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DeSantis takes a swing at Mickey Mouse before the fight with Trump

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There is little love lost between many Republicans and corporate America after Donald Trump's presidency. Yet few would have predicted an all-out war between a Republican governor of Florida and the Walt Disney Company.

Ron DeSantis, the pugilistic leader of the sunshine state, widely tipped to be Trump's main rival for the Republican presidential nomination, signed a bill last week stripping Walt Disney World of the self-governing status that the 43 sq mile theme park district in Orlando had enjoyed since 1967. No longer will Disney be exempt from regulatory reviews or have autonomy over developing physical infrastructure and providing public goods. Instead, its "corporate kingdom" will be overseen by a state-appointed Central Florida Tourism Oversight Board, which will have the power to review the district's services and compel payments from Disney.

Some conservatives claim that this is a measure to take on corporate welfare that shows DeSantis's commitment to the free market. The governor himself says Disney's status was an egregious form of government favouritism, giving it "nefarious" political power. All businesses, he says, should face the same laws.

A good principle, yes, but Disney has made decades of successful investments — creating a theme park hub from swampland — predicated on the arrangements it was promised. For Florida to renege on a deal that has generated a \$20 million a day corporate revenue machine will undermine the state's attempts to foster business certainty more broadly.

What's more, there is much to suggest that this decision was not merely an attempt, driven by free-market principles, to level the corporate playing field. DeSantis's own staff are said to have helped the company to obtain an exemption from proposed anti-Big Tech legislation. No, Florida Republicans are stripping Disney of privileges now not out of ideological purity but because of Disney's political statements.

In fact, DeSantis admits that Disney's opposition to his signing of the Florida Parental Rights in Education Act in March last year was the flashpoint. The law outlawed schools from teaching sexual orientation and gender identity to children aged five to nine, which led to its characterisation by critics as the "don't say gay" bill.

Bob Chapek, the Disney chief executive at the time, faced intense pressure from employees to publicly oppose the legislation. And the company did, declaring its goal was "for this law to be repealed by the legislature or struck down in the courts". DeSantis decried Disney's political "wokeism" and put its special district on the chopping board as punishment.

The episode serves as a warning about the blowback that politically motivated business activity can generate. But governments using state power to bully companies for those actions is simply antithetical to a free society.

In fact, if punishment, rather than eradicating special privileges, is what motivated DeSantis, his approach threatens to worsen crony capitalism rather than eliminate it. A world in which currying favour with a governor is crucial to success is one in which companies base their decisions not on consumers' demands but on the expected reactions of politicians.

Don't get me wrong: a principled American leader intent on eradicating crony capitalism would be a breath of fresh air. The evidence just does not suggest that is what's motivating DeSantis here. When he first threatened to repeal Disney's privileges, Jeanette Núñez, Florida's

lieutenant governor, admitted that if Disney agreed to “disregard this whole woke agenda” it could keep its status, albeit with more oversight. The clear goal was to chill the company’s speech.

If DeSantis runs for president — which is expected, but yet to be confirmed — would he really take on cronyism by, say, denouncing ethanol subsidies, steel and aluminium tariffs, even green industrial policy? Perhaps, but I’m not holding my breath.

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