

# The New York Times

To the judges:

“Taken for a Ride,” a five-part New York Times investigation, exposed one of the worst predatory lending schemes in the United States since the housing market crash.

Over 18 months, The Times revealed that a group of New York taxi industry leaders got rich by creating a bubble in the market for taxi medallions, the city permits that allow people to own and operate cabs. In a striking parallel to the housing crash, the industry leaders artificially inflated medallion prices and channeled immigrant drivers seeking to buy into exploitative loans with interest-only terms and other one-sided provisions. The government enabled the practices by exempting the industry from regulations and selling new medallions and running ads calling the permits “better than the stock market.” The architects of the plan made hundreds of millions and invested it elsewhere before the bubble burst. One bought a NASCAR team and got Nicki Minaj to perform at his son’s bar mitzvah. Another bought eight homes, and another opened a chain of French whimsical pajama stores. But their tactics wiped out cabdrivers who spent their life savings on fees and down payments for loans. Thousands of drivers, almost all born outside the U.S., lost everything. At least 950 families in New York and 200 in Chicago have filed for bankruptcy so far. And many have suffered even more heartbreaking consequences.

One debt specialist who worked with banks and borrowers put it best: “They were conned.”

The series spurred immediate and far-reaching impact. In the days after The Times published the first print pieces, and also told the story on its popular podcast, The Daily, and its new television show, The Weekly, three agencies, including the U.S. Department of Justice, opened criminal probes, subpoenaing lenders and interviewing dozens of borrowers. Authorities arrested a debt collection agent and fined several brokers featured in the series. New York and Chicago ended millions in fees owed by cabdrivers and launched reviews. The New York City Council passed several laws to increase regulation and oversight to prevent future abuse. Federal and state lawmakers also drafted bills and demanded answers from regulators. The mayor withdrew his nominee to lead the city taxi commission over questions about his response to the series. Banks restructured hundreds of medallion loans. A white-shoe law firm set up a clinic to aid drivers. And officials created a task force to craft a proposal for a bailout of drivers buried in debt. (Its report is due later this month.)

The series was a monumental reporting effort that included 600 interviews, more than 100 records requests, a lawsuit threat over a request, the creation of several databases and the analysis of thousands of pages of internal bank records and other documents.

But it also was an unusually challenging project that required The Times to navigate a thicket of complex ethical issues right from the beginning. If not for a string of tough decisions about suicide and victim protection, and sensationalism and television, the stories may not have been printed, and they would never could have generated the impact that they did.

## Ethical issue #1: Eschewing the easy story

“Taken for a Ride” grew out of work on Michael Cohen, President Trump’s former lawyer. In the spring of 2018, after the F.B.I. raided Cohen’s home, The Times assigned five staffers

to profile him. One was Brian M. Rosenthal, a reporter on the metro investigations team, who was asked to research an investment Cohen had made in the taxi industry. While reporting, Rosenthal became interested in the industry, and he decided to pursue another story on it.

At the time, the industry was in an crisis and at least nine drivers had died by suicide. Officials were blaming the entry of controversial ride-hailing companies like Uber and Lyft. It would have been easy for Rosenthal to use those elements – plus Cohen, one of the most notorious figures of the Trump era – to tell a salacious story. And indeed, industry activists and even some of the drivers who were suffering the most urged Rosenthal to focus on Uber. But he sensed the truth was more complicated. So he kept digging, and eventually he discovered the bubble and determined that it would have burst even if ride-hailing had never been invented – a less sexy story, but a more important one.

Later, when Rosenthal and his editor, Kirsten Danis, had to decide which cabdriver to make the backbone of their series, they considered focusing on a driver who had died by suicide. That would have highlighted the stakes of the story, and also drawn readership. But they concluded it was more important to focus on the daily suffering of thousands than the ultimate tragedy that befell some, especially because it is impossible to know why anyone takes their own life. They chose Mohammed Hoque, a driver fighting enormous loans.

The series also did not focus on Cohen, despite his prominence, because he was not really involved in the bubble. As Rosenthal wrote in a “Times Insider” on how he did the series, “In the end, the three front-page stories that we published this week about the taxi industry barely mentioned Mr. Cohen at all. But they did something much more important: They told the stories of Mohammed Hoque, of Jean Demosthenes and of Wael Ghobrayal.”

#### Ethical issue #2: Protecting vulnerable victims

Every investigation must balance the desire to publish with the need to protect the victims. But in “Taken for a Ride,” The Times faced an unusual challenge: Many victims did not realize how much lenders had taken advantage of them.

Rosenthal interviewed more than 200 cabdrivers for the series. He did not find most of them through lawyers or advocates – because most did not have lawyers or advocates. He found them by spending time at airports, where drivers line up for lucrative fares, and other spots. Almost all those trapped in loans were immigrants. Many did not speak English fluently. For the most part, they had bought medallions on the advice of bosses or colleagues they trusted, and they knew the size of their monthly loan payments and that they could not afford to pay. But they did not understand why, or even fully grasp all of the provisions they agreed to.

Slowly, Rosenthal gained their trust. He worked with translators to communicate with them in Bengali, Haitian Creole, Tigrinya, Urdu and other languages. And when it came time to review their loans (Rosenthal insisted on seeing the documents of everybody he interviewed), he patiently explained terms such as “balloon loan” and “Confession of Judgment.” As an impartial reporter, he could have bristled at the notion of intervening to help victims. Instead, while making clear that he was a reporter, not their advocate, he made a point to ensure that his questioning helped them understand their loans, and their rights.

The Times also had to overcome another issue. Because the loans were one-sided, borrowers were at the mercy of lenders, and many feared retribution. Rosenthal carefully discussed the ramifications of publication with all of the victims, explaining the pros and cons and

refraining from pressuring anybody to go public. The Times maintained that if it told a driver's story, it had to include everything relevant to the story, including information about loan refinancing that could make borrowers seem less sympathetic to the readers. But in some cases, it omitted irrelevant personal information to make victims more comfortable.

A final challenge arose because many drivers were dealing with complex emotional issues. Especially in immigrant communities, many felt guilty or ashamed about what they had done. Several suffered from mental health issues. Rosenthal met in person with all the victims, and he listened closely to their needs. He consulted with experts. In one case, when a man said he had attempted suicide, Rosenthal urged him to seek counseling and chose not to press him to participate in the series. And when it came time to publish, The Times followed best practices to write sensitively about suicide and minimize the risk of inciting copycat attempts.

### Ethical issue #3: Telling the story on television

Many of the challenges faced by The Times were magnified because of how it told the story on its new television show, on FX/Hulu. In addition to allowing reporters into their home, victims also had to allow in cameras. And Rosenthal also had to persuade whistleblowers and some industry leaders to defend themselves before a national television audience. The show did not ambush anybody. Again, in each case, Rosenthal told participants what to expect. (The lender shown most in the show tweeted it was a "fair representation of our interview.")

Instead of seeing the show as a hurdle, The Times made it an experiment in transparency, highlighting Rosenthal's spreadsheets and his daily work. In one memorable scene, he called a list of medallion brokers, only to be spurned over and over. Critics applauded the openness.

Through all of the project, Rosenthal and the Times team remained in close communication with the sources, and especially the victims, and most especially those who were featured in the show. The day after the first print stories were published, Mohammad Hossain, a driver who was interviewed for those story and also featured in the Weekly episode, emailed the show's producer: "Sunday morning i read article online than bought it. It so big, front page that means most important news for sunday. That i can not believe it. But is true and clear. He did good job. It is not good for broker and bank. They played with us. Thank you."

For ethical journalism that exposed wrongs while protecting victims, The New York Times is proud to nominate Brian M. Rosenthal for the Anthony Shadid Award for Journalism Ethics.

#### **About the nominator**

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#### **About the project**

'They Were Conned': How Reckless Loans Devastated a Generation of Taxi Drivers  
May 19, 2019 | <https://www.nytimes.com/2019/05/19/nyregion/nyc-taxis-medallions-suicides.html>

As Thousands of Drivers Were Trapped in Loans, Top Officials Counted the Money  
May 19, 2019 | <https://www.nytimes.com/2019/05/19/nyregion/taxi-medallions.html>

'We Were Wiped Out': New Yorkers Preyed on Chicago Cabbies  
October 4, 2019 | <https://www.nytimes.com/2019/10/04/nyregion/taxi-medallions-chicago.html>

The Epic Rise and Hard Fall of New York's Taxi King  
December 5, 2019 | <https://www.nytimes.com/2019/12/05/nyregion/nyc-taxi-medallions-freidman.html>

A \$750,000 Taxi Medallion, a Driver's Suicide and a Brother's Guilt  
December 23, 2019 | <https://www.nytimes.com/2019/12/23/nyregion/nyc-taxi-suicides.html>