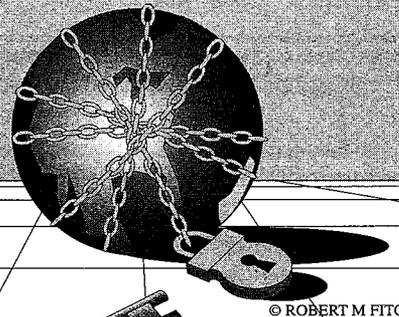


GROUND SWELL

A BI-MONTHLY PUBLICATION OF
COMMON GROUND-USA



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AUGUST-SEPTEMBER 2017 / \$3.00

VOLUME 30, No. 5

REBUILDING AMERICA'S CITIES WHEN LAND TAXES AREN'T AVAILABLE

by John Kelly, Peoria, IL



(The following presentation was made July 30, 2017 at the Council of Georgist Organizations conference in O'Fallon, IL.)

First of all, I'd like to thank Dan Sullivan, as well as the rest of the conference committee, especially the conference stalwarts, Sue and Scott Walton, for inviting – drafting me to speak here today. I haven't been the best of conference attendees, pretty much sticking to the gatherings that are somewhat close to my hometown of Peoria, only about one hundred fifty miles north of here.

But don't get me wrong – I'm very happy to be here. And I'm very excited about my topic, Rebuilding America's Cities When Land Taxes Aren't Available. I'm excited because we are working on some of these solutions in Peoria. And as a native Peoria cheerleader, and as a Georgist, I'm pretty sure that most if not all of these solutions will work very well.

Last spring I ran for City Council in Peoria. While I came in first in our February primary, I lost in the April general election. I think my loss in the general was at least partially due to the fact that my ideas, which were quite different than those of the other candidates, may have been viewed as too different or wonkish by the electorate.

I also wrote a book, *The Other Law of Moses*, which, like this talk, is inspired by Henry George, but which does not touch on too much of what this talk's about. I just thought I'd plug it. It's a wonderful book and it's available on the Schalkenbach book table. But let's get back to the topic at hand.

The ideas I put forward in the campaign were, by my definition, Georgist. When I say "by my definition" I mean that even though they don't involve a land tax or a graded tax, neither of which are legal in Illinois, they *do* involve the removal of barriers to labor and capital, the other two legs of what I consider to be the Georgist stool.

The campaign had a website which featured well-produced videos of the main campaign points. It's still up, take a look at johnkellyforcouncil.com.

We had a number of contested races in our election. I was running for an at-large council seat. But we also had races for mayor and for some of the district council seats. So, at the many candidate forums around the city, all of the candidates in contested races heard me, time after time, question after question. As the campaigns approached the finish line, many of the other candidates said they were intrigued by my answers and wanted to talk to me after the election. This has happened. Many of us have met.

It happened because these other candidates, having been exposed to these ideas and proposals so many times at so many diverse venues, began to understand them and find them attractive. We all emphasized economic growth, but unlike the other campaigns, mine had specific public policy proposals to *promote* growth. These are what the other candidates became interested in.

My ideas did not directly address land taxes – we can't do that in Illinois. That leaves labor and capital. But cities in Illinois cannot levy local taxes on labor. Nor do they have much of an ability to *regulate* labor. So, that well was pretty dry. But we have many taxes and barriers to Capital, so that's what I concentrated on. At almost every forum I said that Peoria's economic climate was hostile to capital, both existing and potential. I said that we came by these policies honestly, in that we copied them from other older northern cities, and that the policies didn't work in those cities and that they didn't work in Peoria either. (continued on page 4)