Disney Has a Trump Problem

N newsweek.com/disney-donald-trump-abc-news-2024-election-1985637

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November 23, 2024

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The Walt <u>Disney</u> Company, it seems to many conservatives, goes out of its way to provoke <u>Donald Trump</u> and his MAGA followers.

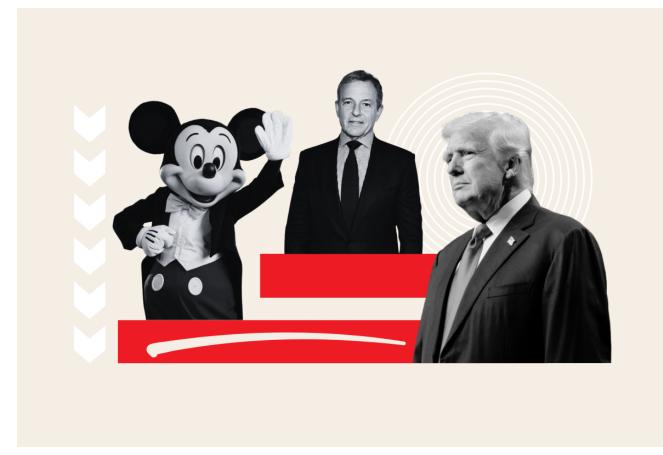
Its <u>ABC</u> TV network is home to *The View*, arguably the most anti-Trump show on the small screen. ABC News—which Trump has repeatedly labeled a "fake news" outlet— came under fire from Republicans for being unfair and hostile to the now president-elect in the TV debate it hosted between him and his then-presidential campaign rival, Vice President <u>Kamala Harris</u>.

Then there are Disney's remakes of classic films, which have been accused of "woke" casting by putting people of color into the roles of "white" characters. Disney's appointment of <u>Rachel Zegler</u>, who is of Colombian and Polish descent, as <u>Snow White in the upcoming</u> <u>film</u> sparked ire among conservatives. She won't have endeared herself to the MAGA massive when she posted, "F*** Donald Trump," on <u>Instagram</u> following his election win.

Four weeks after Trump's inauguration on January 20, one of Disney's biggest films of 2025 will be released. *Captain America: Brave New World* sees a Black Captain America (Anthony Mackie replacing Chris Evans) fight the president of the United States, played by vocal Trump critic Harrison Ford, who turns into new Marvel Cinematic Universe villain Red Hulk. If Disney's relationship with the president-elect wasn't already strained, this could push it to breaking point.

Following a very public spat with Governor <u>Ron DeSantis</u> in the wake of Florida's so-called "don't say gay" legislation, which hurt the company's standing among conservatives as well as its bottom line, Disney reinstated its former CEO Bob Iger in 2022. Under Iger, the ship has been turned around somewhat, with fourth quarter earnings announced last week showing the company beat Wall Street forecasts as revenue rose by six percent.

Now, with Iger set to leave the company, and a Harris acolyte waiting in the wings to take over, Disney appears to be on a collision course with Trump, who many fear will spend his second term in office targeting his enemies.



Disney Has A Trump Problem Photo Illustration by Newsweek/Getty Images

"As one of America's most iconic brands, Disney is not new to controversy or the spotlight, but navigating today's political landscape will require a deft touch," Evan Nierman, CEO of global PR firm <u>Red Banyan</u>, told *Newsweek*. "In this high-octane climate, even small missteps can turn into headlines and outrage that drags down shareholder value. The company will need to stay true to its values while keeping a careful eye on powerful political tides."

Newsweek has contacted representatives of Trump and Disney via email for comment.

'Woke Agenda'

Trump has long had Disney in his sights. In a May 2023 social media post, he branded the entertainment juggernaut a "woke and disgusting shadow of its former self," in criticism of its move toward diverse casting in some of his recent movie remakes, including 2023's <u>The Little Mermaid</u>, in which Halle Bailey, who is Black, played Ariel. The film barely made a profit, taking in hundreds of millions less than other remakes, such as *Aladdin* and *The Lion King*. In apparent agreement with Trump, many of Disney's recent films have <u>polled poorly</u> with MAGA audiences.

Read more <u>Disney</u>



Ellen DeGeneres Is Reportedly Leaving the US, Headed to UK After Trump Win

Following the September 10 debate with Democrat rival Harris, Trump bemoaned ABC News's moderators, telling <u>Fox News</u>' *Fox & Friends*: "They ought to take away their license for the way they did that."

"I don't think the possibilities of Donald Trump targeting Disney, and other media outlets, in his second term are unrealistic," Bill Yousman, professor of communications and media at Sacred Heart University, told *Newsweek*. "Trump has long expressed his disdain for all media that express any critical perspectives on him or his policies. Certainly, ABC is included in his list of media enemies.

"Disney has also been accused by many on the right of pushing a so-called 'woke' agenda promoting diversity, equity and inclusion efforts in both their corporate rhetoric and in the content of their children's films. It is readily apparent that the changing social landscape around issues of gender, race and sexuality is something that many <u>Republicans</u> have pushed back against and have used as a political weapon in fighting cultural battles."

Yousman added that "several corporate CEOs have already rushed to congratulate Trump in the wake of his reelection, a clear indicator that they themselves are concerned about how they will be perceived by the new administration and that they fear punitive treatment. There is no reason to think that Disney would be exempt from these fears or protected in any way."

Disney appears to have already hedged against a Trump presidency. Iger, typically a reliable Democratic donor, kept his money out of this year's presidential race. Disney has also returned to advertising on X, formerly <u>Twitter</u>, after a yearlong break. <u>Elon Musk</u>, the billionaire owner of X, has forged a close relationship with Trump, and previously told Iger to "go f*** himself" for stopping advertising on the platform.

Florida Fight on a National Stage

Trump returning to power could make Disney's task of gaining favor among conservatives all the more arduous, as illustrated by the company's long-running battle with Florida governor and former <u>Republican</u> presidential candidate DeSantis.



The ABC logo outside its news headquarters on October 15, 2001, in New York City. ABC News has faced repeated attacks from Donald Trump. Mario Tama/Getty Images

Disney's CEO succession planning took a blow when, in 2022, it let go of long-serving executive Bob Chapek a little over two years into his reign at the top and reinstalled Iger, who had successfully led the company for 15 years. That year, Disney made headlines for criticizing <u>DeSantis' Parental Rights in Education bill</u>, known as the "don't say gay" law, which proposed limiting discussions of sexual orientation and gender identity in schools.

After <u>DeSantis signed the bill into law</u> in March 2022, Disney said in a statement that it "should never have passed and should never have been signed into law. We are dedicated to standing up for the rights and safety of LGBTQ+ members of the Disney family, as well as the LGBTQ+ community in Florida and across the country."

The company's public stance on the issue led to retribution from DeSantis, who pushed for Disney's special self-governing status over its 25,000-acre Reedy Creek Improvement District to be dissolved. The entity, which has been renamed the Central Florida Tourism Oversight District under state control, afforded Disney the power to operate as a <u>self-governing authority in Florida</u>, home of its famed Disney World resort, for more than 50 years. Under the special status, Disney taxed itself to covering its own operating costs. It also oversaw all its own municipal needs.

In March 2024, Disney reached a settlement in its resulting legal battles, two weeks after DeSantis' education bill was largely overturned. While the dust appears to be settling in the Sunshine State, there is every chance of Disney's stance becoming a national talking point should Trump weigh in on such issues as transgender rights, which have been at the forefront of recent culture wars.

"Under Trump's presidency, the Florida situation could ramp up dramatically," Mike Fahey, CEO and founder of Fahey Communications, a national PR firm specializing in political campaigns, told *Newsweek*. "Disney straddles a precarious line between the expectations of its employees, the interests of its shareholders and the kinds of political shenanigans that corporations might wish to stay out of. It may not be possible for Disney to stay out of it too much longer because Trump is pushing local issues like Reedy Creek to the national level."

It could also get worse for the company if Dana Walden, who was named as cochair of Disney Entertainment in February 2023, succeeds <u>Iger</u> when he steps down as CEO in 2026. Walden, who has been tipped for the post, and her business executive husband Matt Walden, have been <u>close friends</u> with Harris and her husband, <u>Doug Emhoff</u>, for decades. In 2022, the Waldens welcomed well-heeled guests into their Los Angeles home for a Democratic fundraiser, where Harris stated that, "in many ways," the hosts "are responsible for my marriage."

Trump didn't hesitate to jump on this fact in the lead-up to his ABC News debate with Harris, telling Fox News that Harris' "best friend is the head of the network."

"Walden's friendship with Harris could, indeed, make her a target in the new Trump administration," Fahey said. "I would imagine that Disney's board will undoubtedly take this potential political friction into account when they are figuring out what to do with Iger's succession."



Dana Walden is pictured on September 15, 2024 in Los Angeles, California. The Disney executive, tipped to replace Bob Iger as CEO, is a close friend of Vice President Kamala Harris. Amy Sussman/Getty Images

With a deeply divided electorate, Disney will want to avoid alienating swathes of Americans by appointing a CEO who is publicly known to hold particular political views, Nierman cautioned.

"Disney will need to balance their brand values with the political climate if they're going to sustain stakeholder trust and keep their brand equity high," he added. "Maintaining a steady course amid politically charged discussions will be essential to protecting its image on both a national and global stage."

What Could Trump Actually Do?

Back in October 2017, the Federal Communications Commission (FCC) stated that then President Trump <u>could not take away a TV network's license</u> purely because he didn't like its reporting. The statement was made in response to Trump's charge that <u>NBC</u> had "become so partisan, distorted and fake that licenses must be challenged and, if appropriate, revoked."

Still, Fahey said Trump could "threaten regulatory action—through the FCC or the <u>Department of Justice</u>, for instance—to make life very difficult" for ABC and Disney.

Brendan Carr, the president-elect's pick as the next chair of the FCC, has already vowed to end the <u>agency's promotion of diversity</u>, <u>equity and inclusion</u>. In a post on X, formerly Twitter, he wrote: "The FCC's most recent budget request said that promoting DEI was the agency's second-highest strategic goal. Starting next year, the FCC will end its promotion of DEI."

He has also promised to ensure broadcasters operate in the public interest, and dismantle the "censorship cartel" amid claims of anti-Republican bias from Big Tech companies such as <u>Google</u> and <u>Apple</u>.

"Broadcast media have had the privilege of using a scarce and valuable public resource our airwaves," Carr posted. "In turn, they are required by law to operate in the public interest. When the transition is complete, the FCC will enforce this public interest obligation."

Carr has supported some of the president-elect's attacks on television networks and news outlets during the 2024 election, including suggesting that <u>NBC</u> could lose its license for having Harris appear on *Saturday Night Live* just ahead of Election Day without giving equal time to Trump.

"Commissioner Carr is a warrior for free speech and has fought against the regulatory lawfare that has stifled Americans' freedoms and held back our economy," Trump said. "He will end the regulatory onslaught that has been crippling America's job creators and innovators and ensure that the FCC delivers for rural America."

Newsweek has contacted the FCC for comment via email.

While the FCC licenses some local stations, it does not license major broadcast networks, including ABC. Despite this, Wayne Unger, assistant professor of law at Quinnipiac University School of Law, told *Newsweek* that Trump may still seek to make life difficult for the network—although he would face major stumbling blocks.

"If Donald Trump wants to punish ABC News when he is back in the Oval Office, he will run into a brick wall—the First Amendment," Unger explained. "Generally, the First Amendment protects against retaliatory actions by government officials for any speech or expressive conduct that the government disfavors.

"Even if we were to assume that a president could unilaterally revoke a broadcast license, any revocation would also be subject to constitutional constraints. If, for instance, Trump sought to cancel Disney's license, he'd run into another constitutional hurdle—the Due Process Clause.

"The Due Process Clause protects against arbitrary government action without due process of the law, which is generally defined as notice and a fair opportunity to be heard. <u>Disney</u> must be given the opportunity to argue that a revocation of its license would be improper."

Still, like Disney's wrangling over Reedy Creek, this would be a big and expensive fight the company would most likely want to avoid. Citing his previous experiences of managing newsrooms across the U.S., Fahey—who served as press secretary for Steve Laffey during his presidential campaign in 2023—said that he has "witnessed how politics can influence corporate decision-making, without any type of direct regulatory action. It is hard enough work in a newsroom in America in 2024, but to think that there could be added threats from the White House paints a troubling picture."

Taking this idea a step further, Jeffrey R. Dudas, a professor of political science at the University of Connecticut, told *Newsweek*: "The thing that [Trump] seems to want the most out of media organizations like ABC—and, by proxy, Disney—is positive personal coverage, or at least the absence of critical coverage.

"We've already seen legacy media outlets like the *Washington Post* and the *Los Angeles Times*, among others, preempt any potential negative coverage of Trump in a fairly straightforward attempt to curry favor with him; it wouldn't surprise me in the least if ABC/Disney follows suit."

The *Post* and *Times* both refused to endorse a candidate in the presidential election.

"It is difficult to know whether Trump is serious about pursuing his various threats of vengeance, especially those that he has issued to corporate America," Dudas added. "He has admitted on multiple occasions that the threats are, at least in part, negotiating techniques."

Usha Haley, W. Frank Barton Distinguished Chair in international business at Wichita State University's Barton School of Business, told *Newsweek* that Disney will struggle to escape Trump's reach but it may not be all bad.

"What candidates say when running for office does not always correspond with what they do when they acquire it," Haley said. "I do think Disney should tread warily and assess options —hope for the best while safeguarding its business interests. But Trump may also have his hands full. With his big win, this may be one fight he feels no need to pick or to prolong."

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