



“Chicago Is Like Afghanistan”: Ken Griffin Is Moving Citadel To Miami, Leaving Chicago Crime Cesspool Behind

Description

USA: Ken Griffin has had it with the Chicago crime cesspool.

The billionaire is moving Citadel’s headquarters to Miami, the third major employer after Boeing and Caterpillar to announce the move of a corporate headquarters from Illinois in the past two months after the trading titan decried the city’s crime rate and voiced frustrations with political leadership in Illinois.

In a letter to employees sent on Thursday, Griffin said he had personally moved to Florida and that his market-making business, Citadel Securities, would also transfer. He wrote he views Florida as a better corporate environment and though **he didn’t specifically cite crime as a factor, company officials said it was a consideration**, the WSJ reported. Which reminds us: **where is the Netflix special on inner city black-on-black crime in general, and Chicago’s weekly murder spree in particular?** Oh, it’s not there... what a shocker.

The relocation will affect both hedge fund Citadel and Citadel Securities, the market making business, firm spokesman Zia Ahmed said Thursday according to Bloomberg, and marks the first step in a multi-year process that will involve the firm building a new office in Miami, which will serve as its global headquarters, and where a few hundred people will be based as soon as next year.

“Chicago will continue to be important to the future of Citadel, as many of our colleagues have deep ties to Illinois,” Griffin wrote, before explaining that the ties will not be that deep. “Over the past year, however, many of our Chicago teams have asked to relocate to Miami, New York and our other offices around the world.”

Griffin, 53, said just last month that he was reaching a tipping point with Chicago. The hedge fund and market maker, both of which he founded, combined employ more than 1,000 people in the city and pay hundreds of millions in taxes to liberal mecca that will now find itself in even more dire financial straits.

Griffin – with an estimated worth of \$28.9 billion – is **the wealthiest resident of Illinois and is among the world’s top 50 wealthiest**, so his departure and that of his hedge fund will hurt state tax

collections on both the individual and corporate side. It will also be a blow to Chicago's philanthropic scene, where Griffin has given more than \$600 million in gifts to educational, cultural, medical and civic organizations in the area.

The Citadel founder and Illinois Democratic Gov. J.B. Pritzker, an heir to the Hyatt hotel fortune and the brother of former U.S. Commerce Secretary Penny Pritzker, have had a running feud in recent years, lately over rising violence in Chicago.

In an April interview with the Journal, Griffin suggested he might move his operations out of Illinois because of a rising crime rate and incidents involving employees in the state's largest city. Data from the Chicago Police Department show that through June 19, murders are down 11% when compared with the same period a year earlier, while thefts are up 65%, motor vehicle thefts are up 40% and burglaries are up 31%.

"If people aren't safe here, they're not going to live here," he said then. "I've had multiple colleagues mugged at gunpoint. I've had a colleague stabbed on the way to work. Countless issues of burglary. I mean, that's a really difficult backdrop with which to draw talent to your city from."

Back in October 2021 Griffin revealed that "Chicago is like Afghanistan, on a good day, and that's a problem." He also said that he saw "25 bullet shots in the glass window of the retail space" in the building he lives in.

"It just tells you, like, how deep crime runs in this city. There is nowhere, where you can feel safe today walking home at 9:30 at night and you worry about your kids coming to and from school."

Caterpillar said earlier this month it was moving from its longtime Illinois base to Texas. Manufacturers have increasingly turned to the Southwest as a destination for new factories, drawn by available space, appealing tax policies and an expanding technology workforce. In May, Boeing said it was moving its headquarters from Chicago to Arlington, Va., in order to be closer to top federal officials.

As the WSJ reminds us, Citadel Securities has had a presence in Florida since March 2020, when employees started working from a high-end hotel there at the start of the Covid-19 pandemic. In his note to employees, Griffin said the new headquarters would be on Brickell Bay, "in the heart of Miami's booming financial district."

The decision makes Citadel the latest investment firm to move its headquarters or to open an office in a more tax-friendly jurisdiction during the pandemic, as quality-of-life factors took on new importance. D1 Capital Partners and Elliott Management are among the firms that now have a presence in Florida, making it a new satellite of New York and Connecticut for the hedge-fund industry.

Griffin has donated \$50 million ahead of Tuesday's Illinois primary to the campaign of Richard Irvin, a suburban Chicago mayor running for the Republican nomination for governor. He is also a major donor to efforts nationwide to try to help the GOP gain control of Congress in November.

by Tyler Durden

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