewed by the rest of
the world as either utterly stupid, or totally corrupt. Therefore, for the first time in my
life, I have made a conscious decision to take a stand and not vote in a presidential
election if the choice is Obama.

**(The next report in this series will cover the subplots of the ongoing Illinois
corruption case that stretch from O'Hare airport to the Illinois Tollway to war
profiteering in Iraq)**

Barack Obama - Subplots of Operation Board Games

Monday, 21 April 2008, 10:24 am
Column: Evelyn Pringle

The investigation dubbed “Operation Board Games,” into the influence peddling within the cesspool of corruption that encompasses Illinois politicians from both major parties, has developed into multiple subplots, many of which feature Barack Obama.

Therefore, Obama should start bidding for the starring role in the movie that is sure to follow the criminal trials involved in this case because he has absolutely no chance of winning the White House, even if the leaders of the Democratic party allow this sorry charade to carry on and his name appears on the ballot.

The major media organizations continue to ignore a story that is destined to become the biggest political scandal of the decade, except for a bleep here and there. By now this can only mean one of two things. They are either unwilling to commit the manpower necessary to connect the dots of all the subplots or they know the Republicans will supply the goods free of charge the minute Obama becomes the nominee.

This two-part article is the last article in a 3-part series. The first two, [Barack Obama - The Wizard of Oz](#) and [Barack Obama - Operation Board Games For Slumlords](#), cover Obama’s rise to fame in the political mafia of Illinois, bankrolled by the now infamous Syrian-born influence peddler, Antoin “Tony” Rezko.

They also give the details of Obama’s involvement in a slumlord business largely operating out of the Chicago-based Davis, Miner & Barnhill law firm, which hired Obama in 1993, with his boss, Allison Davis, reaping in the profits with Rezko’s development company, Rezmar.

The “Board Games For Slumlord” article gives in-depth details of the federal investigation along with the names of people who are listed as “Co-Schemers” and “Individuals” in the indictments issued thus far. Therefore for the most part, this article will refer to all the scams collectively as what prosecutors refer to as “pay-to-play” schemes.

The mainstream media continues to refer to the corruption trial currently taking place in a Federal courthouse in Chicago as the Rezko case, never mentioning the fact that Rezko is sitting in the courtroom alone at the defendant’s table only because many of the co-defendants have already pleaded guilty, or have not been indicted yet.

Some of the people listed in the indictments as co-schemers and individuals include William Cellini, a long-standing Republican powerbroker in Illinois, and Robert Kjellander, treasurer for the Republican National Committee.

In the April 3, 2008 Chicago Sun-Times, Mark Brown wrote: "For more than three decades, William Cellini has been the unseen hand pulling the strings of Illinois government, adroitly manipulating it to his purpose."

"That purpose," Brown noted, "was mainly to make himself rich -- through lobbying fees and insider contracts, government loans and leases for his real estate developments, and finally the coup de grace, his own riverboat casino company."

Cellini was a co-founder of Commonwealth Realty Advisors, "a firm that has received hundreds of millions of dollars in pension funds to invest on behalf of retired state employees and teachers," according to a report by Rick Pearson in the April 6, 2008 Chicago Tribune.

The Feds have several incriminating taped conversations between Cellini and the co-schemers and after hearing the tapes, Sun-Time reporter, Mark Brown wrote:

"That Cellini would slip up and allow himself to be caught on a federal wiretap is nothing short of a miracle to those of us who have marveled at his career and attempted to expose his deals where we could -- mostly in vain and always too late to foil him."

On January 7, 2005, Crain's Chicago Business described Robert Kjellander as the "White House's man in Illinois," and noted that:

Mr Kjellander, "the GOP national committeeman from Illinois, long has been at the center of the state Republican Party and related government doings. He is a close associate of key presidential advisor Karl Rove, and is considered the unofficial chief operative in the state for President George W. Bush."

In 2005, the Feds issued a subpoena to the Illinois Teachers Retirement System pension fund for records pertaining to a deal in which Kjellander was paid \$3.1 million by the Carlyle Group, with an additional \$1.4 million still to come. Many little known facts about the secretive Carlyle Group are discussed in the book, "The Iron Triangle," by Dan Briody, including this bizarre eye-opener:

"On the morning of September 11, 2001, "in the plush setting of the Ritz-Carlton hotel in Washington, DC, the Carlyle Group was holding its annual international investor conference. Frank Carlucci, James Baker III, David Rubenstein, William Conway, and Dan D'Aniellow were together, along with a host of former world leaders, former defense experts, wealthy Arabs from the Middle East, and major international investors as the terror played out on television.

"There with them, looking after the investments of his family was Shafiq bin Laden, Osama bin Laden's estranged half-brother. George Bush Sr. was also at the conference, but Carlyle's spokesperson says the former president left before the terror attacks.

"In any circumstance, a confluence of such politically complex and globally connected people would have been curious, even newsworthy. But in the context of the terrorist attacks being waged against the United States by a group of Saudi nationals led by Osama bin Laden, the group assembled at the Ritz-Carlton that day was a disconcerting and freakish coincidence."

Kjellander and Cellini have not been indicted - yet. When prosecutors filed a proffer with the court outlining the evidence to be used at trial they made it known that they did not intend to call several co-schemers to testify, including Cellini. Resko's attorneys then filed a brief seeking to exclude the statements attributed to Cellini and others, on the basis that they would not be called as witnesses and in Cellini's case, he had never even been interviewed by prosecutors.

However, in a response brief, the government asserted that, Cellini "participated in a number of corrupt aspects of the scheme" and "there are many other explanations that can account for the failure to charge or interview an individual other than innocence."

On February 19, 2008, US District Judge Amy St Eve issued an order denying the request to exclude statements by Cellini and said the government has submitted enough evidence to corroborate the contention that "Co-Schemer A was "an integral player" in the scheme."]Cellini[

Rezko is widely known to be a bipartisan influence peddler. During his opening statement, Rezko's lead defense attorney, Joseph Duffy, told the jury that Rezko raised money for Democrats and Republicans alike, such as former Cook County Board President, John Stroger, and Representative Luis Gutierrez, Democrats, and former Governor Jim Edgar, a Republican, along with current Governor Rod Blagojevich and Obama, both Democrats.

Duffy told the jurors that Rezko "met Barack Obama when he was in Harvard Law School and tried to hire him" to be the lawyer for his development company. During 2003 and 2004, he said, Rezko helped organize fundraisers for both President Bush and Obama

Persons who have avoided trial in the Board Games case by pleading guilty to corruption charges include the government's star witness, Stewart Levine, a Chicago businessman who had been a major fundraiser for Republicans in Illinois for decades, including Bush.

Levine was the first defendant nailed in the Board Games investigation. The FBI confronted him four years ago on May 20, 2004, and although he was cooperating with the Feds for some time, he did not enter an official guilty plea until October 2006.

Defendants who pleaded guilty as early as September 2005, include Chicago attorney, Steve Loren, a lawyer for the teacher's retirement pension fund, Joseph Cari, an attorney and former finance chairman for the national Democratic National Committee, and Jacob Kiferbaum, owner of a Chicago area construction company.

Several other people listed in the indictments are testifying under a grant of immunity from prosecution. The jury has been made aware that if the people who have pleaded guilty or been granted immunity are caught lying under oath in court, all deals are off.

On October 11, 2006, the US Attorney for the Northern District of Illinois, Patrick Fitzgerald, issued a press release to finally announce the unsealing of two indictments charging "Chicago area businessman and political fundraiser Antoin Rezko in connection with two separate and extensive fraud schemes."

The press release noted that Rezko, "who, in addition to owning pizza and fast food restaurant franchises in Illinois and Wisconsin, developed real estate and was involved in political fund-raising in Illinois, was added as a new defendant in a pending federal corruption case that was brought against Levine and others last year."

The first indictment alleged that Rezko participated in a scheme to obtain millions of dollars by shaking down firms doing business before two Illinois regulatory boards, the Teachers Retirement System (TRS) and the Hospital Facilities Planning Board, on which Levine served. In the press release, Fitzgerald stated:

"This indictment describes a frenzy of corrupt scheming, particularly in April and May 2004, in which political insiders sought to manipulate the activities of two state boards to fleece investment firms and individuals. The defendants and their associates put the word out loud and clear: you have to pay to play in Illinois."

Fitzgerald further reported that, "Cari and Loren, both formerly prominent Chicago lawyers, each pleaded guilty in the pending TRS fraud case. Kiferbaum, a suburban construction executive, pleaded guilty in the pending Planning Board case."

"All three are cooperating with the government and awaiting sentencing," the release said.

"This basically involved a pay to play scheme on steroids," Fitzgerald told reporters.

Allison Davis, Obama's boss at the law firm, is also listed in legal documents as playing a part in setting up a major extortion attempt in the Board Games case.

In court filings, the government also discusses plans by the schemers to use the State Board of Investments, which invests pension funds for state employees, and the State University Retirement System, which invests pension funds for state university workers, to obtain kickbacks from companies wanting to do business with the pension funds.

In fact, several kickback schemes were already set up when Levine was confronted by the FBI, and failed only because he could not follow through with the deals.

The second indictment unsealed on October 11, 2006, alleges that Rezko fraudulently obtained more than \$10 million in loans for a pizza restaurant business from General Electric Capital Corp. Due to the complex nature of the two indictments, the loan fraud case will be discussed in Part II of "Subplots of Operation Board Games."

The indictments issued so far point to only two politicians as specifically getting money from kickbacks resulting from the Board Games' schemes: Governor Rod Blagojevich and Barack Obama. Twenty thousand dollars from the first pay-off was funneled to Obama through a bank account belonging to the pizza businesses.

When Rezko was asked whether he was considering cooperating with the government and testifying against others as part of a plea bargain, he laughed loud and long and said, "Hell, no," according to a report by James Merriner in the November 2007, Chicago Magazine.

"Tell them I'll see them in court," he told Merriner.

Rezko has now been seen in court for about a month and a half. The Chicago Tribune has two reporters, Bob Sexter and Jeff Coen, covering the trial at the Federal courthouse in Chicago and every few hours they post excellent highlights of the testimony on "Gavel-to-Gavel" which can be followed [this Tribune Rezko court blog](#).

Credit for much of the testimony cited in this article belongs to the diligent efforts of Sexter and Coen in covering the trial. Facts and evidence offered by the government that is cited comes from the indictments, motions, briefs and other court filings.

Stuart Levine was a member of both the TRS board and the Planning Board when Blagojevich took office. During his opening statement, Rezko's lead defense attorney, James Duffy, pointed out that Levine backed a Republican in the 2002 governor's race and said Levine realized "he bet on the wrong horse," when Blagojevich won.

"Mr. Inside was now on the outside," he told the jury. "His ego could not handle it."

He also made a point to mention that Levine had close political ties to Obama and other Illinois politicians.

According to Duffy, the reason Levine started making up stories about having ties to Blagojevich and people close to the governor was to give off the impression of power.

The jury might have found that feeble excuse for a motive a tad credible if not for the fact that documentary evidence was produced to prove that Blagojevich, along with his campaign manager, David Wilhelm, his other campaign fundraisers, and high ranking

Illinois officials, including Obama, specifically approved Levine's re-appointment to the Planning Board.

Stuart Levine was on the stand for over two weeks, singing like a canary, hoping to reduce what could have been a life sentence to less than 6 years.

Duffy used up a good portion of his cross-examination exploiting the fact that Levine was an admitted dope fiend who, in addition to swindling every buck he could with the help of corrupt politicians for his entire life, spent much of his spare time partying at motels with a group that Duffy constantly referred to as "male friends."

However, after reading all the testimony posted on Gavel-to-Gavel, the only point clearly established is that Levine footed the bill for the parties and would put a bonifide street junkie to shame. While on the stand, Levine admitted again and again to taking a litany of drugs including cocaine, qualudes, ecstasy, crystal meth and an animal tranquilizer.

Duffy drilled away at this issue and at times it became downright amusing. For instance, at one point Duffy asked Levine whether Levine's secretary could hear him snorting drugs through the closed door of his office, and Levine replied: "If my snorting was so loud that you could hear me through a wall or door, I'm quite amazed at the loudness of my snorting."

Thus far, jurors have also heard damaging testimony about how the scheme was carried out from the chairman of the Health Facilities Planning Board, Thomas Beck, and Imad Almanaseer, one of three doctors who were appointed to the panel to help rig the votes.

The first two articles in this series reported that Blagojevich was supposed to be the candidate for President, not Obama. That assertion was based on testimony in the trial by the government's star witness, Stuart Levine, about conversations he had with Rezko.

That one of the main goals of the "pay-to-play" schemes was to raise money for a presidential run by Blagojevich was collaborated by testimony on April 15, 2008, by Joseph Cari.

He told the jury about a conversation he had with Blagojevich himself in 2003, in which Blagojevich told him that it would be easier for him to raise money than a senator because now that he was governor, Blagojevich had the power to hand out contracts and state business to people who contributed to his campaign.

Cari also testified that Blagojevich tried to convince him to lead the national fund raising efforts for his presidential bid but Cari did not want the job.

Blagojevich also told Cari that Rezko and his other major fundraiser, Christopher Kelly, were the two people he trusted most and apparently would follow Blagojevich to Washington. "They were going to be the key people in his public-service career, wherever it went," Cari said.

Cari also told the jury about meetings he had with Rezko and Kelly in 2004, at which they pressured Cari to lead the national fundraising operation for Blagojevich in exchange for receiving legal work, consultant work or pension fund business from the state.

"I could have whatever I wanted, but they needed help nationally to raise money," he told the jury.

Cari maintains that he repeatedly said no to their requests.

Campaign finance laws in Illinois have aided and abetted influence peddling schemes for years because they allow donors to give as much as they like to candidates running for state office, so the sky's the limit.

Obama's political career was bankrolled by the same gang that planned to make Blagojevich president. For instance, Fortune Massuda, another participant identified in the "pay-to-play" schemes, contributed \$25,000 to Blagojevich compared to \$2,000 to Obama. Michel Malek, another participant, threw \$25,000 to Blagojevich and \$10,500 to Obama.

Ali Ata, another guy listed as a co-schemer in one indictment, was made executive director of the Illinois Finance Authority, and he contributed \$25,000 to Blagojevich and \$5,000 to Obama.

Jay Wilton, identified by prosecutors as a major contributor to Blagojevich, is the owner of Wilton Partners, a construction company in California. He donated \$50,000 to Blagojevich shortly after his firm cinched an \$83 million contract with the state to refurbish the Illinois tollway's oasis rest stops. Wilton also gave \$5,000 to Obama.

Joe Cari donated \$15,000 to Blagojevich but only gave \$1,335 to Obama.

A trial exhibit produced by an FBI agent, identifies major contributors who donated \$1.43 million to Blagojevich between 2001 and 2004. The Chicago Sun-Times compared the exhibit to government campaign records on Obama and found he received more than \$220,000 from many of the same donors between 2001 and 2004.

John Roger, the head of Ariel Capital, an investment firm that ended up with major money from the pension funds, is on the FBI's summary of Blagojevich's top contributors. He also gave Obama \$25,000.

Rogers is a member of the finance committee for Obama's presidential campaign. Rogers also served on the campaign finance committee for Obama's US Senate run with Tony and Rita Rezko, Allison Davis, and Myron "Mike" Cherry.

Mike Cherry is listed in the indictment for the pay-to-pay schemes and the FBI shows he gave Blagojevich \$25,000 in 2003.

Daniel Mahru, a major player in the Chicago slumlord racket, has reportedly flipped in the Board Games case and is cooperating with the prosecution. He is the owner of Automatic Ice Company, which donated \$10,000 to Blagojevich. Mahru gave \$5,000 to Obama.

Attorney, Jack Carriglio, contributed \$25,000 to Blagojevich and was appointed to the TRS Board. He also gave \$1000 to Obama.

After Rezko's indictment was unsealed in October 2006, the first report in the Chicago Tribune noted, "Obama donated \$11,500 to charity -- a total that represents what Rezko contributed to the senator's federal campaign fund."

That statement intentionally leads readers to believe that Obama donated all campaign contributions from Rezko to charity, which is so far from the truth that it's laughable.

On November 5, 2006, the Tribune reported that, Obama said Rezko raised as much as \$60,000 for him during his political career. The next day, the Sun-Times quoted Obama as saying: "I did however donate campaign contributions from Rezko to charity."

The Obama camp stuck with the \$50,000 or \$60,000 story for nearly a year until Obama's March 14, 2008 interviews with the Chicago Sun-Times and Tribune and the team of reporters pinned him down and the amount added up to \$250,000.

For decades, the "pay-to-play" schemes exposed by the Board Games case have been standard conduct for politicians in Illinois, Republicans and Democrats alike, creating a vicious circle. Officials cannot get elected without the contributions of the corrupt influence peddlers and the crooks cannot fund the campaigns without the pay-offs.

In a January 11, 2006, report by Better Government Association, the groups Executive Director, Jay Stewart, stated: "Illinois is awash in scandal and corruption."

"Former Governor George Ryan is on trial, Governor Blagojevich's administration is the subject of numerous investigations, and the Hired Truck scandal has resulted in dozens of guilty pleas and indictments in Mayor Daley's City Hall. A common thread with all these scandals is questionable campaign contributions, contracts and hiring."

The most alarming indication that the corruption in Illinois will never end is the fact that the schemes continued on at full-throttle at a time when the same team of Federal prosecutors, led by Patrick Fitzgerald, was arresting people left and right as a result of an eight year investigation of the last Governor, George Ryan.

The guilty pleas of Steven Loren and Joe Cari in the Board Games case came just days before jury selection was scheduled to being for a trial in which Ryan was facing a 22-count indictment with charges involving many of same kinds of influence peddling.

Seventy-three of Ryan's former associates and state employees in his administration pleaded guilty or were convicted of federal felonies, including bribery, kickbacks, and perjury, according to an October 1, 2005 report by Steve Stanek for the Heartland Institute.

The governor's former campaign manager and chief of staff, Scott Fawell, and Ryan both ended up with six and a half years in prison.

Four of the last seven Illinois governors have been indicted on charges related to influence peddling, and three were convicted. Anyone following the first trial of what could be many in the Board Games case knows that Blagojevich is targeted to be the fourth.

Ironically, Reuters reported on Ryan's entering prison on November 7, 2007 and stated: "The scandals paved the way for Democrats to regain the Illinois governor's seat for the first time in more than a quarter century with Rod Blagojevich's election in 2002."

The Board Games investigation was also known to be underway as top members of Chicago Mayor Richard Daley's Administration were being investigated, arrested and convicted by the same prosecutors for crimes ranging from bid rigging to illegal hiring for city jobs in exchange for campaign support for Daley and the candidates he endorsed.

A January 26, 2004 Sun-Times article by Fran Spielman reported: "The dethroned head of Chicago's scandal-scarred Hired Truck Program was charged with extortion and bribery in an indictment, unsealed this afternoon, stemming from a sweeping federal investigation of the \$40 million-a-year city program."

On January 10, 2005, the Associated Press reported that contractor, James Duff, whose family has raised money for Mayor Richard Daley's campaigns pleaded guilty to defrauding the city through a series of janitorial contracts "worth \$100 million."

Duff is part of a mob-connected family that has been closer to Daley than any other defendants charged in recent corruption cases. "The family has raised thousands of dollars for the mayor's campaign fund and socialized with him at Christmas parties and other events," according to the Associated Press.

In this case, 5 family members were accused of getting city contracts that were reserved for businesses controlled and operated by women and minorities, when in fact, Windy City Maintenance was controlled by James Duff.

On March 20, 2008, the Chicago Tribune reported the Inspector General, David Hoffman, stated that:

"James Duff, who cheated the city and insurance companies out of millions of dollars, should be subject to the stiffest penalty outlined in policies drawn up in 2005 following a series of contracting scandals."

But the Tribune then said: "Daley's administration has banned the head of Windy City Maintenance and two others convicted of contract fraud from doing business with the city for three years, despite a recommendation from the inspector general that they never be allowed to do work for City Hall again."

"Allowing the defendants in this case to be eligible for city contracts in the future sends a message that is inconsistent with deterrence and integrity in the system," Inspector General Hoffman said.

"If racketeering, fraud and money laundering only merit three years' debarment, then it will be hard to convince other contractors that their misconduct will result in a powerful financial sanction," he said in the Tribune report.

The last two presidents of the notoriously corrupt Cook County Board include a father-son Stroger tag team. John Stroger left office after he had a stroke in 2006, and he died in January 2008.

His 2002 campaign finance committee was headed by Rezko, which means Rezko was a might busy guy being he also served as the top rainmaker of fundraising for both Blagojevich and Obama during the same time period.

The Cook Country Board was also under the gun at the same time that the Board Games investigation was being conducted. On September 22, 2006, ABC News in Chicago reported that:

"FBI agents armed with search warrants carried out raids at several Cook County offices in downtown Chicago Thursday in connection to an investigation in to political patronage hiring. Agents are expected to return Friday."

ABC pointed out that the feds have been all over the Daley administration, the Blagojevich administration, and they were all over Cook County government. Agents armed with subpoenas and requests for information were at all three of the medical facilities, the hospitals, and the forest preserve district.

"We don't know how many different investigations of corruption are going on countywide, but the target seems to be allegations of political shenanigans when it comes too hirings and promotions," ABC News stated.

Since November 2006, a Federal court-appointed monitor has been overseeing the hiring practices in Cook County, and as recently as April 10, 2008, she reported that political hiring is alive and well in Cook County with President Todd Stroger running the Board.

Julia Nowicki, "who monitors about 12,000 jobs under Stroger and at the Bureau of Health, said she has hundreds of old and dozens of current patronage complaints -- including claims an entire department under Stroger is a patronage haven," according to the April 10, 2008 Sun-Times.

Last but not least, Obama knew about the Operation Board Games investigation during his year-long wheeling and dealing escapade with Rezko to arrange the purchase of the mansion and lot, and any claim to the contrary by the "I did not know" candidate is ludicrous.

On July 18, 2004, nearly a year before Obama bought the mansion, Chicago Tribune reporters Ray Gibson, Crystal Yednak, Ray Long and Jane Fritsch wrote that: "Blagojevich adviser tied to appointee; Doctor, fundraiser co-owned condos."

A podiatrist, Fortune Massuda, selected to serve "on a powerful state health-care oversight panel is a partner in a real estate venture with a top Blagojevich fundraiser and counselor who recommended her appointment," the report stated.

Massuda's connection to Antoin Rezko, the Blagojevich fundraiser and adviser, was not publicly disclosed when the governor appointed her to the Health Facilities Planning Board on August 12, 2003, the Times pointed out.

The report also noted that Massuda was one of "several members" appointed by Blagojevich to sit on the board, "after the governor won legislative approval" to overhaul its membership. That would be the "legislative approval" that Obama signed off on.

On January 8, 2005, the Sun-Times reported that Blagojevich's own father-in-law said the governor's fund-raising chief Christopher Kelly, "trades appointments to commissions for checks for \$50,000" to Blagojevich's political fund.

In May 2005, news came that Levine had been indicted on 27 counts of official corruption and was facing a possible life sentence in prison.

On September 1, 2005, nearly four months before Obama bought the lot, the Tribune obtained a copy of a June 2005 subpoena issued to the TRS fund and reported that:

"Federal investigators have asked the state teachers' pension system for records involving a cadre of political insiders, ranging from prominent GOP fundraisers to a close adviser to Democratic Gov. Rod Blagojevich."

"The subpoena seeks records for more than two dozen people and businesses, including several clout-heavy Republicans and Democrats with years of influence in state and national politics. Some of those named have done business with the pension fund, while others have no apparent connection to the board."

The report notes that one of "the most prominent names in the subpoena is Antoin "Tony" Rezko, a close confidant and major Blagojevich fundraiser."

The revelation in the Tribune most relevant to Obama going ahead with his "boneheaded" deal, was the comment that the subpoena also called for records of Rezko's "wife's firm as well as records of some of his business associates."

Also in September 2005, Steve Loren and Joe Cari pleaded guilty and Cari's plea agreement mentioned Stuart Levine and an "associate," whom the media quickly reported was Rezko.

Obama's purchase of that mansion was the result of pure greed. By the time he bought the lot, Obama knew Blagojevich was going down and would not be the presidential candidate. He also knew that he would be pulled off the bench as the second choice, but he went ahead with the deal anyways.

Illinois citizens are sick of paying the cost of corruption. A September 26, 2007 News Release by Steve Stanek of the Heartland Institute carried the headline: "Proposed Tax Hike Would Give Chicago Nation's Highest Sales Tax Burden"

"Chicagoans would face an 11 percent sales tax rate, highest in the nation, if Cook County officials go through with a plan to more than triple the county's portion of the area's sales tax," Stanek wrote.

An October 14, 2007 Sun-Times report by Tim Novak and Fran Spielman noted that, "When Mayor Daley asked Chicagoans to cough up \$293 million more next year to finance the cost of city government, there's one tax he failed to mention: The Corruption, Waste and Mismanagement Tax."

"It's almost impossible to calculate the cost of the Hired Truck, city hiring, minority contracting and police corruption scandals," they wrote. "More than 1,400 people have staked claims to the \$12 million fund created to compensate victims of the city's rigged hiring system."

Well over \$2 million in legal fees, and counting, have been paid to federal hiring monitor appointed in 2005 to oversee city hiring, the report said, "by a federal judge livid with the city for making a mockery of the decree that was supposed to end political hiring and firing, but never did."

According to the Sun-Times, Hundreds of thousands of additional legal fees were spent for attorneys who represented Daley, the City Council and the Black Caucus in the case.

On February 1, 2008, Steve Stanek reported that the "Chicago City Council has approved the biggest property tax hike in the city's history, plus higher taxes and fees on a host of other items."

"Other items to see tax or fee hikes," the report noted, "include liquor, telephone service, natural gas, car leases, DVD rentals, and city vehicle stickers."

The tax hikes also included a five-cent tax on each bottle of bottled water sold in the city.

Corruption was the argument raised by city aldermen who opposed the tax hikes.

"Nothing has eroded public confidence in our local government more than the constant drumbeat of criminal indictments and convictions of people who have enriched themselves at public expense," said Alderman Joe Moore during the floor debate, according to the report.

"And nothing has made the public more cynical than the endless string of broken promises to end business as usual in city government."

"How many bottles of water must be sold to pay for the \$12 million fund created to compensate victims of the city's rigged hiring system?" Moore said, referring to a lawsuit settlement the city is still paying for years of corrupt hiring practices that favored politically connected persons for jobs and promotions, Stanek reports.

A March 8, 2008 report by Stanek in Budget & Tax News on a Cook County Board Meeting in late December 2008 reported that:

"Complaints from thousands of angry taxpayers and infighting among county commissioners have held off nearly \$890 million of proposed tax and fee hikes in Cook County, Illinois."

According to Stanek, taxpayers flooded the county commissioners with phone calls, emails, and letters of protest, "apparently to good effect." The report noted that:

"Dozens of former Chicago city workers and close associates of the Daley administration have been convicted of crimes in recent years. Illinois' immediate past governor and scores of his associates have been convicted of federal crimes, and current Gov. Rod Blagojevich (D), his wife, and associates of theirs are the apparent targets of several federal criminal probes."

"Some Blagojevich administration officials have been convicted of crimes related to their involvement with state government."

During the board meeting, Democratic Cook County Commissioner Forest Claypool said public pressure against any tax or fee increases "has been intense."

According to the report, Claypool believes "the constant backdrop of news stories about government corruption and waste here in the county and in Chicago and Springfield has shown people they really are paying corruption and dysfunction taxes."

"I think people are realizing that paying more taxes is simply enabling decrepit and dysfunctional government," he said.

During the meeting, Republican Cook County Commissioner, Tony Peraica, said: "The best way to fight tax increases is by fighting the corruption that drains tens of millions of dollars from the county budget."

Peraica has long complained of illegal patronage hiring, rigged contracts, and other waste and corruption in Cook County, according to Staneck's report.

And let there be no doubt, Obama is a member of this corrupt gang. On January 22, 2007 ABC News in Chicago announced that Senator Obama "is supporting Mayor Daley's re-election bid despite a series of City Hall corruption scandals."

Mayor Daley endorsed Obama for president a few weeks ago and the mayor's brother Bill is now an Obama advisor, the report noted.

"So in the spirit of political payback, Obama is endorsing Daley for re-election over two African American challengers despite a series of City Hall corruption scandals that Obama called deeply troubling as recently as a few months ago."

ABC reported that Obama said, "Daley's overall record, his style of inclusion and his love of Chicago make him a better choice than challengers."

Obama also endorsed Daley's running mates for City Clerk, Miguel Del Valle, and Stepanie Neeley, for Treasurer, ABC News added. It should be noted, that the last City Clerk just got out of prison after being convicted in the Hired Truck scandal, and has written a book about the corruption in the Daley administration.

Five months after Obama publicly endorsed Daley, a report by David Jackson and John McCormick in the June 12, 2007 Tribune noted that:

"Obama endorsed former Ald. Dorothy Tillman (3rd), calling her "a very early supporter of my campaign." Tillman was then under fire for her stewardship of the scandal-plagued Harold Washington Cultural Center, where contracts benefited members of her family.

"Obama supported the re-election of Gov. Rod Blagojevich, whose administration is embroiled in corruption probes."

And during the race for Cook County Board president, Obama predictably endorsed Todd Stroger over a Republican and was criticized for calling Stroger "a good progressive" despite allegations of job-rigging to favor members of Stroger's 8th Ward organization," according to the report.

On September 5, 2007, the New York Post reported that: "A man who has long been dogged by charges that the bank his family owns helped finance a Chicago crime figure will host a Windy City fund-raiser tonight for Senator Barack Obama."

Alex Giannoulis became Illinois state treasurer last year after Obama vouched for him, has pledged to raise \$100,000 for the senator's Oval Office bid, the Post noted.

When Giannoulis was questioned by the Tribune in March 2006 about loans made between 1994 and 2002, to companies controlled by convicted bookmaker and

prostitution ring promoter, Michael Giorango, he said the bank's decisions were made while he was still in law school, when he wasn't a full-time bank employee.

But the Tribune later found records that showed Broadway Bank made nearly \$12 million in additional mortgage loans to Giorango in 2005, when Giannoulis was overseeing the bank's loans.

Obama knew the September 2007 fundraising affair would draw attention in Chicago so he tried to make sure it remained unknown. On September 5, 2007, Lynn Sweet, wrote in the Sun-Times:

“Sen. Barack Obama (D-Ill.) omits from his Wednesday public schedule a fund-raiser hosted by Illinois State Treasurer Alexi Giannoulis at a restaurant in Chicago's Greektown community. The event is closed to the press and a campaign spokesman, Ben LaBolt, said in response to my e-mail query this morning that a pool reporter will not be allowed in the reception.”

On April 22, 2007, the Tribune noted that City Hall records show Michelle Obama began work as a \$60,000-a-year mayoral assistant to Richard Daley in September of 1991.

At City Hall, Michelle formed close friendships with Valerie Jarrett, and many other top Daley aides, including former Corporation Counsel Susan Sher and David Mosen, who was the mayor's chief of staff when Michelle first joined his administration.

“All have long since left the city payroll,” the Tribune wrote, “but are loyal to the mayor and now the Obamas.”

On June 13, 2006, Michelle's employer, the University of Chicago announced that, "Valerie Jarrett has been appointed as the new Chair of the University of Chicago Medical Center Board and also Chair of a newly created Executive Committee of that board. She has also been named Vice-Chair of the University's Board of Trustees."

According to the announcement, Jarrett "served for eight years in City of Chicago government posts, first as Deputy Corporation Counsel for Finance and Development, then as Deputy Chief of Staff for Mayor Richard Daley in 1991," and, "as Commissioner of the Department of Planning and Development from 1992 through 1995."

Jarrett served on Obama's US Senate campaign finance committee and serves on Obama's presidential campaign finance committee along with Alex Giannoulis and Mayor Daley's brother Bill.

The political mafia of Illinois now plans to move the Chicago brand of corruption to Washington in a U-Haul hooked up to their second choice candidate. Americans will never allow it to happen. They will either vote for McCain or not at all.

If Obama becomes the nominee, the Republicans will unleash a non-stop expose of Obama in the mainstream media that will make the swift boat attacks against John Kerry seem trivial. Only this time, they won't have to make lies because the truth will be on their side.

The tracking of the subplots that developed as a result of the Board Games investigation, has revealed a spider-web of corruption that spread from the Chicago Loop to O'Hare Airport to the Illinois Tollway, all the way to bid-rigging in Iraq, with Iraqi-born billionaire, Nadhmi Auchi, owner of General Mediterranean Holdings, a Luxemburg-based conglomerate with investments all over the world in everything from defense contractors to pharmaceuticals, at the center of many schemes.

Part II of "Subplots of Operation Board Games" will cover those subplots.

Curtain Time For Barack Obama - Part I

Tuesday, 13 May 2008, 4:24 pm

Column: Evelyn Pringle

Republicans have enough damaging information against Barack Obama to knock him off the ballot before the November election. Those at the top of the Democratic Party know this by now and voters need to recognize that if they nominate him they are throwing the election. Nothing else can explain why they would allow this disaster to happen.

The investigation called "[Operation Board Games](#)" will lead to Obama's downfall and it will begin with what he claims was a "boneheaded" mistake in entering into real estate deal with the Syrian-born immigrant, Antoin 'Tony' Rezko, less than a month after Rezko received a \$3.5 million loan from the Iraqi-born billionaire, Nadhmi Auchi, who ended up with Riverside Park, a \$2.5 billion 62-acre development project in the Chicago Loop.

Obama set his sights on a \$2 million mansion the month after he was elected to the US Senate. It's now known that Rezko got involved in the house-buying endeavor early on, although his involvement would not be known until November 2006, the month after Rezko's indictment was unsealed in the Operation Board Games case.

Nadhmi Auchi owns General Mediterranean Holdings, a Luxemburg-based conglomerate with investments all over the world in everything from Iraq reconstruction contracts to pharmaceuticals to pizza parlors.

More than two solid months of investigation leads to the conclusion that following the names linked to Riverside Park is the key to understanding Operation Board Games.

Auchi ended up with the grand prize but the new owner can not set foot on the development site in downtown Chicago because he is not allowed in this country. In a January 26, 2008 Affidavit, filed by an FBI Agent, the following description of Auchi and his company was given:

“General Mediterranean is owned by Nadhmi Auchi, who public source documents describe as a British-based Iraqi billionaire who was convicted several years ago in France on fraud charges. Auchi was sentenced to 15 months in prison and fined \$2 million euros, but the sentence was suspended as long as Auchi committed no new crimes.

“Thereafter, in November 2005, after Auchi was unable to enter the United States, Rezko directly appealed to the State Department to permit Auchi to enter the United States and, it appears, asked certain Illinois government officials to do the same.”

Auchi's conviction was a part of the gigantic investigation into the corruption of the Elf oil company, "the biggest fraud inquiry in Europe since the Second World War. Elf became a private bank for its executives who spent £200 million on political favours, mistresses, jewellery, fine art, villas and apartments," according to the November 16, 2003 Guardian.

At the time, Elf was a public company owned by the citizens of France making them the victims of the fraud. Auchi, with all his billions of dollars, claims he is appealing the conviction but obviously with little success being it occurred five years ago.

However, more recent revelations about his funding the defense of Rezko and others in the Board Game cases, as well allegations of bid rigging in Iraq, have no doubt to the dilemma of his not being welcome here.

Most important for connecting the dots in the Board Games investigation, is the clarification that it is not the Rezko case. The only reason it's always referred to as the "Rezko" case is because he happens to be the first defendant to be brought to trial.

Also, the first trial is focused on the corruption of two Illinois boards, the panel that approves investments from the \$40 billion pension fund of the Teachers Retirement System, and the Health Facilities Planning Board, which approves all medical facility construction projects in Illinois.

But the Operation Board Games cases involve corruption with officials and employees in many other state agencies and real estate deals are at the heart of most with Riverside Park front and center.

Confidential informant, John Thomas, began working undercover for the Feds in 2003, when he pleaded guilty in federal court in New York, to fraud charges involving a client of his former billboard leasing company, according to an October 3, 2007 report by Thomas Corfman in Crain's Chicago Business News.

Thomas began cooperating in the probe "with a focus" on Rezko's financing deals "on 62 acres at Roosevelt and Clark and vacant land at the southwest corner of Chicago and Hudson," according to the February 10, 2008 Chicago Sun-Times.

In other words, "financing deals" with a "focus" on Riverside Park.

Corfman found that Thomas' cooperation was revealed in court on October 2003, when he entered a guilty plea in New York. He published a portion of a transcript from an October 27, 2003 hearing in Crain's on May 4, 2007, in which prosecutors state:

"We just want to put on the record that the defendant has approached the U.S. attorney's office in Chicago to cooperate with the U.S. attorney's office in Chicago."

“Should he provide substantial cooperation to another U.S. attorney’s office, we will consider that at the time of sentencing . . . or if the Chicago U.S. attorney’s office wants the case transferred there, we’d be happy to transfer the case there,” prosecutors said in the hearing.

At the request of prosecutors, as a part of a plea agreement Thomas was given permission by a federal judge to “engage in authorized criminal activity at the direction of the Federal Bureau of Investigation,” Corfman reports.

The former New Yorker, he wrote, "has been conducting an undercover sting investigation for federal prosecutors while working in the Chicago commercial real estate industry."

On May 4, 2007, the Chicago Sun-Times said Thomas was an informant in the federal investigation into Rezko, his partner in the Rezmar development company, Daniel Mahru and "other political corruption cases."

The Chicago Tribune said it was aware of Thomas' role in May 2006, but did not publish the story after US Attorney Patrick Fitzgerald asked editors to withhold the information because it would derail the investigation and put people in danger.

This reporter is confident about the identities of all confidential informants referred to in the documents filed thus far in the Board Games cases but will not reveal the names in this report due to an inability to determine whether the names are in fact known to the many persons still under investigation.

Illinois Governor Rod Blagojevich to be president in 2008

Operation Board Games must be viewed with a full understanding that Governor Rod Blagojevich was supposed to be the candidate running for president during this election cycle in order for the subplots involving Obama to become clear.

The Illinois political mob already had a major fundraising operation in place for Blagojevich by 2004, and its safe to assume that when Obama and Rezko first started setting up the real estate deal for the mansion and lot in December 2004, Obama never thought about any repercussions on his run for president.

This report will show that the same political mob raising money to make Blagojevich president in 2008, also funded Obama’s election to the US senate in 2004, which is also discussed further in the earlier articles in this series including:

[Barack Obama - The Wizard of Oz](#)

[Barack Obama - Operation Board Games for Slumlords, and](#)

[Barack Obama - Subplots of Operation Board Games Part I](#)

When announcing Rezko's indictment, the government made clear that Rezko "was added as a new defendant in a pending federal corruption case" that was brought against other co-schemers in 2005. The government's star witness in the trial, Chicago businessman, Stuart Levine, pleaded guilty and testified to avoid a life sentence.

After jury selection began, the questionnaire for screening potential jurors included a list of more than 230 "possible witnesses or persons whose names might be mentioned," and included Barack Obama.

Reporters, Bob Sector and Jeff Coen, provided outstanding coverage of the trial on a blog called, "Gavel-to-Gavel," on the Tribune website. After nearly two months, on April 24, 2008, they wrote: "Maybe it would be simpler to ask for a show of hands from political heavyweights who haven't been mentioned in the Antoin "Tony" Rezko corruption trial."

Understanding what Tribune columnist, John Kass, has been referring to for years as the "Illinois Combine," are also crucial to understanding the Board Game cases. In his March 28, 2008, column, Kass invited basically anyone to start using the term Combine, particularly "if they're having difficulty explaining how two parties can be as one when there's money on the table," he said.

In gathering comments for his column, Kass called former US Senator, Peter Fitzgerald, who Kass describes as "the Republican maverick from Illinois who tried to fight political corruption and paid for it. For this sin, he was driven out of Illinois politics by political bosses, by their spinners and media mouthpieces, who ridiculed him mercilessly."

He asked the Senator, "what do you call that connection that Stuart Levine describes from the witness stand, you know that arrangement across party lines, with politically powerful men leveraging government to make money—what do you call it?"

"The Illinois Combine," he said. "The bipartisan Illinois political combine."

"And all these guys being mentioned, they're part of it," he told Kass.

"In the final analysis," the Senator said, "The Combine's allegiance is not to a party, but to their pocketbooks."

"They're about making money off the taxpayers," he added.

According to Kass, "the Rezko trial is part of the U.S. Justice Department's attack on The Combine."

"The "Operation Board Games" investigation is about how appointments to state boards and commissions overseeing state pension fund investments and hospital construction were leveraged into paydays for the insiders," he explains.

“And what is playing out in the federal building is The Combine on trial,” he says. Levine served as finance chairman for Republican Jim Ryan in the campaign for governor against Blagojevich. But on April 18, 2004, a phone conversation caught on tape by the FBI between Levine and Republican insider and co-schemer, Robert Kjellander, shows the Republicans were very satisfied with new leaders of the “Combine.”

"I am telling you that I have never been in a better position than I am right now," Levine said. "Part of the reason is there's never been such a tight control of the central apparatus."

"This guy is making decisions and can get anything done that he wants done . . . and I have a superb relationship" with him.

During the trial, Assistant US Attorney, Chris Niewoehner, asked Levine what he meant by that. The "central apparatus," Levine said, was Blagojevich's office and the guy "making decisions" was Rezko. He told the jury he'd never seen anything like this.

One co-schemer testified that Rezko told him Republican insider and co-schemer, William Cellini, had committed to raising \$1 million for Blagojevich's campaign.

Levine even footed the bill for a private jet to fly Blagojevich and several other co-schemers to New York in October 2003 and December 2003, where Blagojevich met lawyers, investment bankers and media executives, “many of whom wrote checks to his campaign fund,” according to the September 22, 2006 Chicago Sun-Times.

For instance, HealthPoint Partners, a New York investment firm, held a fund-raiser and 2 days later, the Teacher’s pension board voted to invest \$15 million with HealthPoint, “following up on a \$20 million investment it made with the firm in April 2003,” the Times noted.

Rezko, Levine, Cellini and Kjellander were all major fundraisers for Bush's reelection campaign in 2004, at the same time they were scheming to raise money for Blagojevich's presidential fund for 2008.

On March 31, 2008, Niewoehner asked Levine, “What is your understanding of why Mr. Rezko and Mr. Kelly would recommend investment firms?”

“In order to reward campaign contributors” to Blagojevich, Levine answered.

He also told the jury that he used to funnel campaign money to other Democratic candidates through straw donors at the request of Chicago Alderman Edward Vrdolyak.

Levine testified that from 2000 to 2004, he made a combined \$9 to \$10 million.

When the indictment against the Syrian-born immigrant, Rezko, was unsealed in October 2006, Fitzgerald said, "The amounts of money that were being shaken down in one . . . eight-week span was in the millions."

"But Rezko and Levine collected only about \$250,000 because federal investigators tripped up their plans," according to the October 12, 2006 Sun-Times.

In the article, Chicago FBI chief Robert Grant called those named in the indictment "parasites that have plagued our public institutions."

Rezko was not available for arrest when the indictment was announced because he was off on a trip to the Middle East.

Illinois Combine corruption leads to Iraq

The "Illinois Combine," now includes many members living in the Chicago area of Middle Eastern descent and the trail of corruption leads straight to the killing fields in Iraq. The front-page of the April 26, 2008, Sun-Times provided the lead-in to the final subplot found at the end of the Board Games investigation when it reports:

"An ex-international fugitive helped spring Tony Rezko from jail earlier this month, putting up homes that comprise nearly one-third of the \$8.5 million in property and cash securing Rezko's bail."

"The three homes belonging to former Iraqi Electricity Minister Aiham Alsammarae -- a dual U.S.-Iraqi citizen who broke out of a Baghdad jail in 2006 -- are part of a long list made public ... following a Sun-Times request."

Shortly after he escaped from a jail inside the Green Zone in December 2006, Alsammarae called New York Times reporter James Glatz, and said he did it the "Chicago way."

Alsammarae is now living about a half-hour west of Chicago in a subdivision, "where homes range in price from \$1.5 million to \$4 million," according to the December 21, 2006 New York Times.

The indictment against Rezko was unsealed in October 2006 in Chicago, the same month that Alsammarae was found guilty in Bagdad of the first charge in what would become a dozen convictions for corruption related to deals he made as electricity minister between August 2003 and May 2005.

In his call right after he broke out of jail, Glatz says, Alsammarae ridiculed American and Iraqi officials and claimed he fled because he did not trust the police and received a tip that he would be assassinated within days.

Alsammarae told Glatz that he was already outside Iraq after finagling his way aboard a flight at the Baghdad Airport. However, Iraqi security and justice officials disputed parts of his account, telling Glatz that a figure as recognizable as Alsammarae could not possibly have slipped onto a flight when he was the subject of a manhunt.

Alsammarae told Glatz those assertions were made by officials who spent too much time inside the protected Green Zone and did not understand how the country worked.

“Those suckers who are sitting in the Green Zone, they cannot go out and see the people they are governing?” Alsammarae said. “This is a joke.” According to Glatz, Alsammarae stated:

“So why I cannot take the airport? It’s not because I am a smart cookie. Any Iraqi can do it, even if they have 10,000 court orders against him. This is Iraq.”

His escape was an embarrassment for the Interior Ministry and the American-led forces that are guarding the Green Zone, Glatz said, “Iraqi officials expressed consternation when informed that Mr. Alsammarae had telephoned a reporter while on the lam.”

Despite the charges against him, Alsammarae told Glatz he did not believe American authorities would arrest him when he arrived in Chicago. “I hope they are smarter than that,” he said.

Apparently he was right because he flew right back into Chicago without a hitch. In fact, a month later he gave an interview on PBS on January 17, 2007, and explained how easy it was to escape, stating:

"I called my friends, and the friends, they come. They brought the car close to the police station, and I walk out to the car, and I move out from the Green Zone. From the Green Zone, we change cars many times.

"And after that, we reached the airport, Iraqi international airport, and I just flew over the private jet to Amman. Simple. Two-hours-and-a-half, I'd be in Amman."

Although his Iraqi passport was confiscated in jail, Alsammarae says he hid a second one and renewed his American passport in Jordan. Those who helped him, he claimed, were mostly Iraqi friends and supporters, including the owner of the private jet.

According John Batchelor, in a March 3, 2008 Human Events report, an Iraqi official in Baghdad says they want Alsammarae back and the case against him is rock solid. "We have a four-inch-thick file of his crimes," the official said.

He also said it has "Dates, bank accounts, dummy companies, a lot of them in the States."

"We want him," he told Batchelor, "and we want the money back."

An Iraqi politician, who Batchelor says has "extensive knowledge of the Iraqi diaspora before and after the fall of Baghdad," told him:

"Alsammarae is the weakest link in the chain of people who stole money from the CPA and the Iraqi people since 2003. The evidence against him is strong and convincing. His conviction is a problem for the people in his gang. The Baathists."

Auchi was reportedly involved in the power plant contract. Batchelor says Iraqi officials in Baghdad speak bluntly of Auchi as a "Saddam guy," and a member of the Baathist gang who has "beggared Iraq for 50 years."

The first allegations of Auchi's bid rigging date back to the first telecommunications contracts awarded in 2003. On November 9, 2003, Time Magazine reported that the US was reviewing a decision to grant the mobile license for Baghdad and central Iraq to a consortium led by Egyptian telecom giant Orascom because of its ties to Auchi, described as "an Iraqi-born billionaire who built his fortune partly through arms deals with the Iraqi regime in the 1980s."

"Industry sources say Auchi provided Orascom with a \$20 million loan to help pay down its \$500 million debt," Time wrote. "The sources say the loan gave Auchi, who faced French prosecutors earlier this year for his role in a corruption and embezzlement scandal, a controlling stake in Orascom."

On February 25, 2005, a report by Charles Smith for NewsMax said, "Newly released documents from the Bush administration show that a former member of Saddam Hussein's inner circle has resurfaced inside the new Iraqi government, bringing charges of corruption, bribery and bid-rigging."

"As a result," he wrote, "millions of U.S. aid dollars and billions in Iraqi government funds have disappeared in an ongoing scandal that is poised to engulf Baghdad and Washington."

Citing a May 2004 Department of Defense report, Smith said, Auchi has organized "an elaborate scheme to take over and control the post-war cellular phone system in Iraq."

"Auchi," the report stated, "is widely regarded as a corrupt supporter of Saddam Hussein's regime who got his money from doing deals, especially illegal arms transfers for Saddam."

Bribes of between \$18 and \$21 million were allocated among six people including the Minister of Communications, an Iraqi Governing Council member, two American advisers from the Coalition Provisional Authority, and two British officials, according to the report.

Alsammarae moved to Chicago in the 1970s and met Rezko while attending engineering school. Reports indicating the Combine's corruption extended to the electricity minister in Iraq began in mid-summer 2005. On July 29, 2005, Sandra Jones reported in Crain's:

“Rezmar ... controlled by Tony Rezko, a controversial confidant of Gov. Rod Blagojevich, entered into a joint venture with a British firm in a \$150-million deal to build a power plant in Iraq.”

She noted that the project would be managed by one of Blagojevich's previous top administration officials, Michael Rumman, "former director of the Illinois Department of Central Management Services, the state's internal operations real estate agency.”

“The contract signed with Iraq’s ministry of electricity, calls for the soon-to-be named joint venture to supply power to Iraq for 10 years,” Jones reported.

“Rumman, who speaks Arabic, says the project is slated to be built in northern Iraq,” she wrote.

During a Sun-Times interview in the summer of 2005, Rumman said Rezko used his "formidable overseas network of business relationships" to join energy consulting companies to win the contract and up to 30 companies were to be involved.

Rumman was also a major investor with Auchi in Riverside Park. In fact, he was CEO of a company that was said to be managing the project until he unexpectedly resigned five months before the start of Rezko's trial. On October 5, 2007, Crain's reported, "Rumman has quietly resigned as CEO of a mixed-use project proposed for a sprawling site on the Near South Side."

Crain's noted that "his resignation is another odd twist in the long-delayed project, which has been mired in controversy because of its ties to Mr. Rezko, who is awaiting trial on federal criminal charges of influence peddling and bank fraud."

The report stated sources said, "Rumman resigned several months ago, although the exact timing could not be determined."

Rezko would later tell the court that he obtained the power plant contract through Rezmar International. In advertising on the internet, Rezmar International claims it is a firm specializing in strategic partnerships between the US and the Middle East. "We leverage strong skills, knowledge and relationships to make money for our investors and partners," Rezmar states.

After Rezko's arrest, in a January 16, 2007 hearing to review his assets, Rezko told the judge, "Rezmar International entered into contract with the Ministry of Electricity in -- of -- Iraq, to build a power plant and sell power to the government. And we were negotiating for over, now, I guess, almost two years."

His attorney explained how Rezko "won" the bid. "Mr. Rezko and an engineering firm here in the State of Illinois put together a bid, along with other entities; and, then, they won this bid for the contract," he said.

"The company has no assets," he told the judge.

"They were just going to -- if the contract was given, as I understand the financing was going to be a Letter of Credit from the Iraqi government and other financing; and, then, they were going to put together someone to build or supply the electricity," he said.

Rezko told the judge the contract had no value and was canceled in November 2006. The attorney told the court that Rezko had debts in excess of "\$50 million."

The US Army Corps of Engineers confirmed the contract for the power plant was no longer in effect in Iraq, according to the December 3, 2006, Sun-Times.

However, when reached, the Times said, "Rumman declined to discuss the plant or Alsammarae."

In addition to the power plant, the month before Alsammarae left office, on April 18, 2005, he signed another \$50 million contract with the Illinois-based firm called Companion Security, to train Iraqis as power plant security guards.

Companion is another firm with no assets that was thrown together by Rezko and ex-Chicago cop, Daniel Frawley, with an address that turned out to be a small house in La Grange, Illinois owned by Frawley's sister, Maureen Frawley, who was a cop at the time.

The Sun-Times first reported that investigators were looking into the relationship of Alsammarae and Rezko while Alsammarae was still in jail in Iraq in December 2006.

But on March 5, 2008, the Times wrote "a new accusation has surfaced that Rezko paid a \$1.5 million bribe in an effort to win a \$50 million business deal in Iraq."

"In a court filing," the Times said, "Rezko's lawyers say that prosecutors accused him ... of paying the bribe to Aiham Alsammarae, Iraq's former minister of electricity."

"The prosecution is reportedly relying on information from Daniel Mahru," the report wrote, "who was cooperating with the Federal investigation for ten months before Rezko was indicted."

Mahru was an attorney for Companion when it got the Iraqi contract, according to the Times. Prosecutors allege the \$1.5 million bribe was paid through an escrow account held by the Chicago-based Bryan Cave law firm.

The names of Obama and Blagojevich became tied to the bid rigging scandal when reports surfaced that Companion had sought their help in carrying out the contract a year after Alsammarae left office, and around the same time he was thrown in jail in Iraq.

In April 2006, Frawley began working with Blagojevich's office to get Iraqi officials to lease a military facility in Illinois for the training camp.

On June 12, 2006, a letter marked "CONFIDENTIAL BUSINESS CORRESPONDENCE," from Jill Morgenthaler, "Homeland Security Advisor to the Governor," was sent to the Iraqi Minister of Electrical Power Grid, City of Iraq, the Minister of Finance, and the Minister of Defense, stating:

"The state of Illinois is greatly interested in assisting to facilitate the training, within Illinois, of Iraqi Police Recruits charged with the security of the Power Grid generation facilities within the City of Bagdad."

The letter suggested facilities at the Savanna Army Depot in Western Illinois as "an ideal potential training location."

"It would be helpful if an itinerary could be arranged for your inspection of the proposed location and a review of its attributes," Morgenthaler wrote.

After the inspection has been completed and a decision made, she noted, a letter of intent of the Training Contract that you provide "should be received by the State of Illinois."

"The source of this letter of intent," she wrote, "should be from any one of the three separate Iraqi Governmental Ministries indicated above (or one of similar authority), together with an indication of the number of trainees to be included in each training cycle and the funding available to insure that your training goals can be met."

The letter concluded with the statement: "Looking forward to seeing this worthy project's beginning within Illinois."

"Since then, Companion has been lobbying officials from Washington to Baghdad about its Iraqi deal," the Sun-Times reported on August 7, 2007.

Companion "beefed up its lobbying efforts" in March in 2006, the Times said, "hiring a Washington attorney who has contacted the U.S. State and Commerce departments."

After the state found a proposed training site, Frawley met with Seamus Ahern, who runs Obama's senate office in Moline, Illinois. "Frawley and Ahern discussed the proposal over a period of about six months," the Times notes.

According to the report, "Obama and Blagojevich viewed Frawley's efforts as a chance to create jobs in the Quad Cities area."

Blagojevich's spokeswoman told the Times that state officials assumed Frawley's contract has "gone away" because they had not heard from Companion since last year.

On August 14, 2007, the Forest Park Review reported: "Almost 16 months ago Sgt. Maureen Frawley's home in nearby La Grange was the site of a bizarre burglary in which more than \$100,000 in cash and several guns were allegedly stolen."

"Four days later, though," the Review noted, "the missing items were left on Frawley's doorstep with no apparent explanation."

Frawley told the Review the cash stolen, and returned, had nothing to do with Companion Security and that Daniel was no longer a partner with Rezko. The funds belonged solely to her brother, she told the newspaper.

Citing a La Grange police report, the Sun-Times said Daniel Frawley "became defensive about questions relating to when, where and how he obtained the money."

"He told police he had withdrawn the money — \$100 bills in bundles of \$5,000 — from a Chicago bank, and his sister was supposed to have put the cash in a safe-deposit box," according to the Times.

His lawyer, George Weaver, told police the money had been "legally obtained by Daniel Frawley through real-estate transactions."

At the time of the report in August 2007, the village administrator told the Review that Maureen was no longer receiving a paycheck from the police department but declined to confirm or deny her employment status.

Both Blagojevich's office and Obama's office now claim they never knew Rezko was partnered with Frawley in the Iraq contract.

Prosecution of corrupt officials halted in Iraq

On October 4, 2007, the US House Committee on Oversight and Government Reform held its first hearing on "Assessing the State of Iraqi Corruption."

The major topic of discussion was a secret order issued by Iraqi Prime Minister Nouri al Maliki's office in April 2007, that bars the investigation and referral for prosecution of corruption cases involving the Iraqi president, the Council of Ministers, or any current or former ministers without Maliki's consent, which effectively grants immunity to all high level officials.

The committee also was informed that Maliki's office had issued other orders to prevent further investigation or referrals of specific cases for prosecution, including two instructing authorities to close corruption cases against Maliki's own cousin.

The Bush administration's witness at the hearing was Lawrence Butler from the State Department. When asked whether "the Government of Iraq currently has the political will or the capability to root out corruption within its Government," whether "the Maliki Government is working hard to improve the corruption situation so that he can unite his country" and whether Maliki "obstructed any anticorruption investigations in Iraq to protect his political allies," he refused to answer.

Butler told the lawmakers that, "questions which go to the broad nature of our bilateral relationship with Iraq are best answered in a classified setting."

When asked about the secret order issued by Maliki's office, he claimed the State Department had concluded that the matter was too sensitive to address in public.

Prior to the hearing, the committee reviewed reports prepared by a team of American investigators working out of the Office of Accountability and Transparency at the US Embassy in Iraq in what could be likened to a Board Game investigation of Iraqi officials.

The Iraqi ministers are the equivalent of Secretaries appointed by the President to head federal agencies in the US government. For example, Alsammarae's title might be the Secretary of Energy here, or the minister of defense would be the Secretary of Defense.

The Commission of Public Integrity in Iraq is the agency in charge of investigating corruption and is the equivalent of the FBI.

During their investigation, the Embassy team assessed the cases of corruption in the individual ministries and the ability of the CPI to investigate and prepare cases for prosecution with only 120 investigators.

"Currently, Iraq is not capable of even rudimentary enforcement of anticorruption laws," according to the Embassy report.

A review of cases of corruption for the Ministry of Electricity shows there were a total of 175 investigations but the only high level Iraqi official ever convicted in Bagdad is the former minister who is now living in Chicago.

In the Ministry of Interior, the team reported: "There is a general impression in the public and within the anticorruption enforcement establishment that MOI is immune from prosecution of corruption charges unless the subject falls out of favor within MOI."

"The pattern of criminality endemic at MOI is beyond CPI's capability and charter," the report concludes.

Contract fraud is the greatest violation but according to the Embassy team, CPI investigators assigned to the Ministry of Interior "have unanimously expressed their fear of being assassinated should they aggressively pursue their duties at MOI."

"Groups within MOI function similarly to a Racketeer Influenced and Corrupt Organization (RICO) in the classic sense. MOI is a "legal enterprise" which has been co-opted by organized criminals who act through the "legal enterprise" to commit crimes such as kidnapping, extortion, bribery, etc."

"Unlike CPI officers," they report, "MOI officers carry guns and are extremely dangerous."

Therefore, CPI investigators are too intimidated to conduct serious investigations and the "lack of support from the administration has had a clear negative affect on the morale of the investigators themselves," the study found.

The combined security situation and "the violent character of the criminal elements within the ministries make investigation of corruption too hazardous, unless performed by a tactically robust police force with the support of the Iraqi government."

"Currently this support is lacking," they wrote. Each ministry has an Inspector General's office to investigate corruption within the agency and the Embassy staff reports that:

"Each of the dangers described for the CPI investigators is compounded for the IG investigators. The general level of violence in Baghdad multiplies the intimidation factor in that murders are so common that tying them back to the work place would be difficult even for an accomplished police force.

"Knowing this, those confronted with criminal activity are fully aware of the near immunity available to violent criminals. So great is the danger in the ministries as to make nearly all of the IG actions suspect."

In Iraq, criminal cases are resolved in the Central Criminal Court of Iraq. CCCI employs both Trial Judges, who hear cases similar to Judges in the US, and Investigative Judges (IJ), who function more as investigators but can demand the production of documents and compel testimony.

Investigative Judges can be likened "to a hybrid, Federal Agent – Assistant US Attorney," the report notes. A panel of three IJs reviews all CPI investigations, and they determine whether a case is advanced to a criminal proceeding before a Trial Judge.

"Judges are regularly subject to intimidation throughout Iraq," according to the report.

In their assessment, the team interviewed the Supreme Investigative Judge who identified issues including: (1) Interference - history of political pressure being placed upon the judiciary from both Iraq and American interests; and (2) Security - day before the advisors meeting with the IJ, another Judge was assassinated.

"Literally hundreds of arrest warrants remain outstanding," the reports states, "as do court orders to produce evidence, witnesses and documents, all of which remain outstanding and ignored by government officials."

"Currently," the team reports, "anticorruption enforcement forces are so vulnerable as to provide those involved in corruption immunity."

"The acceptance of militia, organized crime and/or common gang infiltration of Iraq Government Ministries must be confronted," the Embassy team concluded.

"The US Embassy should articulate as a matter of policy that the fair and independent prosecutions should be a condition for continued assistance to the Iraqis in anticorruption enforcement," the team recommends.

In his opening statement at the hearing, committee chairman, Rep Henry Waxman (D-CA), stated:

"Whether one supports or opposes the President's policy, we can't ignore the reality of corruption in Iraq. And we can't ignore the reality that corruption is undermining the political progress our troops are fighting and dying for."

The committee heard testimony from Judge Radhi Hamza al-Radhi, the former commissioner of the CPI, who told the panel corruption in Iraq "is getting worse" and "has stopped the process of reconstruction in Iraq."

The cost of corruption uncovered so far across all ministries in Iraq, Radhi said, "has been estimated to be as high as \$18 billion."

The CPI has lost the ability to fight corruption after implicating Iraqi officials, he says, due to "violence, intimidation and personal attacks."

"Since the establishment of the Commission," he told the committee, "31 employees have been assassinated as well as at least an additional 12 family members."

"In a number of cases," Radhi said, "my staff and their relatives have been kidnapped or detained and tortured prior to being killed."

"Many of these people were gunned down at close range," he stated. Radhi fled Iraq in August 2007, and is seeking asylum in the US.

The committee also heard testimony from Stewart Bowen, US Special Inspector General for Iraq Reconstruction. "Over the past year," he told panel, "the number of corruption cases under investigation by the CPI increased by almost 70 percent, from 1861 cases in 2006 to 3158 cases thus far in 2007."

"Similarly," he said, "individual Iraqi ministries have reported dramatic increases in the number of corruption cases initiated."

"Thus far in 2007," Bowen reported, "the Ministry of Defense has seen a 57% increase in reported cases, the Ministry of Health a 400% increase, and the Ministry of Trade a 728% increase."

"Political influence recently reached into CPI's operations," he said, "as evidenced by the presence at this hearing today of Judge Radhi al-Radhi, the recently departed Commissioner of the CPI."

"I have worked with Judge Radhi throughout my tenure," Bowen told lawmakers, "and consistently observed his courage and commitment to accomplish what is perhaps the most dangerous law enforcement job in the world."

He also said Article 136(b) of Iraq's Criminal Code is a "notorious structural obstacle" impeding anti-corruption efforts. "This provision," he explained, "allows any Iraqi minister to grant by fiat complete immunity from prosecution to any ministry employee accused of wrongdoing."

"In addition," he stated, "an order issued by the Prime Minister this past spring requires Iraqi law enforcement authorities to obtain permission from the Prime Minister's Office before investigating current or former ministers."

Bowen said an Iraqi council chairman from Baghdad recently told his office that Iraq "had corruption under the regime of Saddam Hussein, but we also had law."

The US Comptroller General, David Walker, testified that "widespread corruption undermines efforts to develop the government's capacity by robbing it of needed resources, some of which are used to fund the insurgency."

During the hearing, Alsammarae's convictions and escape became a hot topic of debate when Massachusetts Congressman, Stephen Lynch, questioned witnesses about the case.

Radhi told Lynch the amount attributed to Alsammarae's corruption while serving two years as minister was \$2 billion.

Lynch quizzed Radhi about his escape. "Mr. Alsammarae, I understand," he said, "was arrested and held in prison inside the Green Zone, but he somehow escaped."

"Do you know the facts surrounding that?" he asked.

"I know some of the facts that surround this case," Radhi replied, "and I know that a U.S.-protection company has helped him get away."

"Do you know what the name of that U.S. protection agency might have been?" Lynch asked.

"If believe it is DynCorp," the Judge stated.

He said Alsammarae had a three year sentence awaiting him in Iraq and "11 other charges against him fielded through the Interpol."

Lynch also tried to question Bowen about the case. "I have tried to establish that the former Iraqi Electricity Minister was accused of corruption of potentially hundreds of millions of dollars," he said, and further stated:

"He was arrested. He was brought to the Green zone. I believe it was a DOD facility. We are talking the Unites States Military.

"He was then broken out of that jail or removed from that jail by a U.S. contractor.

"We have evidence or testimony that it was DynCorp."

"Mr. Bowen," Lynch asked, "is that your understanding of the facts of this case?"

"Yes," Bowen said, "but with the one additional fact that he was convicted by that Iraqi court and was awaiting sentencing."

"Is there an investigation ongoing relative to the handling of this case?" Lynch asked.

"I can't comment on our ongoing investigations," Bowen replied.

"Okay," Lynch said, "so if it is an ongoing investigation, it must be ongoing ..."

"Can you tell me," he asked Bowen, "the allegation that this gentleman is in Chicago, is that correct?"

"Is that your understanding?" Lynch asked.

"That is what I have heard, yes," Bowen replied.

The committee later learned that on September 25, 2007, or about two weeks before the hearing, the State Department instructed officials not to answer questions that ask for:

"Broad statements/assessments which judge or characterize the quality of Iraqi governance or the ability or determination of the Iraqi government to deal with corruption, including allegations that investigations were thwarted/stifled for political reasons."

The Department also retroactively classified the Embassy reports on corruption that had been distributed as "sensitive but unclassified," and even went so far as to retroactively classify portions of the previously cleared report that Comptroller General Walker released at the hearing.

On October 12, 2007, Waxman, along with the chairmen of three other House committees, wrote to Secretary of State, Condoleeza Rice, with concerns that Congress and the American people were not getting "honest answers about the extent of corruption in the Maliki government."

The letter asked for information about whether Maliki "obstructed any anticorruption investigations in Iraq to protect his political allies" or "protected some of his relatives that were involved in corruption."

In response, Rice's office sent an October 15, 2007 letter acknowledging that "corruption in Iraq is a very serious challenge" and that "not all information" sought by the Committee "is necessarily classified," but failed to provide any information about the secret order issued by Maliki.

On October 15, 2007, the House voted to pass Resolution 734, which concluded "it was wrong" for the State Department "to retroactively classify ... statements that are embarrassing but do not meet the criteria for classification."

The resolution also said, "it is an abuse of the classification process to withhold from Congress and the people of the United States broad assessments of the extent of corruption in the Iraqi Government."

In his opening statement before the vote, Waxman stated: "Five years ago, abuse of classified information got us into the war."

"It is time for these abuses to end," he said.

On October 25, 2007, the committee called Rice to testify at another hearing and Waxman asked her if she was aware of the secret order issued by Maliki's office.

"I believe that you are referring to something that is - because there's an executive branch and a legislative branch that are treated differently." she said.

"Is that the point?" Rice asked.

"No," Waxman said. "The point of the order is that Prime Minister Maliki has issued an order saying that he may not be investigated, nor may his ministers be investigated for corruption, which means they're immunized from anything -"

"I will have to get back to you," Rice said, "I don't know precisely what you are referring to."

"It is our understanding," she stated, "that the Iraqi leadership is not, indeed, immune from investigation."

"Well," Waxman said, "this order that was shown to us by Judge Radhi, it was discussed at our October 4th hearing."

"We even asked Ambassador Butler from the State Department about it," he said, "And we expected you would come in and give us your view of such an order."

"I think you ought to tell us that you are as outraged as we are," Waxman stated, "because we want corruption investigated and not just left for you to get back to us another time."

"I have just stated," Rice said, "that it would not be the intention of the United States of America that any official in Iraq, including the Prime Minister, the President or members of the Council of Representatives, would be immune from investigation for corruption."

But she again told Waxman; "I must get back to you on the specifics of the order that you are talking about, because I don't know whether there are other bases on which people can be investigated."

Following the hearing, Waxman published a commentary in the November 5, 2007, LA Times with the heading: "The Iraqi prime minister is presiding over a government that is stealing us blind."

"Two truths have emerged from Iraq in recent months," he stated.

"First, corruption is so pervasive in Prime Minister Nouri Maliki's government that political progress in Iraq may be impossible.

"Second, Secretary of State Condoleezza Rice and our embassy in Baghdad are inexplicably neglecting this corrosive threat."

Confronting these facts is difficult, Waxman wrote, when:

"Nearly 4,000 American soldiers have been killed and another 28,000 wounded in Iraq since the 2003 invasion. No one wants to believe that these sacrifices were made to establish and support a regime riddled with fraud and graft."

"Is Maliki's corruption worth American lives?" Waxman asked.

Rice never bothered to get back to the committee and on March 3, 2008 chairman Waxman sent her a letter stating:

"It is now more than four months since the October 25 hearing. The Committee still has received no communications from you regarding this issue. Despite your promises to

follow-up with the Committee, we still do not know what your views are about the order."

"For these reasons," the letter states, "I ask that you provide the Committee with copies of all documents relating to the February 4, April 1, and April 2, 2007, orders issued by the office of Iraqi Prime Minister Nouri al Maliki."

All responsive documents were to be provided by March 28, 2008 and April 11, 2008. As of May 11, 2008, there was no sign that Rice provided any of the information requested on the committee's web site.

Alsammarae was recruited by the Bush administration in the fall of 2002 for a project called the "Future of Iraq," to plot the take-over of Iraq months before Americans were told of Bush's plan to take the country to war.

Paul Bremer, the leader of the notoriously corrupt Coalition Provisional Authority, appointed him minister of electricity in August 2003. Alsammarae was photographed at a White House ceremony in the Oval Office on September 22, 2003, at which Bush called him a "good soul," who "inherited a system of a corrupt tyrant."

In a brief speech, Alsammarae told the audience: "If the Iraqi people and the American help us for the next year-and-a-half, I almost guarantee -- I guarantee it to the President but I almost guarantee it to the American people that we will have different Iraq."

"We need the help of the Americans right now," he said, "to build Iraq so you have a secure country here and you have a secure world and we have a secure Iraq."

Less than three months later, other members of the "Combine" flew to Washington on a private jet to attend a White House Christmas party on December 3, 2003, including Rezko, Levine, Cellini, and Kjellander, along with their wives, with an invitation obtained from the White House by Kjellander.

During a March 14, 2008 interview with the Sun-Times, Obama was asked: "Did you ever meet Nadhmi Auchy or Dr. Aiham Alsammarae?"

"I have to say I do not recall meeting them. It's been reported that a dinner Tony hosted at the four seasons, I don't have the exact date, so I don't know whether it was the before November '04 when I hadn't been elected but had already won the primary or whether it was after the election, in which I was . . .

"Tony called and asked if I could stop by because he had a number of friends that he had invited to dinner and he wanted me to meet them.

"I told him that I would be happy to come by if my schedule allowed it. And it did. Although I couldn't, I think, stay for dinner, so I remember meeting a bunch of people who I had not met before. I frankly don't remember what their names were.

"Business was not discussed at the meeting. It was more of a social meeting and they asked me questions about the senate race and so fourth and so on.

"I have no specific recollection. They may have been there. I can't say unequivocally that I did not meet them, but I just don't recall."

Combine plots to shut down Operation Board Games

Testimony during the Rezko trial in late April, shows the "Combine," was working with the Bush administration for years to pull a stunt with Fitzgerald similar to what Maliki pulled with Judge Radhi in Iraq.

On April 22, 2008, prosecutors dropped a bombshell by informing the judge that co-schemer, Steve Loren, who already pled guilty, was ready to testify that he was told by Cellini, that Kjellander had worked with Karl Rove to get the leader of the Operation Board Games fired.

Fitzgerald is famous in Illinois for fighting the Combine's corruption but he is most famous to the rest of the country for his conviction of Scooter Libby in the CIA leak case. In that case, Libby took the fall for Bush, Dick Cheney and especially, Karl Rove.

Rove was the first source for the leak of the identity of CIA agent, Valerie Plame, after her husband, Joe Wilson, went public about his first-hand knowledge that the Bush administration lied the country into war with bogus weapons of mass destruction stories.

On July 13, 2005, Time Magazine reporter, Matt Cooper, testified before a grand jury and identified Rove as the first source who told him Wilson's wife worked for the CIA.

In an article discussing his testimony, in the July 17, 2005, issue of Time, Cooper wrote: "Was it through my conversation with Rove that I learned for the first time that Wilson's wife worked at the C.I.A. and may have been responsible for sending him? Yes."

"Did Rove say that she worked at the 'agency' on 'W.M.D.'? Yes," Cooper asked and answered in the article.

"When he said things would be declassified soon, was that itself impermissible? I don't know," Cooper wrote.

Scooter's case was heating up at the same time the "Combine" was desperate to shut down Operation Board Games. During the April 22, 2008 hearing, Assistant US Attorney, Carrie Hamilton, stated, reading from Loren's grand jury testimony, Cellini "said it was Bob Kjellander's job to take care of the U.S. Attorney."

Cellini's real estate investment firm had received hundreds of millions of dollars from pension funds. Loren had testified earlier about a meeting in February 2004, where Cellini and other co-schemers discussed approving a deal where his firm would receive a

new \$50 million investment, but the amount approved ended up being \$100 million after Cellini told the co-schemers he wanted more.

The morning after the prosecution announced that Loren would testify, Hamilton dropped another bombshell by informing the judge that Jordanian-native and co-schemer, Ali Ata, the former head of the Illinois Finance Authority, had pled guilty and entered into a plea agreement and he would testify that he received the same information in 2004.

"Mr. Kjellander is working with Mr. Rove to have Mr. Fitzgerald removed so someone else can come in" and end the criminal investigation of state corruption, Hamilton told the judge in summarizing Ata's expected testimony of what Rezko told him.

She said the conversation was about having Fitzgerald replaced by someone else, "so individuals who have been cooperating in this investigation will be dealt with differently."

In court filings, the government identifies Kjellander as having "received \$809,000 in consulting fees for the 2003 sale of state bonds, much of which prosecutors believe was funneled through a Rezko associate to Rezko assignees."

In 2002, the Republican-allied Carlyle Group also hired Kjellander to secure an eventual \$500 million investment from the pension fund. Kjellander ended up with \$4.5 million in finder's fees, which the pension board now claims it knew nothing about.

On April 25, 2008, former Illinois Republican House Speaker, Dennis Hastert, was added to the plot when co-schemer Elie Maloof testified that he went to Rezko's house in February 2005, to let him know that he had received a subpoena to testify before a grand jury and Rezko told him to reveal little because the investigation would soon be over.

Maloof testified under a grant of immunity and said Rezko explained, "that Patrick Fitzgerald will be terminated and that Dennis Hastert will name his replacement."

"The federal prosecutor will no longer be the same federal prosecutor," Rezko told him. And a new US attorney would "order the prosecutor to stop the investigation."

Maloof is one of the donors used to funnel two \$10,000 contributions to Obama through bank accounts from Rezko's pizza businesses from the pension fund kickback. An exhibit produced for the jury shows Maloof also made a \$10,000 contribution to Blagojevich.

As predicted, on May 1, 2008, Ata testified that he was assured there was a plan in place to remove Fitzgerald after Bush was reelected in 2004. "Mr. Rezko informed me that they had just finished meeting with Mr. Kjellander and that there will be a change in U.S. attorney's office come the new administration," he said.

"Mr. Kjellander will talk to Karl Rove and make a change in the U.S. attorney's office," he said Rezko told him. Ata told the jury he knew from Rezko that Kjellander was a Republican insider and had a direct relationship with Rove.

Another time, Ata said, Rezko told him the investigation was heating up but instructed him to hold firm. "Mr. Rezko said the FBI was approaching people ... asking people to cooperate," he told the jury

"Those who do will be dealt with," Ata said Rezko told him.

Even in 2006, he said, Rezko assured him that things were going to turn out all right because of a plan to get rid of Fitzgerald. When asked why he believed Rezko could get him removed, Ata said, "Mr. Rezko has the influence and power to do that."

Ata told prosecutors he lied to the FBI in December 2005, because he was encouraged to be a "team player" by people he believed to be acting on Rezko's behalf. When he received a grand jury subpoena in late 2005, he said, people contacted him in an effort to stop him from cooperating.

After he met with Federal agents the first time, Ata said, he got a voice-mail from Michael Rumman. The voice mail said Rumman was traveling with "our friend," meaning Rezko, and asked Ata to delay meeting with investigators.

On his final day on the stand, Ata told the jury he finally agreed to cooperate with the Feds in April 2008, after an unnamed person delivered a threat. He testified that prosecutors once had him wear a wire to make a recording after the person threatened him.

Ata told the jury he delivered one \$25,000 contribution to Blagojevich at Rezko's office in the latter part of 2002, and the three men discussed the prospects of Ata getting an appointment in the administration. He said people at the office that day included Blagojevich's campaign chief and later chief of staff, Lon Monk, Christopher Kelly, and state Representative Jay Hoffman.

"I learned that Mr. Hoffman was part of a select group of advisers that were referred to as the kitchen cabinet," Ata told the jury.

"The way Ali Ata described it, the waiting room in the North Side office of Antoin "Tony" Rezko seemed as busy as an airport terminal," the Tribune noted on May 1, 2008.

Ata brought another \$25,000 check to a fundraiser on July 25, 2003, and he was appointed to lead the Finance Authority.

Ata made a \$5,000 donation to Obama less than a month earlier on June 30, 2003. Ata is also an investor in Riverside Park. Almost without fail, the people identified in the Board Games cases as investors in Riverside Park contributed to Obama's US senate campaign.

According to the Sun-Times, to raise the \$8 million to spring Rezko out of jail in April, in addition to the \$2 million worth of property pledged by Alsammarae, six people who are "current or former state employees," also put up property.

The list has three current employees from Rumman's former Department of Central Management Services, including Jenan Shamoun, Donald Lynch, and Mustafa Abdalla.

A state employee familiar with the hiring of the employees told the Associated Press that CMS personnel were pressured by then-director Rumman to hire them

Campaign records show Mustafa Abdalla gave Obama \$1,000 on June 30, 2003.

Rezko himself also came up with \$380,000 in cash. He claims he raised the money by selling his shares in Riverside Park - again.

His attorneys told the court that only about half of what Rezko received from the sale was used to post the \$380,000 bond, and the rest was mostly used to pay their legal fees.

During the hearing, the judge said she had spoken with a lawyer for GMH, and was told that Rezko was officially bought out in February 2008. She asked Rezko whether he or any of his companies still had any shares in the South Loop property.

In response, Rezko stated: "None."

This exchange sounds eerily similar to what Rezko told her more than a year ago on January 16, 2007, when he stated: "If the property is sold today for \$200 million, I will not receive one dollar from the proceeds."

(Curtain Time For Barack Obama - Part II will be published on May 13, 2008)

Curtain Time for Barack Obama - Part II

Wednesday, 14 May 2008, 11:43 am

Column: Evelyn Pringle

US Attorney Patrick Fitzgerald does not make a habit of destroying public officials by listing them in indictments for no reason and the only two political candidates identified as receiving campaign money from Operation Board Games kickback schemes are Illinois Governor Rod Blagojevich and the US Senator from Illinois, Barack Obama.

Instead of referring to Board Games as the "Rezko" case, before long the media will likely be calling it the "Blagojevich" case. However, because the governor did not become the presidential candidate, when the scandal is recorded in the history books it will be the "Barack Obama" case.

Curtain Time Part II will show that Obama was the inside guy in the Illinois senate as far as setting up the Health Facilities Planning Board to extort contributions from companies in exchange for the approval of applications to build medical facilities.

Obama was chairman of the Senate Health & Human Services Committee in January 2003. A few articles in the media have mentioned that Obama sat on a committee that reviewed matters related to the Planning Board in conjunction with the Governor's staff but none have discussed his integral part in getting the bill passed

A review of senate records from January 2003 to August 2003, shows Obama played a major role as chairman of that committee, in pushing through Senate Bill 1332, that led to the "Illinois Health Facilities Planning Act," which reduced the number of members on the Board from 15 to 9, making the votes much easier to rig.

Democratic Senator Susan Garrett sponsored the bill in the senate, and the chief co-sponsor was Republican Senator Dale Righter. These two senators were also on the Human Services Committee with Obama.

The bill was filed with the senate secretary on February 20, 2003, and assigned to Human Services Committee for review on February 27. Less than a month later, as chairman, Obama sent word that the bill should be passed on March 13, 2003.

On May 31, 2003, the House and Senate passed the bill and the only senator listed in the "yes" votes mentioned in the Board Games indictments is Obama.

Blagojevich made the effective date June 27, 2003, and the co-schemers already had the people lined up to stack the Board and rig the votes with full approval from Obama.

As discussed fully in Curtain Time for Obama Part I , the Republicans and Democrats worked together in setting up the Planning Board scheme because the Combine as a whole would profit.

During the trial, Stuart Levine testified that when he sought reappointment to the Planning Board, he told Republican co-schemer, Bill Cellini, to tell the Blagojevich administration he would vote however they wanted when approving projects.

He told the jury he had the same understanding with the two prior Republican governors, Jim Edgar, and George Ryan, who is now sitting in prison due to Fitzgerald's successful prosecution of a corruption case against him.

A June 2003 email exchange produced in the trial shows Obama was one of eight officials who received the names of the nominees for the new Board ahead of time, from the office of David Wilhelm, who headed Blagojevich's 2002 campaign for governor.

Tony Rezko's name does not appear in the email. In fact, his attorney made the point to the jury that the exchange was from Blagojevich's general counsel, Susan Lichtenstein, and Wilhelm's office, and indicated the appointees were recommended by Wilhelm and supported by those who received the memo.

The memo said, "we worked closely over the past six months" with eight officials including three state senators.

Jennifer Thomas, a former aide in Blagojevich's patronage office, testified that she attended regular weekly meetings at Rezko's office between the spring of 2003 and November 2004, and Rezko floated names and specifically said Levine should be reappointed to the new Board.

The Senate bill said, the "Board shall be appointed by the Governor, with the advice and consent of the Senate." But the Senate Confirmation Hearings were a joke. For instance, the Feds recorded Levine talking to co-schemer, Jon Bauman, the day Levine learned he was approved by the Senate from the executive secretary of the Board.

Levine told Bauman he ran into Jeffrey Marks, who said "congratulations on your appointment," and Levine asked for what. Marks said, "well the Senate Confirmation Hearings on Health Facility Plan Board members."

He told Levine Senate President, Emil Jones, only allowed 2 members to be approved and "that was you and the other person he just put in."

"Isn't that hysterical 'cause you know they had this big battle going on," Levine told Bauman.

Laughing away, Levine said, "don't you just love it."

"I'm one of those independents and not part of the block."

"Well, good, you know it's good to be just a true independent civil servant," Bauman said laughing along with Levine.

"Is, is that a good thing," Levine replied, "I've never been that."

Corrupt appointees fund Obama and Blagojevich campaigns

The corrupt new appointees were all contributors to the presidential hopeful, Blagojevich, and the US senate hopeful Obama.

The previous Act allowed the Board itself to select a "Chairman and other officers as deemed necessary." But the new law stated: "The Governor shall designate one of the members to serve as Chairman and shall name as full-time Executive Secretary."

The Board's then sitting-chairman, Thomas Beck, who was originally appointed by a Republican governor, testified under a grant of immunity that he brought a \$1,000 check to Rezko on July 15, 2003, to make sure Blagojevich reappointed him.

A few weeks later, Beck said, Rezko called to say he would be reappointed along with a Republican holdover Levine. Beck also testified that Rezko told him Blagojevich was set to appoint Rezko's three doctor friends to complete the rigged voting bloc. He said he met the doctors in August 2003, at the first meeting of the new Board.

Dr Michel Malek gave Obama \$10,000 a little over a month before the first meeting on June 30, 2003. He also donated \$25,000 to Blagojevich three weeks later on July 25, 2003, and gave Obama another \$500 in September 2003. Malek was an investor in Riverside Park.

Dr Fortunee Massuda donated \$25,000 to Blagojevich on July 25, 2003, and gave a total of \$2,000 to Obama on different dates. Massuda's husband, Charles Hannon, is a co-schemer in the pension fund case and testified against Rezko in the trial.

Dr Imad Almanaseer contributed a total of \$3,000 to Obama after he landed the appointment. On March 13, 2008, Almanaseer testified against Rezko and told the jury he was an investor in Rezko's fast-food businesses.

This doctor's son, Ahmed Almanaseer, was given a trade office intern position with the Department of Commerce and Economic Opportunity. Ahmed is president of HireIraqis.com a bilingual human resources "site aimed at linking Iraqi job seekers with the companies engaged in the reconstruction [in Iraq] efforts," according to Rezko Watch.

Corrupt Planning Board in action

The first project approved by the new Board was for Mercy Health Systems, for which Bear Stearns served as a bond underwriter. The deal was to earn \$1.5 million contribution for Blagojevich.

In attempt to help seal the deal, when Mercy's application was submitted to Planning Board staff for review, the Department of Human Services sent a letter on October 23, 2003, to Donald Jones, Acting Supervisor of Project Review, with a recommendation for approval of the application, stating:

"We at the Illinois Department of Human Services know how very important it is to have experienced providers such as Mercy Health System and believe they will meet the health care needs in South East McHenry County."

Fitzgerald also presented an exhibit to the jury to show that Blagojevich's director of the Department of Commerce and Economic Opportunity, Jack Lavin, sent a letter to Jones recommending approval. The exhibit also contained letters sent by the directors of the Department of Public Aid, the Department of Aging and the Department of Revenue, bringing the number to 5, urging Jones to support approval for Mercy.

The Planning Board staff still recommended the rejection of Mercy's proposal. On March 11, 2008, Jones told the jury that experts found the application failed to meet 18 criteria set up for the establishment of a new hospital. He said it was also too close to other hospitals that had too many empty beds and services not fully utilized. The day before the vote in December 2003, Mercy hired the Chicago-based law firm of Gardner, Carton and Douglas. Gardner had donated \$25,000 to Blagojevich in July 2003.

Although the application was rejected the first time, Mercy moved for reconsideration and won approval at the April 21, 2004 meeting. Beck testified that after the meeting, he and Levine drove to Rezko's office to tell him the plan was approved and Rezko was there with Christopher Kelly.

Once approved, the plan was for co-schemer Jacob Kiferbaum to pad the construction costs on the hospital and pay the kickback through a bogus consulting contract with Levine's business associate, Dr Robert Weinstein.

After helping set up the Planning Board, Dave Wilhelm became a consultant for Edward Hospital. Edward also wanted approval to build a new hospital. On April 9, 2008, Levine testified that he met with Wilhelm and another Edward lobbyist in the summer of 2003, and came away with the impression that Wilhelm's contribution to the team was clout with the Blagojevich administration.

Wilhelm's investment firm, Hopewell Ventures, also received approval for deals from the Teacher pension fund. On April 10, 2008, Levine told the jury, "Mr. Rezko told me that Gov. Blagojevich and Mr. Rezko wanted to keep track of what clients Mr. Wilhelm had before various boards in the state of Illinois."

"And they wanted to keep track of what success he had and what success he did not have," he said. Rezko and the governor wanted "to assess the value of Mr. Wilhelm's contribution to helping Gov. Blagojevich," Levine testified.

Wilhelm's clients should not win business "unless I was specifically told by Mr. Rezko that he wanted him to be successful," he told the jury.

Levine said he then got word to Edward officials that Wilhelm was on the outs with Blagojevich and set up an elaborate scheme to convince Edward that their application would be approved if Edward hired a construction company owned by Kiferbaum to build the new medical center and hospital and Bear Stearns as a \$200 million bond underwriter.

Board chairman, Beck, received fees from Bear Stearns and Bear Stearns also employed Beck's son, David Beck, as a managing director in its municipal bond office in Chicago.

As a member of the Planning Board, Levine was prohibited from engaging in ex parte communications with applicants with matters pending before the Board. So in order to protect Levine, Kiferbaum and Republican insider, P Nicholas Hurtgen, met Edward CEO, Pam Davis, in place of Levine.

Hurtgen wanted his employer, Bear Stearns, to receive the financing work. On December 22, 2003, Hurtgen talked to Davis, and said if Edward hired Kiferbaum, he thought Edward would not have any more difficulties with the Board. Hurtgen said he was selling "clout," and Levine was the "clout."

The following day, Kiferbaum and Hurtgen both met with Davis in attempt to persuade her to hire Kiferbaum. Kiferbaum told Davis that he had been working with Mercy and its application to build a new hospital was going to be approved.

In response to their claims, Davis asked Kiferbaum and Hurtgen to prove they were telling the truth about Levine's role by setting up a meeting with Levine.

Levine agreed to set up a meeting where he and Hurtgen would just happen to bump into to Davis and Kiferbaum while they were having breakfast at the same restaurant. Levine instructed Kiferbaum to tell Davis she should not ask anything direct about her project because of the bar against ex parte communications.

But the extortion attempt backfired when Davis went to the Feds in December 2003, and kicked off the investigation now known as Operation Board Game. The Feds put wiretaps on the phone lines in Levine's home, and between April 8, 2004 and May 21, 2004, caught most of the co-schemers on tape.

And as planned, on April 18, 2004, Davis went to the restaurant for breakfast with Kiferbaum. Levine and Hurtgen walked over to their table and Levine told her he was the Chairman of the Board of the Chicago Medical School and Kiferbaum had done work for

them. He said Kiferbaum was a person upon whom one can rely and whose word can be depended on.

Two days later, Edward faxed Kiferbaum a letter stating Edward would not hire Kiferbaum. He called Levine and told him about the refusal and the next day the Board voted against the proposal and issued a notice of an intent-to-deny the application.

The Feds moved in on Levine on May 20, 2004. In his plea agreement, Levine acknowledged that an estimate of the benefit from the Edward scheme would have been approximately \$1,810,000.

Feds track Obama's visits to Rezko

In the media, Obama always made it sound like he rarely saw Rezko, saying they met for breakfast or lunch once or twice a year. However, the FBI mole John Thomas helped investigators "build a record of repeat visits to the old offices of Rezko and former business partner Daniel Mahru's Rezmar Corp., at 853 N. Elston, by Blagojevich and Obama during 2004 and 2005," according to the February 10, 2008 Sun-Times.

During his March 14, 2008 interview, the Times told Obama, Thomas is an FBI mole and he "recently told us that he saw you coming and going from Rezko's office a lot."

"And three other sources told us that you and Rezko spoke on the phone daily."

"Is that true?" the reporter asked.

"No," Obama said, "That's not accurate."

"I think what is true," he said, "is that, it depends on the period of time."

"I've known him for 17 years," Obama stated. "There were stretches of time where I would see him once or twice a year."

He told the Times, "when he was involved in finance committee for the U.S. Senate race, or the state senate races, or the U.S. Congressional race, then he was an active member."

"During the U.S. Senate race, there's be stretches of like a couple of weeks - for example prior to him organizing the fundraiser that he did for us - where I would probably be talking to him once a day to make sure that was going well," he said.

"But the typical relationship was one that was fond," he added. "We would see each other."

"But there would be no reason for me to be seeing him that often," he stated.

This issue may be sorted out soon enough because Fitzgerald's charts matching up Obama's contributions, visits and calls are bound to be every bit as thorough as the ones produced to prove Rezko is guilty as charged in the first trial. They simply were not produced because they were not needed to prove the defendant guilty in the first case.

As an example of what records might be squirreled away, consider that an FBI agent presented a chart to the jury on April 28, 2008, showing 257 calls from Rezko's phones to Blagojevich's chief of staff, Lon Monk, between March 2004 and May 2004 alone.

He also had a list of all calls between Levine and Rezko from November 2002 to May 2004. Rezko's attorney brought out a point that backs the assertion that just because records on Obama were not shown, does not mean they do not exist.

The attorney questioned the agent about missing calls, and specifically those to and from Christopher Kelly. The agent first said records were not available, but later admitted the government probably does have records on Kelly that were not available to him. In addition, the contributions extorted through the Planning Board scheme were for the intended presidential candidate, Blagojevich. Obama's US senate war chest was already funded and by the time these kickbacks were paid that campaign would be over.

But Obama did end up with \$20,000 from the very first kickback paid in the pension fund scheme set up through the Board of the Teacher's Retirement System.

Elie Maloof and Joseph Aramanda, the straw donors used to funnel the contributions to Obama, also made \$1,000 contributions of their own for his failed run for Congress in 2000, on the same day March 17, 2000.

In addition, Aramanda gave \$500 to Obama's senate campaign on June 30, 2003. In the summer of 2005, Aramanda's teenage son landed a coveted intern position in Obama's senate office in Washington.

Obama also received contributions directly from the persons appointed to the pension board for the express purpose of rigging the votes. On June 30, 2003, appointee, Jack Carriglio contributed \$1,000.

The other appointee, Anthony Abboud, donated \$500 to Obama on June 30, 2003, \$250 on March 5, 2004, and \$1,000 on June 25, 2004.

Michael Winter, who prosecutors say agreed to serve as a funnel for kickbacks paid through an investment firm in one scheme donated \$3,000 to Obama on June 30, 2003.

Planning Board Scheme unravels

When interviewing with the Sun-Times, Obama claimed not to know Rezko was under investigation for influence peddling in the months leading up to June 2005, stating:

"During the time that I was purchasing the house, there were some noises about Tony having potential problems. But they . . . hadn't risen to the attention that they ultimately would."

"And I viewed him as . . . purchasing the lot as a friend purchasing a lot, somebody who was interested in real estate development and who was experienced in real estate development."

The claim that there were merely "some noises about Tony" was a blatant lie and the Times should have called him on it.

Obama was still chairman of the Human Services Committee when lawmakers learned Fitzgerald was on to the Planning Board scheme in the spring of 2004, a year before Obama entered into the real estate deal in June 2005. On July 11, 2004, the Sun-Times reported: "A key Blagojevich fund-raiser, Tony Rezko, played a role in recommending appointees to the board."

With stories appearing about the scandal almost daily, Illinois House Speaker, Michael Madigan, introduced legislation to fire the board and Blagojevich had no choice but to issue an executive order in July 2004, stating:

"In light of recent allegations concerning the propriety of certain board actions, the governor hereby imposes a moratorium on all meetings and actions of the board until the board is reconstituted by law."

By this time, Levine had already resigned and Almanaseer asked not to be reappointed. Both the House and Senate voted to give all members the boot at the end of July. But Obama's name is conspicuously missing from the session on July 24, 2004, when Bill 7307 was passed to get rid of legislation he pushed through a year earlier.

The transcripts from the sessions in July 2004 show lawmakers in both parties were outraged over the scheme. However, nothing much changed, because the new bill included the same process for vetting and appointing members to the new Board.

During the July 24, 2004 session, Senator Peter Roskam questioned the wisdom of passing a bill that is "silent as to any changes in the vetting."

Referring to Blagojevich, he noted the current "vetter" and "backgrounder" who "placed all of these individuals on the Health Facilities Planning Board, apparently completely failed in that vetting and backgrounding."

The bill "leaves the same amount of authority in the same person that we're criticizing implicitly today for failing to appoint good people," he said.

Senate President Jones defended the process and the corrupt members. "Let it be understood," he said, "that those mere allegations were against -- were made as regard to

members who had been reappointed, and that's the Chairman and several other members had been reappointed to the Board."

"And so, this legislation is in no way to say that the Governor's Office didn't do its proper job," Jones stated. But then the Senate had to advise and consent to the "vetted" candidates and as noted above, Jones played a big part in the reappointment of Levine.

Jones also told his fellow lawmakers, "this bill does not cast any aspersions on any current Board members because they are mere allegations."

"We don't know any facts," he said.

During the session, Senator Kirk Dillard had the apparent audacity to ask Jones, "is there anything in this bill that prohibits a member of the Health Facilities reconstituted Planning Board from giving campaign contributions to politicians?"

"No, that's not included in the Act," Jones answered.

"So, it would still be possible for somebody to give a large, say twenty-five-thousand-dollar contribution one day to a political figure and get reappointed or appointed to this Board a couple of days later?" Dillard asked.

"There is no such prohibition," Jones said, "for this Board or any other board, be it the Gaming Board, be -- there is no such prohibition."

Indictment headlines non-stop during Obama's real estate deals

The first indictment in the Planning Board case came a month before the mansion deal was finalized. On May 9, 2005, CBS Channel 2 Chicago, reported, "Stuart Levine is accused of using his position on a powerful state health board to cut himself and his buddies in on hospital construction contracts worth \$113 million."

Hurtgen and Kiferbaum were also charged for their part in the Edward extortion scheme. CBS pointed out that before joining Bear Stearns, Hurtgen "worked in the administration of then-Wisconsin Gov. Tommy Thompson as deputy secretary in the state Department of Administration, which supervised state bond issues."

On May 10, 2005, the Sun-Times reported Levine, "who has given more than \$1.6 million to mostly Republican state politicians since 1993, was re-appointed to the planning board -- as well as the state Teachers' Retirement System board -- at the urging of ... Rezko."

Levine was roused out of bed by FBI agents, the Times said, "and hauled into court on fraud charges alleging kickbacks, influence-peddling and insider dealing."

John Glennon, a former adviser to Republican Governor George Ryan, was also charged with “criminal conspiracy for concealing kickbacks in the financing and construction of two Illinois hospitals and lying to federal authorities.”

The Republican Combine member Glennon gave \$1,000 to Obama on January 8, 2004.

At the time, Fitzgerald would not say whether anyone in Blagojevich's office had been questioned or who else was tied to the scheme. But the Times quoted FBI Agent, Robert Grant, as saying: "Stay tuned; there will be more charges in the future."

This article noted that Kiferbaum was already cooperating. Five days later, the Times reported Rezko “had a hand in staffing decisions at the scandal-tainted Illinois Health Facilities Planning Board.”

On May 20, 2005, the Times said, “Two Rezko associates gave Blagojevich \$25,000 each just days after the governor named them to a state panel.”

However, the reporters either failed to notice, or failed to mention, that panel member Malek gave \$10,000 to Obama on June 30, 2003.

Less than 3 months before Obama bought 10-feet of the lot, on October 31, 2005, the Times reported: “Investigations of the Illinois Health Facilities Planning Board and state Teachers' Retirement System have yielded federal charges against six people.”

The article also noted that, “in a guilty plea ... Joseph Cari alleged he had been told by a now-indicted former pension board member that Blagojevich and two top fund-raisers, Antoin "Tony" Rezko and Christopher G. Kelly, schemed to award pension business to consultants, lawyers and investment firms who donated to Blagojevich.”

Cari donated \$1,335 to Obama’s campaign and gave \$10,000 to Blagojevich. During the trial, Cari testified that Blagojevich, Rezko and Kelly tried to convince him to take over the national fundraising campaign for Blagojevich's presidential bid.

Obama's senate finance committee during Planning Board scheme

In his interview with the Tribune on March 14, Obama said Rezko "was a part of our finance committee and was listed as part of our finance committee."

In 2003 and 2004, his finance committee raised the money as the Planning Board scheme was set up and the scandal unraveled. Yet Obama told the Tribune in regard to Rezko, "at that time, there were no indications that he was involved in anything inappropriate."

Apparently, Obama expects the public to believe that nobody on this committee bothered to tell him he received a single contribution of \$10,000, and the money came from a person he just recommended for the Board.

Other members of the committee included Rezko's wife Rita, and Valerie Jarrett, who got her jump start into a lucrative real estate career in the Combine's Daley administration. She now serves as chairman of Obama's presidential finance committee.

Jarrett racked up eight years in Chicago government, first as deputy corporation counsel for Finance and Development, then as deputy chief of staff to Daley and finally, as commissioner of Chicago's Department of Planning and Development, according to a summary of her achievements obtained from the Business Week website on April 8, 2008.

While serving as Commissioner, Jarrett "consolidated the Department of Planning, Economic Development and Urban Renewal; implemented a model program for the revitalization of three Chicago neighborhoods; and created a business express unit to cut red tape to service Chicago businesses," says the Cook County Information Center.

Obama's introduction into the "Combine" came when his wife Michelle was hired by Jarrett in the early 1990s, and served as Jarrett's assistant in Daley's office and followed her to the Department of Planning and Development.

Jarrett was appointed chairman of the University of Chicago Medical Center Board in June 2006. She was also made chairman of a newly created Executive Committee of that Board, according to a June 13, 2006 University announcement. In addition, Jarrett was named vice-chair of the University's Board of Trustees, the announcement states.

Michelle landed a high paying job at the University of Chicago Hospitals. Two months after Obama became a US senator, she was appointed vice president for community and external affairs. Tax returns show the promotion nearly tripled her pay to \$317,000 in 2005, from \$122,000 in 2004.

On February 14, 2008, Wilhelm endorsed Obama in a call with reporters, citing the senator's "masterful" campaign organization and strategy as well as his "undeniable momentum."

"He has outworked, outorganized and outraised his opponents every step of the way," Wilhelm said. "The Obama campaign, win or lose, will serve as a model for future generations to come."

Wilhelm's firm has received a subpoena for records related to pension fund investments. If the Combine's plot with the Bush administration to shut down Operation Board Games had worked, Obama would be home free. But it failed and the Republicans are just waiting to air the roadmap of dirt pieced together from Fitzgerald's investigation if Obama is nominated. McCain is in the clear because there is no sign of his involvement anywhere.

(Curtain Time For Barack Obama - Part III will be published on May 14, 2008)

Curtain Time for Barack Obama - Part III

Friday, 16 May 2008, 10:37 am
Column: Evelyn Pringle

Three days after the Chicago Sun-Times reported that Aiham Alsammarae, the former electricity minister convicted of corruption in Iraq, put up \$2.7 million in property to help raise \$8.5 million to free Tony Rezko from jail in Chicago, the Times reported that Alsammarae had contributed six times to Obama's presidential campaign.

The April 29, 2008 report also noted that before he escaped from jail in Bagdad in December 2006, and returned to Chicago, Obama's US Senate office had sought information about Alsammarae from the State Department on October 16, 2006 on behalf of Alsammarae's family while he was being held in jail in Iraq.

As usual, when busted on the contributions given in January, February and March, the Obama camp said it would donate Alsammarae's money to charity and his spokesman, Ben LaBolt, put out the standard line that Obama does not ever "recall" meeting Alsammarae.

The money missing due to Alsammarae's corruption in Iraq during the two years he served as electricity minister between August 2003 and May 2005 is estimated to be \$2 billion.

The Operation Board Games investigation revealed that Alsammarae signed contracts worth \$200 million that benefited both Rezko and the Iraqi-born billionaire, Nadhmi Auchi, who ended up with Riverside Park, a 62-acre lot in the Chicago Loop estimated to now be worth \$2.5 billion.

As noted previously in this series, understanding the connections between Auchi and Riverside Park and all the players is the key to understanding Operation Board Games. Financing deals in the Chicago real estate industry were the focus of the investigation from the start and the financing deals involving Riverside Park specifically.

On September 29, 2005, Crain's Chicago Business news reported that General Mediterranean Holding, "a Luxembourg-based conglomerate headed by Nadhmi Auchi, is buying Riverside Park, a yet-to-be-built development on a prime 62-acre parcel on Roosevelt Road," quoting Michael Rumman, the director of the Illinois Department of Central Management Services, as a consultant on the project.

The sale price was estimated to be about \$130 million. Joseph Ryan, a local attorney representing GHM, told Crain's that Rezko would no longer be an investor in the project, but "there's a possibility he may have a consultant's role in the project."

Crain's noted that Rezko and Auchi were introduced by a mutual acquaintance in London, and said: "They teamed up recently on a \$150 million contract to build a power plant in Iraq."

"Auchi," Crain's also pointed out, "received a 15-month suspended sentence in France after being convicted in 2003 for taking kickbacks from French oil giant Elf."

"And U.S. officials are investigating allegations of bribery involving a mobile phone contract in Iraq that recently was awarded to Orascom, an Egyptian firm in which Mr. Auchi is a shareholder," the report stated.

On May 30, 2006 Crain's reported that before the GMH deal, Rezko and Daniel Mahru, former co-owners of the real estate firm Rezmar, had piled up more than \$100 million in debt on the property. "A liquidity crisis in early 2005 resulted in a technical loan default, property documents show, forcing the eventual sale to Mr. Auchi," the report said.

The plan was to build 4,600 residential units and about 670,000-square-feet of retail space on the site. However, the development has now been stalled for years being the new owner Auchi is not allowed in this country and several of his surrogates who were supposed to be developing the project appear to be headed to prison.

Future plans are likely not good either being it's doubtful that many real estate developers in Chicago are eager to hook up with Auchi and Riverside Park at this stage of the game.

Nobody knows Auchi anymore

When the news surfaced that Auchi had made a loan to Rezko a month before Obama and Rezko entered into a real estate deal to buy a mansion and lot for over \$2 million in June 2005, rumors started flying about a dinner held in Chicago at the exclusive Four Season's Hotel in April 2004, for Auchi and other investors from the Middle East, attended by many top Illinois officials and Alsammarae.

Before long, the media was rehashing the fact that shortly after his visit to Illinois, Auchi did invest \$10 million with Rezko in Riverside Park. On June 14, 2007, former Rezko associates told the New York Times that Obama dropped in at the Four Season's event at Rezko's request and his visit helped impress foreign guests.

"I remember that he had been on the campaign trail, and he was completely wiped out and exhausted," said Anthony Licata, identified as an attorney who represented Rezko on real estate deals.

“My recollection is that he drank ice tea, and he talked about how he was really making progress, and we were all excited to see him,” Licata said.

Obama spokesman, Bill Burton told the Times it was not unusual for Obama to be “shaking hands late in the Senate primary season.”

“If someone recalls meeting him during this period,” Burton said, “Senator Obama has no reason to doubt it.”

Licata was an attorney for Riverside Park and an investor. He donated \$1,000 to Obama's senate campaign six months after the Four Season's party and also gave \$5,000 to the fund for Blagojevich's future presidential bid.

On February 26, 2008, an aide to Obama told the Times of London that Obama did attend an event at the Four Seasons but did not remember meeting Auchi. "He shook a lot of hands and met a lot of people," the aide said. "We do not remember individual people."

Two days later, Bill Burton told the Times: "The bottom line is Obama does not recall ever meeting him [Mr Auchi]."

All members of the “Combine,” have tried to distance themselves from Auchi's visit because as previously explained, he is not allowed in the US. However, the question that remains is how did he enter this country in April 2004, after his 2003 conviction in France. According to the February 28, 2008 Sun-Times: “Auchi's London-based lawyer, Alasdair Pepper, wouldn't answer that."

"State Department and Homeland Security officials said they couldn't comment," according to the Times.

During a March 14, 2008 interview, the Times asked Obama: "Did you ever help Auchi enter the country?"

He said, "No." But when asked the follow-up question of whether “his office” helped Auchi enter the country, he replied, "Not that I know of."

On January 28, 2008, Raw Story's Michael Roston reported that after rumors began spreading that Auchi may have met with Obama, "In what appears to be a clumsy "cleanup" operation evidence of Auchi's visit to Illinois has now been deleted from two websites linked to his company, General Mediterranean Holding."

The reports in the media always say Rezko hosted the Four Season's event, when in fact Governor Rod Blagojevich directed the show.

ABC News first posted a link to photos showing Auchi meeting with Blagojevich on the site, “Middle East Online.” The description under a picture of Auchi and Blagojevich,

still accessible on the internet a month ago, stated: "Governor of the State of Illinois, Mr Rod Blagojevich hosted an official reception in honour of Mr Auchi."

Another picture, taken in the Chicago office of the President of the Illinois state senate bears the title: "Illinois State Senate President Mr Emile Johns Jr. meets Mr Auchi."

Jones is often described as Obama's "mentor." On February 26, 2007, the Washington Post noted that once he got to the state Senate, Obama "became a political protege of current Senate President Emil Jones, a 35-year veteran of the legislature and one of the state's most influential black lawmakers."

Obama avoided directly answering questions about Auchi and Alsammarae until March 14, 2008, when he was asked whether he ever met them, during an interview with the Sun-Times. In response, he said, "Tony called and asked if I could stop by because he had a number of friends that he had invited to dinner and he wanted me to meet them."

"I told him that I would be happy to come by if my schedule allowed it," he said. "And it did."

But he said could not recall any names and apparently expects the public to believe that he made a special trip to a private dinner at an exclusive club and never thought to ask why Rezko was throwing a shindig for "friends" from the Middle East, or why they would want to meet an state senator from Illinois to begin with

However, this is exactly what the public is being led to believe due to the fact that every time the subject comes up, the mainstream media repeats this ridiculous fabrication.

To begin with, Obama has continuously claimed that Rezko never asked him for favors. On November 5, 2006, the Sun-Times published his answers to questions that were submitted to him after the news of the real estate deal with Rezko surfaced, and Obama stated: "I have never been asked to do anything to advance his business interests."

A day later, on November 6, 2006, he told reporters in Waukegan Illinois, "He had never asked me for anything. I'd never done anything for him."

In December 2006, he told the Washington Post: "I've known him for 15 years."

"He had never asked me to do anything."

In a March 14, 2008 interview with the Tribune, Obama was asked whether he ever thought Rezko would expect something from their relationship, and he stated: "No. Precisely because I had known him for years and he hadn't asked me for something."

When asked why politicians were drawn to Rezko, he said: "In my interactions with him, he was very gracious. He did not ask me for favors."

Five days later, on March 19, Stuart Levine testified in the Rezko trial and told the jury he had flown Rezko's wife and children back to Chicago on a private jet from a vacation in Mexico because Rezko had to leave early to prepare for the dinner he was hosting for Auchi in Chicago. Rezko was hoping to convince Auchi to invest in Riverside Park, he told the jury.

Levine said he attended the dinner with other guests that included Illinois Lt Governor Pat Quinn, Christopher Kelly, Jack Lavin, the head of Blagojevich's economic development agency, and Michael Rumman, director of the Department of Central Management Services.

Levine's testimony and reports in the media always sounded like they were referring to one event at the Four Season's. But on April 14, 2008, Levine dropped a bombshell, when in response to questions for Rezko's attorney, he testified that the dinner he attended in Auchi's honor was held at Rezko's home and Obama and his wife Michelle were there.

The Tribune's Gavel-to-Gavel noted that, "Rezko was trolling for investment capital for a South Loop development, and the party was part of his campaign to get Auchi to invest."

The Associated Press ran a follow-up story on April 14, 2008, calling Auchi a "mysterious billionaire with his hands on a major chunk of Chicago real estate," and described his arrival in Illinois in April 2004, as a major event in which Lt Governor Quinn "headed a welcoming delegation that greeted Auchi when his private plane touched down at Chicago's Midway Airport."

The article noted that Quinn personally rode downtown with Auchi and his family and that Quinn said he later attended the party for Auchi held at Rezko's home. The article also mentioned that Auchi was the guest of honor at another lavish dinner party at the Four Seasons, and said, "Blagojevich was on hand for the festivities and posed for photos with the visiting tycoon."

However, Blagojevich spokeswoman Abby Ottenhoff was quick to tell the Press: "He has not met with or talked to Mr. Auchi since then."

When Senate President Jones was asked if he remembered meeting Auchi, he asked: "Who?"

"I don't know who he is," Jones told the Associated Press.

Regarding the photo of him and Auchi, Jones' press secretary said: "It was strictly a grip and grin."

"He doesn't even remember it."

The line from Obama spokesman, Ben LaBolt, was again: "As he has said previously, Senator Obama does not recall meeting Nadhmi Auchi at any time or on any occasion, and this includes any event that may have been held for Mr. Auchi."

"Senator and Mrs. Obama have no recollection of attending any such event," he stated.

But on April 16, 2008, Sun-Times columnist, Michael Sneed, reported that Obama had even made toasts at Rezko's party, and wrote:

"Dem presidential contender Barack Obama's handlers may be telling the press Obama has NO "recollection" of a 2004 party at influence peddler Tony Rezko's Wilmette house, but a top Sneed source claims Obama not only gave Rezko's guest of honor, Iraqi billionaire Nadhmi Auchi, a big welcome . . . but he made a few toasts!"

In an April 26, 2008, interview with Tribune reporter, John McCormick, Obama did not deny that he and Michelle were at the party but said he did not recall being there, stating:

"I have to say that I just don't recall it. I mean this has been, I guess, four years ago. My understanding, through his lawyer, Mr. Auchi doesn't recall meeting me and you know, I can't speak for other people's recollections.

"But I've said publicly, on many occasions, that I had a social relationship with Mr. Rezko."

The last comment is ridiculous because what Obama has said on "many occasions," is he only had lunch or breakfast with Rezko once or twice a year and he and Michelle had dinner with Rezko only three or four times in the 15 years they knew each other. When asked whether Rezko may have been using him to impress potential investors, Obama replied:

"I just don't have a recollection of the event. As I said, I was in the middle of running a U.S. Senate race. So, you know, I was speaking all the time, probably six, seven, eight times a day."

"Right," McCormick said, "but why go to this event that was specifically designed for Rezko investors?"

"As I said, I have no recollection of the event. Alright?" Obama replied. When asked whether he would remember making a toast to Auchi, Obama stated:

"I'm fairly certain I would remember giving a specific toast to somebody. Keep in mind, though, that this was right in the midst of my U.S. Senate campaign, so I was doing three or four events a day.

"So, I mean, there were very few events where I wasn't speaking on anything. But I have no recollection of this particular event."

However, the Tribune has obtained a copy of an Obama "upcoming events" schedule on his old Senate campaign web site which shows Obama had no personal campaign activities on April 3, 2004, the day of the party.

Riverside Park funds legal defense for Board Games defendants

Although revelations about the \$3.5 million loan immediately prior to the Rezko-Obama real estate deal led to a few stories in the press, it was Auchi's second \$3.5 million loan in April 2007, that drew the most headlines after Rezko was thrown in jail in January 2008.

After he was indicted, Rezko claimed he was flat broke and was living off \$7,500 a month from friends and family. In a November 17, 2006 letter to the court, his attorney reported there were no assets being held in his name or for his benefit abroad, and that, other than an inactive contract in Iraq, he "has no foreign assets, or holdings, or business interests."

Rezko even told the court he had no money for his legal defense. In a hearing on January 16, 2007, the judge asked Rezko: "How are you paying Mr. Duffy?"

"I have been very fortunate to have the family I have and to have some friends that I have. I've been very fortunate," he said.

"So, family members and friends of paying your legal bill?" she asked. "Yes, your Honor," Rezko replied.

"I can confirm that, your Honor," Duffy told the judge. He went on to tell the court that he had met with members of Rezko's church, and they "have been extremely supportive and have come forward."

"Mr. Rezko has not provided us any money since his indictment," Duffy told the court.

Rezko also told the judge Rita Rezko had sold the lot next door to Obama but had not received a dime. "Your Honor," he said, "my wife sold the land, too, in Hyde Park the last few weeks."

"Did she personally own it or did an L.L.C. own it?" the judge asked. "She owned it in a trust, I believe," Rezko said.

"How much did she get for the land?" the judge asked.

"A hundred-twenty-thousand was in excess of the mortgage on the land, and that hundred-twenty-thousand went all in full to the buyer for a previous debt," Rezko said.

"So, she didn't walk away with any cash?" the judge asked. "Not one dollar," he stated.

"Other than the 62 acres, your Honor, I do not have any other assets," Rezko told her. "If the property is sold today for \$200 million," he said, "I will not receive one dollar from the proceeds."

The judge specifically asked whether he could get Auchi to wire him say \$100,000 if he wanted it and Rezko basically said he did not know because he never asked.

However, Duffy told the judge, "although he has a personal relationship with the Chairman -- or he believes he does -- I want you to understand I don't think Mr. Rezko could call up on the phone and ask for favors or money from them."

At a February 27, 2007 hearing, regarding Riverside Park, the judge told Rezko: "If something changes--and I believe I have advised you of this or ordered this before, but if not I want to make clear. If something changes with respect to the status of the 62 acres that we talked about and that I asked you multiple questions on, you must notify the Court immediately."

Rezko was allowed to remain free after posting \$2 million bond secured by properties of family and friends. But in January 2008, the judge was informed that Auchi was funneling money from foreign banks via the Chicago law firm of Freeborn & Peters, to fund Rezko's legal defense and she threw him in jail.

In the motion to revoke bail, prosecutors said Rezko "has had a long-standing relationship" with the Freeborn. Freeborn has represented Rezko "in litigation with franchisor Papa John's Pizza," and "appears to represent Rezko in currently pending civil litigation," they wrote.

The government alleged the wire transfers showed Rezko had access to overseas funds that could enable him to flee and hide out in countries without extradition treaties with the US. In the motion, prosecutors said Rezko's obtaining money originating in Lebanon was consistent with his continuing ties to the Middle East and overseas travel, and noted that:

"Between approximately November 2005 and October 2006, Rezko took multiple trips to Saudi Arabia, United Arab Emirates, Jordan, and Qatar.

"Several of Rezko's overseas trips included Rezko traveling through, and spending time in, Syria and Lebanon. The United States does not have extradition treaties with Saudi Arabia, United Arab Emirates, Qatar, Syria, or Lebanon."

"Through records from Northern Trust Bank," prosecutors wrote, "the government has learned there was an approximately \$3.5 million wire transfer in April 2007 of which a substantial portion immediately was directed to Rezko's relatives."

Northern Trust being the same entity holding the confidential Land Trust for Obama's mansion and 10-foot lot. Prosecutors said within a week, the \$3.5 million was moved to another account at Northern Trust, the "client fund account," held by the Freeborn firm.

A brief filed by Rezko on January 29, 2008, said, "his business partner had agreed to loan him \$3.5 million for legal expenses and to support his family pending trial."

In fact, \$1.9 million went to law firms. In addition, on July 25, 2007, GMH wired an additional \$200,000. "This transfer was also apparently for Rezko's legal fees," prosecutors wrote in their motion. Another \$200,000 went to reimburse people who had advanced money for legal fees or living expenses and at least \$89,000 was paid to other attorneys and accountants, according to the filings.

In the motion, prosecutors also told the court: "Contrary to Rezko's November 2006 representation to the court that he had no business interests abroad," a confidential informant, "informed the government that Rezko has been interested in working on real estate deals in Syria on property owned by Auchi."

According to the informant, "Auchi owned 3 or 4 properties, including one commercial retail shopping center, and Rezko was interested in assisting in the development of the property."

The motion further stated, "Rezko has repeatedly informed the Court that his interest in the 62-acre Property is illiquid, speculative, and only subject to his getting value from it after satisfaction of large prior existing debts."

Specifically, that it remains to be determined whether this asset is of significant value, and "how that value can be liquidated given the project's value is tied to the development of what is currently a 62 acre vacant lot," prosecutors noted.

The motion goes on to state that in contrast to Rezko's representations, the government learned that "in September 2006, just a few months" before Rezko represented that his interest was illiquid and speculative, "Rezko attempted to post as collateral for a loan part of his interest in the 62 Acre Property."

"Further," prosecutors wrote, "on December 12, 2007, the government obtained documents that indicate that Rezko has transferred, restructured, and/or sold significant portions of his interest in the 62 Acre Property."

Specifically, they noted that an August 10, 2007, Settlement Agreement, signed by Rezko and Christopher Kelly showed Rezko transferred "a portion of his interest" in Riverside Park to Kelly in exchange for the forgiveness of approximately \$1.7 million in loans that Kelly made through his business to Rezko between late 2002 and 2006.

Even more troubling, prosecutors said, between January 2007 and August 2007, "unbeknownst to at least the government," Rezko liquidated an additional 60% share of

the company that held Rezko ownership in Riverside Park to General Mediterranean Holdings affiliate, Orifarm.

Although many creditors are waiting to be paid from Rezko's sale of Riverside Park, prosecutors said, it appears "Rezko is handpicking the creditors that will be repaid while other creditors," some who are owed considerably more than Kelly, "are unaware that Rezko's one remaining significant asset is being distributed in a manner that will impede their ability to be made whole."

A few days later, prosecutors were no doubt outraged to learn that Auchi had apparently become legal defense fund for Board Game defendants who keep the secrets. On February 7, 2008, Mike Robinson reported another: "Indicted Blagojevich fundraiser got loan from Iraqi billionaire," in the Associated Press.

Christopher Kelly "has arranged to get a loan from the same Iraqi billionaire whose \$3.5 million payment got another member of the governor's inner circle thrown in jail," he wrote. Kelly received the loan five days before Rezko's bail was revoked, and he pledged all of his shares in a Nevada land partnership as collateral, Robinson found.

On April 14, 2008, the Associated Press noted that in 2005, reports in Chicago said Auchi had purchased the entire property, but "it seems Rezko was able to hang onto at least some shares in the land through the Riverside Development Corp."

"Court papers say that the \$3.5 million wired to Rezko's lawyers by Auchi was a loan that was erased in exchange for shares in the 62-acre property," the report wrote. "And they say Auchi had planned at the time to pay \$4 million more for the rest of the tract."

"All the loans and interest have now been paid by Mr. Rezko by means of the transfer of shares" to my client, Auchi's attorney told the Associated Press. "Mr. Rezko has no remaining shareholding in the development," he said.

However, Joe Cacciatore told the Associated Press that he was a partner with Rezko in Riverside Park before Auchi showed up, and has not seen any money as a result of the sale. Cacciatore has filed a lawsuit against his former partners, according to the article.

Carriatore says he met Auchi at an "Obama fundraising party" Rezko gave at his home several years ago. "He was well dressed," he told the Press. "He seemed distinguished."

According to Obama, Rezko only hosted one fundraising party at his home in July 2003. So exactly how times did Obama party with Auchi?

(Curtain Time For Barack Obama - Part IV will be published on May 16, 2008)

Curtain Time for Barack Obama - Part IV

Saturday, 17 May 2008, 10:50 am
Column: Evelyn Pringle

The solution to the problems arising from the unsuccessful attempts to shut down Operation Board Games would be for Barack Obama to become president and issue a bipartisan pardon to all members of the "Combine" who funded his seat in the US Senate. The scam worked when Scooter Libby took the fall for the Bush administration.

However, that might not be so easy. US attorney Patrick Fitzgerald has made quite a name for himself eliminating the corruption in Illinois right down the line from the governor's office to the Cook County Board to Mayor Richard Daley's political mafia in Chicago.

And Illinois voters are behind their new Elliot Ness. A May 30, 2007 poll by the Glengariff Group found voters support the job he is doing by "a very wide and very strong margin."

The poll asked voters if they approve or disapprove and 62.4% approve while only 11.4% disapprove. The poll showed his highest approval came from non-Chicago, Cook County voters at 73.6% approve and 9.1% disapprove with highest overall approval coming from Democrats.

On April 15, 2008, the Combine was dealt a major blow when an appellate court upheld Fitzgerald's conviction of four men charged with running the corrupt hiring system in Daley's City Hall. The written ruling states in part: "It is hard to take too seriously the contention that the defendants did not know that by creating a false hiring scheme that provided thousands of lucrative city jobs to political cronies, falsifying documents and lying repeatedly about what they were doing, they were perpetrating a fraud."

"By setting up a false bureaucracy, the defendants arguably cheated the city out of hundreds of millions of dollars," the judges wrote.

"The ruling sent waves of angst through City Hall, Gov. Blagojevich's office and other government offices where some had hoped the court would find the age-old practice of giving plum government jobs to cronies was legal," the April 16, 2008, Sun-Times reported.

Patrick Collins, lead prosecutor in the case, told the Times he welcomed the ruling. "In my opinion, the decision that came down today blessed the aggressive posture that the U.S. Attorney's office has taken in corruption cases," he said.

"A contrary decision would have had a chilling effect on the future cases considered by the U.S. Attorney's office," he told the Times.

"The decision triggered immediate anxiety within Blagojevich's inner circle because of the likelihood it could embolden the feds to now aggressively pursue hiring fraud charges against former high-level aides to the governor," the Times wrote.

But that's not to say Blagojevich has anything to worry about. A Federal court assigned Julia Nowicki to monitor the illegal hiring practices in Cook County and on April 15, 2008, Chicago's ABC channel 7 news reported that Nowicki said the hiring system "is so inept that people get typing jobs- without taking a typing test, no applicant is subjected to background checks, and insiders find out about jobs before the general public does."

The former President of the Cook Country Board, John Stroger's son, Todd, is now the President, whose candidacy was supported wholeheartedly by Obama, right along with Mayor Daley and Blagojevich, in the midst of the corruption scandals.

The elimination of the Combine's pay-to-play schemes is also an illusion. On April 2, 2008, Crain's Chicago Business news wrote: "Just months after receiving a pair of six-figure, no-bid contracts, Cook County's new Washington, D.C., lobbyist is hosting a fundraiser for the official who awarded him that work: County Board President Todd Stroger."

"Lobbyist Richard Boykin is holding the fundraiser for Mr. Stroger," the report stated, "at the Loop offices of Mr. Boykin's law firm, Barnes & Thornburg LLP." An arrogant Stroger spokesperson told Crain's Boykin "can throw a fundraiser for whoever he wants."

Cook County Commissioner, Tony Peraica, called the new contract and subsequent fundraiser "a perfect example of the kind of play-to-pay politics that is pervasive" in local government. "There's an absolute quid pro quo connection," he told Crain's.

Combine members throw in the towel

The Tony Rezko trial opened the door to more Board Game cases not yet tried and more Combine members threw in the towel. Ali Ata, the former director of the Illinois Finance Authority, entered into a plea agreement on April 22, 2008.

The Authority was established by Blagojevich in 2004, "to support the Governor of Illinois' economic development agenda," and "IFA approves about \$3 billion in project financing each year," according to its web site.

Ata pled guilty to charges that included tax fraud, and lying to the FBI in saying he received nothing in return for \$50,000 in contributions to Blagojevich when according to the plea agreement, he did "receive something for those contributions, specifically employment with a state agency ... with an annual salary of approximately \$127,000."

The agreement notes that Ata met with Blagojevich, not Rezko, in 2000 or 2001, and Blagojevich asked for his support because he was contemplating a run for higher office. Ata testified that he held his first Blagojevich fundraiser in the 1990s when he was asked to raise money for Blagojevich's run for Congress within the Arab community.

Ata made a \$5,000 donation to Obama on June 30, 2003. Talat Othman was also appointed to this Board, and he donated \$1,000 to Obama on June 30, 2003. David Gustman was made chairman, and his wife, Lisa, also gave Obama \$1,000 on June 30.

Ata is a former president of the Chicago Chapter of the American Arab Anti-Discrimination Committee. He represents "a deeper corruption" in the Arab American community, "an aspect of the story that has not received much attention," according to a May 2, 2008 report by Ray Hanania in the Southwest News-Herald.

Hanania points out that many in the Arab community are calling Ata a "rat." But he's not alone, Hanania says:

"The real rats are those who used their positions as "leaders" to rape and pillage their own community. The real rats are the so-called "leaders" who worked to benefit themselves pretending they were doing it for the benefit of the community."

In his report, Hanania explains how Ata and others would often gather at a "hookah" café on Harlem Avenue, where they helped organize political dinners attended by Arab Americans from the Southwest suburbs at which politicians were "honored."

"These Arab community "leaders," he says, "would tell the community that if they bought tickets to their "candidate's nights," their organization fundraisers or donated through them to local politicians, these politicians would respond by giving the Arab American community empowerment."

"They said the politicians would give the Arab Americans a voice in their governments," he reports. "In truth," Hanania says, "these political leaders lied."

"They did get jobs, contracts and clout," he notes, "but the people who benefited were not members of the community but rather the relatives, children, friends and business associates of these leaders."

Ata has apparently done quite well as a member of the Combine. In 2004, his net worth was \$12 million, according to the Tribune.

During the Rezko trial, Ata testified that he had about \$2 million invested in Rezko projects, which include Riverside Park, and wanted to get it back someday. Rezko's attorney got him to admit that he really did not have to worry about the money he gave Blagojevich.

In one state deal, Ata and three business partners, Faysal Mohamed, Fuad Mohamed and Refat Zayed, "took in more than \$3.2 million from taxpayers by leasing a West Side office building to the state over 10 years," according to the June 6, 2005 Sun-Times.

On May 4, 2008, the Times reported that the Blagojevich administration is still "paying Ata and his partners more than \$800,000 a year to lease space for the Department of Human Services in the building."

Three months after Ata was appointed to head the Finance Authority, the Times says, "the Blagojevich administration agreed to a 10-year extension of his company's lease, to 2014."

Ata left his position in March 2005, when a state audit major problems at the agency. A month later, Ata was offered a three-year contract worth \$165,600 to be a consultant to the IFA on a coal-related energy initiative. However, he turned it down, according to the Times, after the newspaper began inquiring about his employment and a previous building lease deal with the city of Chicago.

Rezko schemes to hide assets from creditors

The second Rezko indictment involves Ata and the Finance Authority, and alleges fraud in financial transactions with the General Electric Capital Corp in connection with the sale of a string of Papa John pizza restaurants in Illinois, Wisconsin and Michigan.

The indictment and plea agreement provide a preview for the scheme hatched to conceal Rezko's assets from creditors through Obama's secret Land Trust.

When announcing the arrests, Fitzgerald stated: "The new indictment is part of Operation Board Games, an ongoing federal public corruption investigation of insider-dealing, influence-peddling and kickbacks involving private interests and public duties related to various state boards and non-profit organizations."

Co-schemer Abdelhamid Chaib, is the former the director of Rezko Concessions. Blagojevich appointed Chaib's wife to a position with the Department of Employment Security Review Board.

An exhibit presented to the jury shows Chaib contributed \$10,000 to Blagojevich. Records show Obama received \$5,000 from Chaib on June 30, 2003, the same day that Ata donated \$5,000.

This indictment alleges that Rezko fraudulently caused General Electric Capital Corporation (GE), to extend more than \$10 million in loans to finance what Rezko portrayed as sales of two different groups of Papa John's pizza restaurants in the Chicago and Milwaukee areas.

The indictment says Rezko and his co-schemers fraudulently obtained a \$4.5 million loan from GE in March 2001 to finance the purchase of the Milwaukee pizza stores by a straw purchaser, and his company, at an inflated price, and by the submission of fraudulent documents, including false financial statements about the condition of the stores.

The government alleges that they made similar fraudulent representations to obtain another \$6 million loan in October 2001, in connection with Rezko's sale of the Chicago area pizza restaurants from Rezko Enterprises to his own company, Chicago PJ.

After closing on the loan for the Chicago stores, the loan became delinquent, and Rezko caused additional false financial information to be submitted to GE in asking for forbearance on the default, according to the indictment.

In addition to defrauding GE, prosecutors allege that Rezko defrauded investors by concealing that he was transferring the company's assets to himself and a straw purchaser.

The indictment says that as part of the scheme to defraud GE, in February 2004, Ata signed a letter on Finance Authority letterhead that falsely made it appear that Investor 1, now known to be Dr Paul Ray, had applied for financing with the IFA in connection with Ray's acquisition of the pizza restaurants.

Dr Ray was an investor in Riverside Park and contributed \$3,000 to Obama on June 30, 2003, the exact same day the contributions were made by Chaib and Ata. Ray also gave Obama \$2,000 on October 2003, on top of a donation of \$1,000 on December 31, 2002.

The letter stated that Ray's financing would be recommended for approval by the IFA Board on March 15, 2004, and that the IFA would guarantee 50% of the total \$16 million.

During the Rezko trial, Ata testified that in February 2004, he told Rezko that IFA board members were worried over the approval of financing for the Papa John's deal because there could be negative publicity due to Rezko's association with the pizza businesses

But Ata said Rezko scoffed at the concerns. "He said as far as the publicity, he will get the governor's office to approve the transaction, and as far as the board," Ata told the jury, Rezko said, "We put them there."

Rezko eventually called Ata and dictated the language of a letter that said IFA was guaranteeing half of the purchase price. But before the deal could go through, Ata brought the chairman, David Gustman, and the board's financial advisers to Rezko's

office to tell him they did not believe the financing was good for IFA. Ata said Rezko seemed to agree, but he never gave back the letter Ata wrote on Ray's behalf.

Papa John's searches for Rezko assets

Rezko's firms had started falling behind on payments to Papa John's in 2001, and Papa John's finally cancelled its franchise agreement with Rezko in the spring of 2004.

Rezko then transferred the pizza chains to companies owned by "personal friend(s) and long-time business associate(s)," to operate under trade names such as "Papa Tony's" and "Pizzeria Zia," according to a lawsuit filed in 2005 by Papa John's.

Papa John's alleges Rezko still controlled the pizza chains and the associates were merely running "front" companies under different names. The companies named in the lawsuit include AR Pizza, Chaib Investments, Newco Pizza and LayaZia. AR Pizza, Newco Pizza and LayaZia have their principal places of business at the same location as Rezko Enterprises, according to the lawsuit.

Nadhmi Auchi firm, General Mediterranean Holding, owns 50% of AR Pizza and Rezko owns 50%.

Reporters, Mike McIntire and Christopher Drew, tracked Rezko's "financial maneuverings" during the year that Rezko and Obama were entering into the real estate deal through an examination of lawsuits in state and federal courts, documents in the Board Games cases, and land records, for a report in the March 8, 2008 New York Times.

They discovered that Rezko was fighting off lenders and investors trying to collect on defaulted loans and failed business ventures the whole time. "But he side-stepped that financial dragnet by arranging for the land to be bought in his wife's name, making it the only property she owned by herself," they report.

As a result, when the Obamas bought part of the lot in January 2006, "the money they paid was beyond the reach of Mr. Rezko's creditors, including one conducting a court-ordered hunt for his assets to recover a \$3.5 million debt," the Times notes.

When buying the mansion, Obama said the lot next door had to be sold separately because, "It was already a stretch to buy the house," in the Tribune on November 1, 2006.

This is where Rita supposedly entered the picture. She would buy the lot. However, affidavits filed in the Rezko case in November 2006, show Rita could not afford it either.

Her only income was a \$37,000 a year from a part-time government job handed to her by Cook County Board President, John Stroger, when she came up with \$125,000 in cash and obtained a half a million dollar mortgage at the Mutual Bank of Harvey.

The way Obama set up the deal, the mansion and the strip of land were placed in a Land Trust with the Northern Trust Corporation. The price of the mansion was \$1.65 million, and the Obamas coughed up \$330,000 to obtain a \$1.32 million mortgage at Northern Trust Bank.

Obama claims he got the money because he pulled off a marketing coup for book sales in July 2004, when he delivered a keynote address at the Democratic National Convention and got elected to the Senate. "Because of the attention I received during Senate campaign and the convention, my book sold well," Obama told Chicago Sun-Times reporters during an interview on March 14, 2008

"I came into a sizeable amount of money that allowed us to move," he said.

Cook County land records show the deed for the lot granted to Rita was recorded on June 20, 2005, with a declared value of \$625,000. Records indicate Rita conveyed the land to Northern Trust Company Land Trust #10209, on January 11, 2006.

According to a web site for Marquette Bank's Trust Services, in Illinois a Land Trust provides shared ownership protection when real estate is owned by more than two people, and divorce, legal disability or the death of one can hinder the sale of the property.

With the establishment of a Land Trust, a judgment against one beneficiaries cannot create a lien on real estate held in trust and ordinary legal proceedings against one will not cloud the title. While the interest of a beneficiary can be subject to claims of creditors, the creditors must take additional steps to assert their claims against a property held in trust, according to Marquette site.

Obama claims he had no idea Rezko was flat-broke. During his March 14, 2008 interview, he told the Sun-Times, "I was shocked - as I think a lot of people in Chicago were shocked - to find out the difficult financial straits he was in because I don't think anybody suspected that at the time."

But the investigation by the New York Times found that between November 2002 and January 2005, at least 12 lawsuits were filed against Rezko and his businesses, including one by the GE Commercial Finance Corporation.

In fact, GE obtained a \$3.5 million judgment in November 2004, but put off collection in the first half of 2005 while negotiating for payments with Rezko, the Times reports.

When documents unsealed in the Rezko case revealed the \$3.5 million loan made to Rezko a month before the real estate deal, Auchin's lawyer said the loan was to "assist the financial position" of a pizzeria company called AR Pizza, according to a February 26, 2008, report by James Bone and Dominic Kennedy in the Times of London.

"The money transfer raises the question of whether funds from Nadhmi Auchin helped Mr Obama buy his mock Georgian mansion in Chicago," Bone and Kennedy wrote.

But Auchy's attorney told the New York Times that Rezko was supposed to use the money for his pizza business, and said, "as far as my client is aware, Mr. Rezko used the loan for its intended purpose and not for any other purpose."

However, the Times review showed Rezko did make a payment to GE a few months after he received the loan, but only for \$1 million. In October 2005, GE finally obtained a court order and began seizing even the smallest assets. As the Times explains:

"The company's lawyers filed a claim against the Rezkos' home and began issuing subpoenas to banks where Mr. Rezko had accounts, finding very little cash.

"Court records show that G.E. was due to be in court on Jan. 5, 2006, for example, obtaining an order to seize \$1,297.39 from one of Mr. Rezko's checking accounts."

"Less than a week later," the Times notes, "Mrs. Rezko sold a 10-foot-wide strip of the empty lot to Mr. Obama, for \$104,500, so he could widen his side yard."

Soon Rezko's role in the real estate deal became public, in written questions to Obama, the Sun-Times asked: "Why did you put the property in a trust?"

"I was advised that a trust holding would afford me some privacy, which was important to me as I would be commuting from Washington to Chicago, and my family would spend some part of most weeks without me," he replied in writing.

Now Obama claims he never even knew the lot was in Rita's name. During his March 14, 2008 interview, the Tribune asked him: "When Tony sold the garden lot in his wife's name, didn't that strike you as odd?"

"You know," he said, "I have no idea why he did it. I don't think he was intending to hide something, because if he was then, you know, using your wife's name, Rita Rezko, probably wouldn't have been the best way to do it."

"Did he ever explain to you what he was doing?" the Tribune asked.

"No," Obama replied, "I didn't discover it until the issue of him purchasing this lot broke through, uh, through you."

The report in the London Times asked Rita whether she used money from her husband to buy the lot and she stated: "I can't answer these questions, I'm sorry."

It also asked how long she and her husband had known Auchy, and she said: "I will not be able to answer this question."

Combine warns co-schemers not to cooperate with Feds

On his last day on the stand, Ata told the jury he finally agreed to cooperate with the Feds in April 2008, after an unnamed person delivered a threat and prosecutors once had him wear a wire to make a recording of the person who threatened him.

The prosecution's filings say Ata lied to the FBI in 2005 when he "intentionally concealed that he paid Rezko approximately \$125,000 in cash ... during 2003 and 2004 so that he could obtain a state appointment and then ensure its continuation."

Ata testified he gave Rezko the money because he wanted to keep his job at the Finance Authority. He said he delivered \$25,000 to Rezko in early 2004, because Rezko said it was needed to pay contractors to stop them from filing a lien on Blagojevich's home.

He also testified that he and Rezko once delivered \$50,000 in cash to the home of Christopher Kelly and left it in the car while they went inside. Ata said Rezko told him, "there's somebody from Downstate that's coming to pick up the money." A source told the Sun-Times the money went toward paying Kelly's gambling debts.

Ata also explained that in exchange for a 25% ownership of a real estate partnership, Rezko made a problem with a state lease disappear. After Rezko became a silent partner, he said, the problem went away.

When Rezko's attorney pressed for details about how that worked, Ata said he learned Rezko had gone to Michael Rumman to get the matter resolved, who Blagojevich appointed to lead the Department of Central Management Services.

Assistant US Attorney Hamilton asked Ata whether he ever sought to be repaid and he said he was an investor in Rezko projects and "I figured at some point in time we'd settle."

Ata told the jury he used to drop by Rezko's office after he was appointed and would see other top officials waiting to meet with Rezko. In order to keep their jobs, he said, people appointed had to follow orders and become a team player.

For instance, Ata said, he often saw Kelly King Dibble at Rezko's office, a former Rezmar employee, who became director of the Illinois Housing Authority. But when Dibble balked at hiring a Rezko relative, Ata said, Rezko passed a message to Dibble "congratulating her on her new assignment," and the new assignment was unemployment.

"It emphasized that you need to be a team player and follow the rules if you're going to be a part of the administration," Ata told the jury on May 1, 2008.

Kelly Dibble donated \$250 to Obama on June 30, 2003, \$250 on January 23, 2004, and \$250 on April 25, 2007, according to a summary of contributions by Rezko Watch.

Dibble is now an attorney with the Northern Trust Company, Obama's Land Trust holder. On September 30, 2007, Dribble donated \$1,000 to Obama presidential campaign.

Ata told prosecutors he lied to the FBI in December 2005, because he was encouraged to be a "team player" by people acting on Rezko's behalf and when he received a grand jury subpoena in late 2005, people contacted him in an effort to stop him from cooperating.

Prosecutors identified one of those people as Orlando Jones, the godson and former chief of staff to the deceased former Cook County Board President, John Stroger. Jones was a former vice president of Rezmar and an investor in Riverside Park.

Prosecutors say Jones wanted Ata to lean on another Rezko business associate to get him to stop cooperating as well. Ata told prosecutors that Jones reassured him that Rezko was working to kill the Board Games investigation by getting the Bush administration to fire Fitzgerald. "Don't worry, the plan is still in place," Jones told Ata.

Jones committed suicide in September 2007, after news of a pending indictment in a pay-to-play scheme reaching all the way to Las Vegas, was splashed all over the media. "The discovery of Jones' body came just two days after FBI agents approached Jones," FBI spokesman Frank Bochte told the Sun-Times. Jones "cordially declined" to speak with Chicago agents, he said.

A recent state audit of the Illinois State Board of Investment had also shown that Jones collected more than \$471,000 in fees from William Blair, to promote the investment firm before the Board, according to a report by Rick Pearson in the May 25, 2007 Tribune.

This Board is the oversight panel for pension systems for lawmakers, judges and state workers. The Board invested \$280 million with William Blair in 2004 and when Blair got more money, so did Jones. His referral fees would net him about \$224,000 in 2007, "his biggest payday yet," Rick Pearson estimated in the Tribune.

According to the Sun-Times, Jones had been interviewed by federal authorities a while before his death about the pension fund deals approved by the Board of Investments.

Blagojevich also appointed Allison Davis, Rezko's former slumlord partner and Obama's former boss at the Davis, Minor & Banhill law firm, to serve on the Board of Investment.

Davis is president of the Davis Group. On January 29, 2003, the group donated \$2,000 to Obama and on June 30, 2003, it made a contribution of \$6,000. Obama also received donations from the group of \$2,000 on July 7, 2004, \$2,000 on January 29, 2007, and \$2,300 on June 30, 2007, according to a tally by Rezko Watch.

Prosecutors allege that another member of this Board, Joe Carriatore made a deal with Rezko where his brother Phil Cacciatore, would get a seat on the Board for a \$50,000 contribution to the "Friends of Blagojevich," fund. Joseph Carriatore was an original investor with Rezko in Riverside Park. He donated \$1,000 to Obama on June 30, 2003.

Velma Butler was recommended for this Board, but did not get the job. She gave Obama \$1,000 on June 30, 2003, and donated \$25,000 to Blagojevich three weeks later on July 25, 2003. Butler was also an investor in Riverside Park.

Following Jones' suicide, County Commissioner Peraica told CBS channel 2 news: "Some of these matters Jones was involved in that are currently being investigated by the FBI and the U.S. Attorney's Office are reaching to the highest level of county government."

The pay-to-play scheme in Las Vegas involved a company called Crystal Communications, lead by Martello Pollock. On June 30, 2003, Pollock donated \$1,000 to Obama.

In addition to pressure from Jones, Ata says that after he met with Federal agents the first time, he got a voice-mail from Rumman saying Rumman was traveling with "our friend," meaning Rezko, asking Ata to delay the meeting with investigators.

Rumman left his \$120,900 a year position in April 2005, after "Auditor General William Holland accused CMS of wasting taxpayer money, skirting state purchasing laws and failing to document hundreds of millions of dollars in alleged savings the agency attributed to its hiring of high-priced consultants," according to the March 11, 2007 Sun-Times.

The next month, Rumman was called to testify before a Government Administration Committee and told the panel: "I was recommended to the governor by Mr. Tony Rezko," the Sun-Times reported.

Rumman also said he was partners with Rezko in Riverside Park. "Rezko seems to have a hand in everything Rod Blagojevich does with a lot of hires, apparently the contracts, and he is part of the kitchen Cabinet -- and there is absolutely no oversight," said Rep Jack Franks, chairman of the panel that heard Rumman's testimony.

Franks did not know the half of it. Following Rumman through the maze of Operation Board Games provides a map to the Combine's corruption in Iraq with contracts signed by Aiham Alsammarae, the convicted minister of electricity who escaped from a jail in Bagdad and is now living in Chicago. This is the subplot currently under investigation in Congress.

(Curtain Time For Barack Obama - Part V will be published next)

Curtain Time for Barack Obama - Part V

Monday, 19 May 2008, 11:27 am

Column: Evelyn Pringle

To understand how the Combine works in Illinois it's important to recognize that the state is divided into three levels of political clout, beginning with Chicago, Cook County and the state of Illinois, according to Chicago columnist Ray Hanania.

It's also important to remember that in December 2004, when Obama went house-hunting with his real estate fairy Tony Rezko, he did not consider the adverse effects on his presidential bid because Illinois Governor Rod Blagojevich was still the candidate.

Rezko knew the Feds were after him and even hired an attorney prior to December. During his bond hearing on January 16, 2007, the judge asked him, "when did you first become aware that you were under federal investigation?"

"Your Honor," he said, "officially we were never told; but, over a year ago, maybe two years ago."

"Okay," the judge said, "You were not told -- well, they may (not) have told you that you were a target, but you have had Mr. Duffy for a while."

"When did you first hire Mr. Duffy?" she asked.

"Two years now," Rezko replied. Duffy clarified the situation stating: "I believe it was '04, your Honor. Sometime in '04."

The "Mr I did not know candidate"

Throughout his campaign, Obama has publicly claimed he was unaware that Rezko was under investigation for influence peddling in the months leading up to the time he bought the mansion in June 2005. In fact, he will still only admit that he should have known by the time he bought part of the lot next door from Rita Rezko in January 2006.

On December 17, 2006, the Washington Post reported, "Obama said that he was unaware of Rezko's brewing troubles in 2005."

In an interview, Post reporter Peter Slevin said to Obama: "You must have been aware he was under investigation, no?"

According to the transcript posted by ABC News, Obama stated: "I wasn't particularly knowledgeable about these various issues that he was involved with, but as I've said before, there's no doubt that I should have seen some red flags in terms of me purchasing a piece of property from him."

On November 11, 2007, he was interviewed on Meet the Press. "Tony Rezko, who is he?" Tim Russert asked. "He is a developer in Illinois," Obama replied, and further explained:

"He was a friend of mine for, for over 10 years. He was, he was a supporter of Democrats and Republicans back in Illinois. He was indicted recently for issues completely unrelated to me, but obviously it's a source of concern because he's not only a friend but also a supporter of my campaign."

In addition to campaign contributions, Russert told Obama, Rezko "was always there to be very helpful to you at certain times."

He pointed out, "you bought property adjacent to each other, you bought land from him to expand your backyard."

"This was all after he had been - it had been reported he was under federal investigation," Russert said. "Why were you associating with such a person?" he asked Obama.

"The, the purchase of the land was after he—it was reported that he was under federal investigation," Obama replied.

As late as January 23, 2008, Obama appeared on the morning news shows claiming he did not know Rezko was involved in corruption with statements like:

"The facts are this. This is somebody who was active in politics in Illinois, who I knew. Nobody had any indications that he was engaging in wrong-doing."

"Nobody had an inkling that he was involved in any problems."

Two months later, during a March 14, interview with the Tribune, he was still claiming not to know Rezko was in trouble in June 2005. "When did you first realize that Tony Rezko might be involved in the kind of influence peddling that [he stands on trial for doing]?" Tribune reporters asked Obama

"I had no indication that he was doing anything illegal, and since he's on trial, I don't want to characterize what he did or did not do."

As noted previously, in the media Obama's description of his relationship with Rezko was always casual saying they had breakfast or lunch once or twice a year without deviation. But FBI mole John Thomas says he logged frequent visits to Rezko in 2004 and 2005 from both Obama and Blagojevich.

During his interview with the Times, regarding Rezko, Obama said, "I have not talked to him since he was indicted."

However, he apparently forgot to mention that three weeks after Rezko was indicted, and just two days before Blagojevich's reelection in November 2006, his wife Michelle was the special guest of honor at a charity fashion show, organized and sponsored by the wives of top members of the "Combine."

Rita Rezko with her position on the Cook County Employees Appeals Board, chaired the event and the honorary co-chairperson was Blagojevich's wife, Patti.

The show's sponsoring committee included Michael Rumman's wife, Hollie, Blagojevich's former spokeswoman, Cheryle Jackson, who became the head the Chicago Urban League, and Becky Chipparoni, whose husband, Guy, was the press secretary for then secretary of state Jim Edgar, and heads a public-relations firm which represented Rezko's businesses.

On the campaign rainmaker's day in June 2003, Guy Chipparoni gave Obama \$2,000. All total, he also threw \$11,000 into Blagojevich's campaign coffers.

Stories in the Chicago media include a trail to Rita's mortgage holder for the lot, the Mutual Bank of Harvey, and may provide clues to the mystery of how Rita and Obama were able to conceal the asset while creditors were pounding at the Rezko's door.

According to an October 26, 2006, Tribune report, since 2002, "Mutual Bank has lent more than \$3.4 million to Rezko and his partners in three deals."

In one case the Tribune found, the bank lent \$1.32 million to Rezko on several pieces of property that were deeded back and forth between Rezko partners both before and after the loan was secured. "Banking experts said such moves raise questions about who owned the property used as collateral for the loan," the Tribune wrote.

Amrish Mahajan is president of the Mutual Bank, which had requests pending before state banking regulators to acquire two out-of-state banks, according to the report.

Amrish donated \$10,000 to Blagojevich's campaigns. He also contributed \$500 to Obama on December 20, 2003, and gave him another \$1,000 on April 14, 2004. Amrish is also a supporter of Mayor Daley, who once appointed him to the Chicago Plan Commission.

The Tribune reported that, "Blagojevich's wife earned more than \$113,000 in real estate commissions this year through a woman who holds a longstanding, no-bid state contract."

The four deals involving Anita and Amrish Mahajan, account for the only commissions Patricia Blagojevich has earned this year, the Tribune noted.

Anita's company had a drug-testing contract with the Department of Children and Family Services worth about \$739,000 that year, the Tribune said. On March 9, 2007, the Sun-Times reported that prosecutors said Anita "used lucrative no-bid contracts to steal \$2.1 million from taxpayers while lying about her company's tax status."

The fraud had been going on since at least 2002 and lasted until October 2006. Mahajan was charged with six felonies, including organizing and participating in a continuing financial crimes enterprise, with the most serious charge carry penalties of up to 30 years in prison, the Times said.

As discussed previously, the Rezko case is the first of many set for trial but Operation Board Games is not the Rezko case. Many of the co-schemers have already pleaded guilty and will be heading to prison after cooperating in exchange for a reduced sentence. Because these defendants avoided public trials, there are no day-to-day reports with names splashed all over the media describing their participation in the schemes.

Several individuals have been charged with crimes unrelated to Rezko's case and are awaiting trials of their own. Others have not been indicted - yet. "Public Official," Blagojevich will likely be an indictee soon.

The other "political candidate" identified as receiving cash

In January 2005, the same month Obama was sworn into the US Senate, an election funded by the same Combine members who contributed to Blagojevich, he submitted bids for a \$2 million mansion at a time when the Chicago media was broadcasting the fact that the investigations into Blagojevich's contributions and influence peddling were escalating.

On January 8, 2005, the Sun-Time broke the story that Blagojevich's father-in-law, city Alderman Richard Mell, said he had been displaced within Blagojevich's political circle by Christopher Kelly, who "trades appointments to commissions for checks for \$50,000" to the governor's political fund. The report also noted that Kelly's sister "landed a \$91,000-a-year state job under Blagojevich."

When asked for details, Mell told the Tribune on January 12, 2005, he was basing his charges on articles in the Tribune in November 2004. For those articles, the Tribune examined donations by appointees after discovering that two members of the "scandal-plagued Illinois Health Facilities Planning Board" were connected to \$25,000 donations to Blagojevich within weeks of their appointments. In the review, the Tribune looked at contributions by the appointees or companies they owned or controlled, and reported:

"The analysis found that \$1.1 million of the donations--the bulk of the money donated to Blagojevich's campaign from appointees--arrived after the 2002 gubernatorial election. It also identified 25 appointees who donated at least \$25,000 to Blagojevich's campaign individually or through their companies."

The Chicago media did not report the contributions made to Obama's US senate campaign by the Planning Board appointees even though Obama was the inside guy in the Illinois senate who pushed the legislation through that made it possible for the pay-to-play scheme to be set up with the Planning Board and recommended the approval of the appointees.

On January 14, 2005, the Sun-Times reported that the "explosive accusation" that top jobs may be for sale took a dramatic turn "when Attorney General Lisa Madigan and Cook County State's Attorney Richard Devine announced a joint investigation into the matter."

Madigan's office requested from Blagojevich, "a roster of all appointees he has named to the dozens of state boards and commissions" under his control since taking office. Also sought, the Times said, "were the names, job titles and agencies of all other state employees that have been hired "in any capacity under the jurisdiction of the governor" since January 2003."

Bid-rigging at O'Hare Airport by Obama contributors

Headlines in the Chicago media between December 2004 and January 2006, about the co-schemers partnering with Rezko in fast food businesses provide a trail of proof that Obama had full knowledge of the investigation into influence peddling in the awarding of lucrative contracts at the Illinois Tollway.

On January 14, 2005 the Sun-Times pointed out that Christopher Kelly "runs a roofing venture that has received multimillion-dollar city contracts for work at O'Hare and Midway airports, and he has donated and loaned hundreds of thousands of dollars to Blagojevich's campaign."

As far back as May 28, 2004, the Times noted that Kelly had business ties with Rezko, in a "group of more than 80" Midwestern Panda Express restaurants, a venture headed by Rezko and Andrew Cherng. On February 13, 2005, the Tribune reported:

"The Subway sandwich shops and Panda Express Asian restaurants now being installed in the tollway's seven revamped rest stops are controlled by firms with strong ties to the food-service empire," of Tony Rezko, "a Blagojevich confidant who has seeded the governor's cabinet with former business underlings,"

Kelly, who also recommended the Tollway's executive director for his job, "is an investor in at least one Rezko-controlled food firm," the Tribune noted. Kelly is an investor in Rezko Concessions, Rezko's portion of the joint venture with Panda Express. Chaib is a director of Rezko Concessions. The Tribune also explained:

"The \$83 million oases overhaul is being overseen by Los Angeles-based developer Wilton Partners, whose owner delivered a \$50,000 personal check to the Blagojevich

campaign just weeks after the governor announced with great fanfare the launch of the work."

Blagojevich received the \$50,000 on July 25, 2003. Not mentioned is the fact that Wilton donated \$5,000 to Obama's campaign on July 16, 2003.

Under the Tollway contract, "Exxon/Mobile and Wilton are investing \$94 million and will then get to run the businesses at the stops along the tollways," according to the April 4, 2004 State Journal Register.

In addition to doling out campaign cash, in January 2004, Wilton Partners bankrolled a Blagojevich fundraising trip in California. "Wilton Partners ... provided the governor's entourage with \$33,000 worth of transportation and \$1,841 for meals and entertainment at the Four Seasons Hotel Los Angeles," the Register reported. Rezko himself spent nearly \$45,000 on transportation, meals, lodging and entertainment, the Tribune reported.

Documents obtained by the Tribune show the Subway franchises are owned by a company run by Chaib. In addition to his ties to Rezko, the Tribune notes, Chaib donated \$10,000 to the Blagojevich campaign fund run by Kelly. "With Kelly as chairman, Blagojevich's campaign operation has raised more than \$37 million in a little over four years."

But here again, Chaib's \$5,000 donation to Obama US senate fund on June 30, 2003 is not mentioned.

Philip Mesi, the president of Subway Development Corp, also gave Obama \$2,000 on the red-letter day of June 30. He also threw him \$10,000 six months later on December 31, 2003, and gave another \$1,000 on June 10, 2005.

Roughly four months before Obama bought the 10-feet of land, the October 5, 2005 Sun-Times reported that at least one official hired by Blagojevich's administration wore a wire as part of the "ongoing investigation of the governor's hiring practices," and noted that "three rounds of federal subpoenas" had been delivered to his administration.

Also in October 2005, news came that the Feds had subpoenaed records from all Tollway vendors with connections to Rezko. And finally, less than 2 weeks before the lot deal was sealed, on December 31, 2005, the Tribune reported that prosecutors had "opened a new avenue" in their investigation of pay-to-play politics in "subpoenaing the tollway authority for information about oases contracts with links to key political insiders."

The subpoena sought records related to contracts with Subway, Panda Express and other oases vendors, the Associated Press said, and among the subpoenaed records were contracts with companies tied "to political fundraiser Antoin "Tony" Rezko, oases Subways owned by Rezko associate Abdelhamid Chaib."

In addition to the food service contracts, the Tribune noted, “the subpoena also seeks records involving information about Los Angeles-based developer Wilton Partners.”

The subpoena also sought lease agreements and correspondence involving Rezko, Subway, Panda Express, Famiglia DeBartolo Leasing Group, and DB Pizza, tollway officials told the Tribune.

Abdelhamid Chaib is a co-schemer in the Board Game case related to fraudulent loans obtained from General Electric Corp and the sale of the Papa John's pizza restaurants.

Minority owned business rackets fund Obama

The uproar in the media over the rigging of contracts meant to be awarded to minority owned companies in the set-aside program, involving Rezko's Panda Express restaurants at O'Hare also began in January 2005, the same month that Obama and Rezko were bidding on the mansion and lot.

In order to receive certification as a minority owned business, companies are required to be owned and operated by Hispanics, African-Americans or women. They are also required to report any changes in the ownership or operation of the company.

On a state level, Blagojevich appointed Jack Lavin director of the Department of Commerce and Economic Opportunity. The DCEO administers “programs and services designed to help Illinois businesses thrive,” according to its web site. The site also states:

“This includes a strong emphasis on programs designed to provide small businesses -- particularly minority and female entrepreneurs -- with the resources they need to succeed and grow their business opportunities.”

Lavin is a former CFO of Rezko Enterprises, a company described as, “a \$100 million firm that operates more than 150 Panda Express and Papa John's Pizza outlets, primarily in the Midwest,” on the DCEO's web site in April 2004, according to the Journal-Register.

As noted earlier in this series, Lavin sent a letter urging approval of Mercy's new hospital in the Planning Board pay-to-play scheme. Lavin gave Obama \$500 on March 4, 2005.

On January 18, 2005 the Tribune reported, “City officials insist they are taking steps to eliminate wrongdoing in the set-aside program, including imposing a new requirement mandating that firms certified as female- or minority-owned before 2003 to undergo new scrutiny by applying for recertification in 2005.”

The Tribune quoted Senator Obama as stating: "In any program like this, there are going to be people with clout who seek to take advantage of it and, if we don't scrutinize it

carefully and if there is not good, strong independent oversight, then potentially it is subject to abuse."

"The objective of affirmative action," he said, "is to open up doors to people who don't have opportunity."

Two months after Obama made these profound comments, on March 17, 2005, the Sun-Times reported that two restaurants at O'Hare "have been allowed to rake in millions of dollars, even though the Daley administration learned back in 2002 that the company running them was probably a phony minority "front" for Panda Express," and Tony Rezko.

A company called, Crucial Inc, won the 10-year O'Hare contract in 1997, while certified as a minority-owned, with its largest shareholder listed as Jabir Herbert Muhammad, son of the late Nation of Islam founder, Elijah Muhammad.

With the contract, Crucial's revenues skyrocketed from under \$200,000 each year before opening at O'Hare, to nearly \$6 million in 2002, according to published reports. Crucial earned nearly \$16 million in its first four years at the airport, the Sun-Times found.

According to the Sun-Times, a compliance officer had inspected Crucial in 2002 and was told by Muhammad that he was not running the operations of the restaurants as required.

"Everything is done by Panda Express," certification officer Robert Cunniff concluded in a July 31, 2002, report obtained by the Times. "Muhammad said that he was used to get Panda in the airport."

Crucial "seems to be a front for minority business enterprise status for Panda Express," Cunniff wrote, noting that Crucial appeared to be operating out of an office for "Rezko Panda Express."

When it came to managing Crucial's office, Muhammad said the work was done by Chaib, a Rezko associate who won a Subway franchise deal at Tollway oases, the Times noted.

Even though the compliance officer's report was submitted in 2002, the Daley's administration took no action until March 2005, according to the Times.

Crucial got its start through a deal with the city of Chicago. "With the blessing of Chicago Mayor Daley, Rezko's restaurant ventures included several exclusive franchises along the city's beachfronts, on Chicago Park District property," according to a report by Chicago columnist Ray Hanania.

It was through Crucial that Rezko met his partner in the Rezmar development company, Daniel Mahru. Mahru was the CEO of Automatic Ice, which sold ice to Crucial. By 1998,

Rezko had a net worth of \$34 million and Mahru over \$14 million, according to the Sun-Times. Mahru has been cooperating in the Board Games investigation since 2005.

Campaign funds pour in from Cook County racket

In addition to Crucial Inc, another company certified as a minority owned, Crucial Communications, was also found to be a Rezko front company. This firm was chosen as a subcontractor by SBC Communications, which won a no-bid \$10 million contract in 2003, to handle the pay-phone system at the Cook County jail and other county facilities.

At the time this contract was awarded, SBC was led by "Combine" member, Bill Daley, Mayor Daley's brother, according to a report in the April 4, 2005 Daily Southtown. Bill is now an advisor to Obama and a member of his campaign finance committee.

The Times found that Crucial's lone customer was Cook County, and the six employees listed included Rezko's brother, Aboud Rezko, Muhammad, Mrs Muhammad, and Bernice Hatchett-Polk, none with expertise in maintaining pay phones.

On December 31, 2002, Hatchette-Polk, contributed \$1,000 to Obama. Aboud Rezko also donated \$1,500 the same day. Tony Rezko made a donation of \$1,500 the same day and Rita also contributed \$1,000.

An African American women, Delores Wade, who was at the time listed as CEO on records certifying Crucial as a minority owned business, also gave Obama \$1,500 on December 31.

Three months later, on March 31, 2003, Hatchette-Polk donated \$500 to Obama, Aboud gave \$500, and Tony and Rita each made a \$500 contribution the same day.

On June 30, 2003, Crucial CEO, Wade, made another \$1,000 contribution and on October 10, 2003, Tony Rezko made a \$10,000 donation.

When Crucial got the \$1.3 million contract as a subcontractor for SBC, it was supposed to be run by Wade. However, on March 26, 2005, the Tribune reported that Wade had died over a year ago on January 23, 2004, and Muhammad had been too ill to run the company for three years.

"In their recertification documents in September 2004, they did not indicate that there was any change in the ownership or management," a Cook County spokeswoman told the Daily Southtown.

But on May 5, 2005, the Times reported that the woman who notarized Crucial's latest recertification for minority-owned status, Gwendolyn Duncan, was John Stroger's secretary and was paid \$72,000 to be his administrative assistant.

When county commissioners tried to find out exactly how this racket got set up, Stroger said SBC chose Crucial to be the subcontractor, and the SBC spokesman said SBC chose Crucial from a list of certified minority-owned companies provided by Cook County.

On March 15, 2005, the Times pointed out that in addition to being a major fund-raiser and adviser for Blagojevich, Rezko had been a big supporter of Mayor Daley, his brother, John Daley, John Stroger, and Senator Barack Obama.

According to the report, Rezko's development company, Rezmar, had given \$1,000 to Mayor Daley's campaign, and \$5,000 to John Daley, a Cook County Commissioner who now serves as Finance Chairman of the Cook County Board.

At that time, there were also six Rezkos on Cook County payrolls, the Times noted. The Times also found that in the past, Crucial Communications, Crucial Inc, and the Crucial Group, a company owned by Orlando Jones, were all listed with addresses at the same building as Rezko's businesses.

However, not to be deterred by something as common as exposure of Combine corruption in the media, the next month, Stroger selected Rezko as one of the honorary chairs of his campaign fund, according to the April 8, 2005 Tribune. Stroger defended Rezko as a "hard-working, legitimate businessman" who had supported his political efforts for years.

"As far as I'm concerned," Stroger told the Tribune, "he's been a super supporter and he's never done anything that I thought was improper, that seemed improper." All total, Rezko had given Stroger \$148,300, according to the April 23, 2007 Sun-Times.

Stroger died in January 2008, and like his godson and former chief of staff, Orlando Jones, who committed suicide in September 2007, as news came of his pending indictment, escaped any direct scrutiny of his participation in the schemes uncovered by Board Games.

However, Jabir Muhammad is very ill but still alive, and he apparently regrets the day he got involved with the "legitimate businessman," and allowed Crucial companies to be used as fronts for the Combine's fortune-making for more reasons than one.

Muhammad and his wife have filed a lawsuit against Rezko, and co-schemer in the GE-pizza case, Dr Paul Ray, who is also the chief urologist at Cook County's Stroger Hospital, alleging they bilked the couple out of their home through a land trust. According to a March 23, 2008, Sun-Times report:

"The Muhammads say Rezko persuaded them to put the home into a land trust when Jabir Muhammad was extremely ill in the 1990s. They say they had no idea Rezko intended to seize it from them."

"Ray now has clear title to Muhammad's house," the Times reports.

Ray is a co-schemer with Rezko and Abdelhamid Chaib in the GE and Papa John's case.

Minority owned business racket headed for Washington

The "Combine" already has a plan in place to set up the minority-owned business racket in cities all across the country to be run through a new "White House Office of Urban Policy," detailed in, "Barack Obama's Plan to Fight Poverty in America."

In a speech in April 2007, Obama said: "Less than one percent of the \$250 billion in venture capital that's invested each year goes to minority businesses that are trying to breathe life into our cities."

"This has to change," he stated.

"When I'm President," Obama said, "I'll make sure that every community has the access to the capital and resources it needs to create a stronger business climate by providing more loans to small businesses and setting up the financial institutions that can help get them started."

Under a plan no doubt developed by the fine-tuners of the Chicago racket probably for Blagojevich: "Obama will provide additional resources to the federal Community Development Financial Institution Fund, the Small Business Administration and other federal agencies, especially to their local branch offices, to address the needs identified by the Director of Urban Policy."

With this plan in place, Rezko's appointment as Director was a given. If the Combine's plot to get rid of Patrick Fitzgerald and shut down Board Games had worked, Rezko would have landed an office right smack in the middle of the White House.

(Curtain Time For Barack Obama - Part VI will be next)

Final Chapter - Curtain Time for Barack Obama

Saturday, 24 May 2008, 6:38 pm
Column: Evelyn Pringle

The first case of many to go to trial resulting from the Operation Board Game investigation is being referred to as the "biggest political corruption trial" since former Illinois Governor George Ryan's trial two years ago, in the Chicago media.

In this case, the Syrian-born immigrant, Tony Rezko, is facing 24 total counts of wire and mail fraud, aiding and abetting a solicitation of bribery, money laundering and attempted extortion. Rezko supported Republican George Ryan in his campaign for Governor.

The former Governor began serving a 6-year-plus prison sentence in November 2007, for charges that included racketeering, bribery, extortion, money laundering and tax fraud. On April 17, 2006, US attorney, Patrick Fitzgerald, told the New York Times the verdict was gratifying but the widespread corruption was "disturbing."

"Mr. Ryan steered contracts worth millions of dollars to friends and took payments and vacations in return," Fitzgerald said. "When he was a sitting governor, he lied to the FBI about this conduct and then he went out and did it again."

In 2002, Rezko backed Rod Blagojevich for Governor. Back on January 12, 2005, the Chicago Tribune reported that Blagojevich had collected more than \$36.4 million in donations in four years. By comparison, it took former Governor Ryan, "once considered a powerful fundraiser, 30 years in public life to raise \$40 million," the report said.

Until Ryan left, Republicans held the governor's office for nearly 30 years. Democrat Blagojevich took office in January 2003, and between then and when the same US attorney, Patrick Fitzgerald, intervened on May 20, 2004, a plan was put in place to bilk roughly \$8 million from persons and firms seeking to do business with the state of Illinois.

As discussed previously in this series, Governor Blagojevich was supposed to be the presidential candidate in 2008, not Obama.

In her opening statement in the Rezko trial on March 6, 2008, Assistant US attorney, Carrie Hamilton, pointed out that thousands of teachers and hospital patients across the state could have been harmed by the rigging of decisions of state boards that invested teacher pension funds and approved hospital expansion projects.

The trial ended May 13, 2008 and the jury is deliberating. Assistant US Attorney, Reid Schar, delivered the closing argument for the government. Attorney, Joseph Duffy, argued on behalf of Rezko, and Assistant US Attorney Christopher Niewoehner delivered the rebuttal.

The leader of the Board Game investigation, Fitzgerald, sat in court in the front row listening as Schar recounted testimony from witness, Ali Ata, who said Rezko told him, "Do not cooperate with the government, don't worry, the top federal prosecutor, Patrick Fitzgerald, will be replaced."

Ata entered a guilty plea in another Rezko fraud case a week before the trial was set to end and agreed to testify as part of a plea agreement. During his testimony, Ata told the jury he spoke with Rezko as late as 2006, and Rezko told him "the plan will turn out just fine once the new U.S. Attorney gets into office."

"This is a crime that involves the highest levels of power in Illinois," Assistant US attorney, Niewoehner told the jury in closing arguments.

This was a crime that had an impact on where hospitals would be built and where billions in retirement money for the state's teachers would be placed, the prosecutor said.

This case "is about the defendant's, Tony Rezko's, corrupt use of his power and influence to benefit himself and his friends over the people of Illinois," Assistant US attorney, Schar told the jury.

Rezko was an insider who schemed to corrupt public officials for personal gain, he said. Throughout the trial, prosecutors referred to public "officials," as plural.

Schar said Rezko's ability to raise funds for Blagojevich bought him "access and clout" which he used to launch his scheme. Rezko was just one player, albeit an important one, in a network of corruption deeply rooted in Springfield and Chicago, according to Schar.

"He became part of a corrupt ring of individuals — a corrupt scheme that existed in the State of Illinois," Schar said. "He joined the corrupt scheme, he acted in furtherance of it and he did it for money."

There was no mystery about how Rezko gained control over the Teacher's Retirement System board and the Health Facilities Planning Board to pressure companies and individuals hoping to get state business for kickbacks, Schar told the jury.

"The answer to that question is access and clout and it stems from Rezko's ability to raise a lot of money," Schar said. "He is one of the top fundraisers for Gov. Rod Blagojevich," he noted.

Rezko gained power over the Planning Board by stacking it with members whose vote he could control, Schar said. The chairman was reappointed after delivering a \$1,000

contribution to Rezko for Blagojevich and two others contributed \$25,000 before getting appointed.

Rezko could not set up the schemes

Tony Rezko is a private citizen. Therefore, the evidence presented in the trial focused on his influence over officials in getting members appointed to the Boards. Prosecutors did not discuss how the legislation got passed that enabled the Planning Board to be set up in a way that allowed for the appointment of members to rig the votes to begin with.

That part of the scheme will likely be detailed in future indictments, probably starting with Blagojevich. Blagojevich signed the Illinois Health Facilities Planning Act with an effective date of June 27, 2003. However, before he could sign the act, a bill had to be passed by the Illinois House and Senate. As discussed fully in Curtain Time Part II, Obama was the inside guy in the senate who pushed through the legislation that resulted in the Act.

Obama was appointed chairman of the Senate Health and Human Services Committee. The minute the bill was introduced, it was referred to his committee for review. The sponsors of the bill also served on this committee with Obama. Within a month, Chairman Obama sent word to the full senate that the legislation should be passed.

On May 31, 2003, Senate Bill 1332 passed and specified that the "Board shall be appointed by the Governor, with the advice and consent of the Senate." The legislation reduced the number of members from 15 to 9, paving the way for the appointment of a five-bloc majority to rig the votes.

The corrupt members appointed included three doctors who contributed to Obama. Michel Malek gave Obama \$10,000 on June 30, 2003 and donated \$25,000 to Blagojevich on July 25, 2003. Malek also gave Obama another \$500 in September 2003.

Fortune Massuda donated \$25,000 to Blagojevich on July 25, 2003, and gave a total of \$2,000 to Obama on different dates. After he was appointed, Dr Imad Almanaseer contributed a total of \$3,000 to Obama. Almanaseer did not give money to Blagojevich.

When the first pay-to-play scheme was put in play, and the application for approval of a new hospital was submitted, the Department of Human Services, along with four other Illinois agencies, sent recommendations that the project should be approved even though experts said the hospital was not needed.

During the trial, Rezko's attorney presented an email exchange to the jury that hinted at Obama's role in setting up the scheme. The exchange showed that Obama and seven other top Illinois politicians consulted on the legislation passed in 2003 and were involved in recommending the members for the board.

Matthew Pickering wrote the memo to Blagojevich's general counsel, Susan Lichtenstein, on behalf of David Wilhelm, a former chairman of the Democratic National Committee, who headed Blagojevich's 2002 campaign for governor.

Pickering said he and Wilhelm had "worked closely" over six months with state legislators. The memo recommended the appointees listed above and stated, "our attached recommendations reflect that involvement" with the political leaders.

The persons appointed to rig the votes, including those who contributed to Blagojevich and Obama, are cooperating in exchange for immunity or lighter prison sentences.

Feds shut down pay-to-play schemes

Only two pay-to-play schemes succeeded before the Feds swooped in and shut them all down. Blagojevich did not receive the \$1.5 million from the Planning Board deal because the hospital was never built.

But Obama received \$20,000 from the first kickback paid in the pension fund scheme and the straw donors used to funnel the \$10,000 payments, Elie Maloof and Joseph Aramanda, also made \$1,000 contributions to Obama's failed run for Congress in 2000.

In addition, Aramanda gave \$500 to Obama's senate campaign on June 30, 2003. In the summer of 2005, Aramanda's son landed an intern position in Obama's Washington office.

Obama also received contributions for his senate campaign from the two persons appointed to rig the vote on the pension fund board. On June 30, 2003, Jack Carriglio contributed \$1,000, and the other appointee, Anthony Abboud, donated \$500 on June 30, 2003, \$250 on March 5, 2004, and \$1,000 on June 25, 2004.

The person chosen to funnel the kickback in a future scheme, Michael Winter, donated \$3,000 to Obama on June 30, 2003.

All these people are also cooperating in exchange for immunity or lesser prison sentences but prosecutors pointed out during closing arguments that people who entered into agreements with the government are required to tell the truth or all deals are off.

Obama's political Godfather

During the Rezko trial the jury saw an exhibit that credited Rezko with raising \$1.44 million for Blagojevich.

In his closing argument, Rezko's attorney, Joe Duffy, told the jury: "The evidence shows Rezko spent more time in 2003-2004 fundraising for St Jude's Children's Hospital, George W Bush and Barack Obama, then he did for Illinois Governor Rod Blagojevich."

During his opening statement in the trial, Duffy also pointed out that Rezko had raised money for many politicians and specifically named Obama.

The fact is, in addition to being his real estate fairy for the \$2 million mansion, Rezko is Obama's political Godfather. His career in politics was launched on July 31, 1995, with contributions of \$2,000 from Rezko for the Illinois senate campaign. Obama only raised about \$100,000 for that race, with roughly \$15,000 coming from Rezko.

After Rezko was indicted in October 2006, Obama claimed Rezko only raised \$50,000 or \$60,000 over his political career. This is the story he gave in the media for more than a year. But the total amount revealed during interviews with the Chicago Sun-Times and Tribune on March 14, 2008, added up to a quarter million.

Several of the people who led Obama's corrupt finance committee for the US senate race with Rezko, and collected all the contributions from the people involved in the pay-to-pay schemes, are now running the show for his presidential campaign.

For reasons discussed in Parts I through V of Curtain Time, Obama's downfall will be what he claims was a "boneheaded" mistake in entering into real estate deal with Rezko in June 2005, less than a month after Rezko received a \$3.5 million loan from the Iraqi-born billionaire, Nadhmi Auchi, who ended up with Riverside Park, a \$2.5 billion 62-acre development project in Chicago.

However, judging from the indictments in Board Games unsealed so far, Obama's legal culpability at this point anyways, stems from his involvement in setting up and receiving money from the pay-to-play schemes.

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