

New York yellow cab drivers block bridges to demand debt relief

By Shuvu Batta
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In the late morning and early afternoon Thursday, caravans of taxis blocked the Brooklyn Bridge and Queensboro Bridge in New York City, bringing traffic to a halt on two of the major entrances to Manhattan. Taxi drivers staged the protest to demand a lightening of their immense debt burdens.

The impact of the COVID-19 pandemic has deepened the financial catastrophe facing these drivers. As of June, 75 percent of drivers were off the job due to a lack of demand for taxis. Since then, ridership has remained low, with business districts still nearly empty, many Manhattan residents departing for other locales and tourism non-existent.

Yellow cab drivers in New York City operate under a system based on medallions, expensive vehicle permits, which had also served as a means for financial speculation. The cost of a medallion had grown to \$1.3 million in 2014, before dropping precipitously with the explosion of rideshare services in the city. Medallions now go for under \$100,000.

Across the industry, drivers are locked into massive loans, with no way to generate enough income to pay off their debt. Tragically, this has led to a wave of suicides. One case was that of Doug Shifter, a 61-year-old limousine driver who wrote in a Facebook post shortly before his suicide, “I worked 100-120 consecutive hours almost every week for the past fourteen-plus years. When the industry started in 1981, I averaged 40-50 hours. I cannot survive any longer with working 120 hours!...This is SLAVERY NOW. ... I don’t know how else to try to make a difference other than a public display of a most private affair.”

The pandemic has worsened an already dire situation, leaving drivers wholly reliant on government support to pay off their loans and meet living expenses. On July 25, the \$600 weekly supplement to unemployment

benefits from the federal government ended, putting drivers in an impossible situation.

Bill de Blasio, New York’s Democratic mayor, had early on indicated that his administration would do nothing to help workers unable to pay their bills. “Before this pandemic, we were dealing with a really profound problem for yellow-cab drivers, green cab drivers, for-hire vehicles, everyone had gone through so much...Everything got stopped because of the coronavirus and obviously we, the city of New York, do not have resources for any kind of direct bailout,” he said in a morning press conference in late June.

The New York Taxi Workers Alliance (NYTWA), which covers over 21,000 taxi and rideshare drivers, including Uber and Lyft drivers in New York City, launched the protest action to continue their “Medallion Debt Forgiveness Campaign” that started July 5. Facing growing militancy and a determination to fight on the part of rank-and-file drivers, the union is attempting to divert this energy towards “pressuring” the city and Congress to restructure the drivers’ debts.

The parasites responsible for the unbearable debt burdens of drivers are the financial oligarchy, who have made a fortune off of restructuring the transportation industry by the super exploitation of rideshare drivers. They are also moving to extract whatever profits they can from the collapsing yellow cab sector.

Marblegate Asset Management became the largest holder of taxi loans in February of this year, purchasing 3,500 medallion loans for \$350 million at an auction. Despite a raging pandemic that has killed over 200,000 US residents and crippled the world economy, the finance firm has required at least 2,000 medallions owners to pay \$1,500 per month on their debt. The firm, alongside the entire capitalist class, has the full backing of local, state and federal governments, staffed

by Democratic Party and Republican Party politicians that are loyal to their interests.

Deeply concerned with the rising fighting spirit of the working class, more than 150 leaders of New York City's corporate and financial chiefs sent a letter to Mayor de Blasio last Thursday, insisting on ruthless measures to defend the interests of big business.

The protest action by yellow cab drivers is occurring in the context of growing militancy in the working class. Massive opposition has emerged among educators to the reckless reopening of schools, including in New York City, where the mayor has twice delayed the start of in-person classes. Workers at universities have gone on strike in Michigan and Illinois. Rank-and-file safety committees of autoworkers, teachers and other workers have formed over the past few months to organize a fight for safe working conditions.

Instead of pushing to broaden the struggle of yellow cab drivers, the NYTWA has isolated these workers. The union has separate campaigns for Uber, Lyft and yellow cab drivers even though these workers serve in the same industry and perform the same essential task. The sole focus of these campaigns has been to promote the illusion that Democratic Party politicians will fight for workers' interests.

This ignores the fact that the Democratic Party is an arm of the corporate and financial elite that is responsible for attacking workers. As tens of millions of unemployed and underpaid workers have been starved of unemployment benefits and left unable to pay their debts and bills, the Federal Reserve has provided over \$3 trillion to the financial markets to stave off a collapse. In effect, the government and its appendages have no shortage of funds when it comes to helping companies like Marblegate Asset Management, but meanwhile leave workers like yellow-cab drivers to starve.

The *World Socialist Web Site* and the Socialist Equality Party urge yellow cab drivers, Uber and Lyft drivers to organize themselves in rank-and-file committees independent of the unions and the two corporate-controlled political parties, following the lead of teachers and autoworkers, to wage a united struggle against their common enemy, the corporations and Wall Street banks. We encourage all workers to contact the WSWS for more information about forming

rank-and-file committees.

To contact the WSWS and the Socialist Equality Party visit:

<http://www.wsws.org>