



De Blasio, MTA, & Big Taxi Beat Uber, Lyft

Following his signing into law a bill passed by the New York City council on Wednesday which caps new ride-share drivers from obtaining necessary licenses to operate in the Big Apple and requires ride-sharing companies to start paying them minimum wage, rabid anti-capitalist Mayor “Bolshevik Bill” de Blasio (shown) explained why: “Our city is confronting a crisis that is driving working New Yorkers into poverty and our streets into gridlock. The unchecked growth of app-based for-hire vehicle companies has demanded action — and now we have it.”



What he failed to mention is that the “unchecked growth” of ride-sharing is a response to the failing transportation infrastructure of his city and the over-priced taxi services being provided by the city’s Big Taxi cartel. He didn’t say anything about complaints from the city-operated MTA (Metropolitan Transportation Authority) that those ride-sharing companies have cut into its operating budget as riders learn that ride-sharing is not only less expensive but more convenient and involves less hassle, especially during early morning rush hour.

The legislation, which overrode objections from the two companies most likely to be damaged by the new laws, Uber and Lyft, will increase transportation costs for those who used ride-sharing the most, and keep new ride-sharing drivers from entering the market.

But the new legislation will accomplish at least one good thing, according to de Blasio’s ideology: It will violate the right of an individual to contract out his services to another individual, without government intervention. In essence, the bill that de Blasio signed into law is a direct attack on private property, which fulfills his agenda as a socialist.

In a remarkably forthright interview with the liberal *New York* magazine last September, de Blasio expressed his opposition to private property:

What’s been hardest is the way our legal system is structured to favor private property. I think people all over this city, of every background, would like to have the city government be able to determine which building goes where, how high it will be, who gets to live in it, what the rent will be.

I think there’s a socialistic impulse, which I hear every day, in every kind of community, that they would like things to be planned in accordance to their needs.

And I would, too.

Unfortunately, what stands in the way of that is hundreds of years of history that have elevated property rights and wealth to the point that that’s the reality that calls the tune on a lot of development.

He expanded on his opposition the concept of private property and the need for central planning to



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keep people from exercising their rights to use that property as they see fit:

Look, if I had my druthers, the city government would determine every single plot of land, how development would proceed. And there would be very stringent requirements around income levels and rents.

That's a world I'd love to see, and I think what we have, in this city at least, are people who would love to have the New Deal back, on one level. They'd love to have a very, very powerful government, including a federal government, involved in directly addressing their day-to-day reality.

This is merely an expansion of the first of 10 "planks" outlined in the *Communist Manifesto* as characteristics of a communist country: Abolition of private property in land and application of all rents of land to public purpose.

The impact on his citizens is predictable. When supply is limited but demand remains the same or increases, prices go up. Without price competition, citizens needing transportation services will be forced to pay more or do without. For example, one customer living in an apartment in the Queens neighborhood of Briarwood has a part-time job at a doctor's office in upscale Bayside. With an UberPool coupon it costs her between \$6 and \$9 one way and takes about 20 minutes. But, without that option, she must depend on the city's public transportation system — either two bus rides, or a subway and a bus — and it takes about an hour, each way.

That's how socialism works in the real world.

Prior to the new legislation, the free market, the right to contract, and price competition, was working wonders. Five years ago there were just 25,000 ride-sharing vehicles operating in the city. Today there are over 80,000 — almost double the number of cabs and livery service vehicles — providing some 17 million rides every month. As a result, the incomes of drivers of traditional (read: government-regulated) taxis has dropped by an estimated 25 percent and, consequently, the price of a medallion to operate a taxicab has also dropped, from over a million dollars to less than \$200,000 today. Not surprisingly, many tax drivers have sold their cabs and their medallions and have moved to Uber and Lyft.

The transportation costs borne by citizens needing a ride have dropped, causing the government-operated MTA and the union representing the taxi companies to pressure the city council to do something. And so they did. As socialist de Blasio said, "Now we have it."

The legislation capping new ride-sharing vehicle registration applies for one year, allowing the city time to develop and recommend further restrictions and regulations against ride-sharing. The present legislation and the new restrictions likely to be implemented in the future will push New Yorkers backwards to a less productive and more costly lifestyle. As Joseph Okpaku, vice president of public policy for Lyft, said: "These sweeping cuts to transportation will bring New Yorkers back to an era of struggling to get a ride, particularly for communities of color ... in the outer boroughs [where traditional taxicabs don't like to go]."

Photo: AP Images

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