

Will Trump Punish CNN by Holding Up the AT&T-Time Warner Deal?

Walter Olson

July 10, 2017

A year ago in this space I discussed one of the more disturbing things then-candidate Donald Trump was saying on the campaign trail: his threats against the business interests of Washington Post owner Jeff Bezos, whose paper has been consistently critical of Trump.

Trump mentioned tax and antitrust as issues on which Amazon, the company founded by Bezos, might find its status under review.

I quoted Wall Street Journal columnist Holman Jenkins:

Mr. Trump knows U.S. political culture well enough to know that gleefully, uninhibitedly threatening to use government's law-enforcement powers to attack news reporters and political opponents just isn't done. Maybe he thinks he can get away with it.

Mr. Trump is now fighting a very public grudge match against cable network CNN, which as it happens is one of the enterprises affected by the pending AT&T-Time Warner merger. (Time Warner is CNN's parent company.)

During the campaign, Trump criticized the merger, but in March he nominated to head the Department of Justice's antitrust division Makan Delrahim, a veteran antitrust lawyer who seemed to take a more benign view.

"The sheer size of it, and the fact that it's media, I think will get a lot of attention," Delrahim had said in an interview on Canadian TV in October, before the election. "However, I don't see this as a major antitrust problem."

On Wednesday the New York Times reported that some close to the President, at least, were looking at options:

White House advisers have discussed a potential point of leverage over their adversary, a senior administration official said: a pending merger between CNN's parent company, Time Warner, and AT&T.

Mr. Trump's Justice Department will decide whether to approve the merger, and while analysts say there is little to stop the deal from moving forward, the president's animus toward CNN remains a wild card.

And then yesterday Alex Pfeiffer of the Daily Caller reported:

The White House does not support the pending merger between CNN's parent company Time Warner and AT&T if Jeff Zucker remains president of CNN, a source familiar with President Trump's thinking told The Daily Caller.

Maybe reports based on unnamed sources are better ignored. Or maybe they'll prove accurate, and we're facing a White House that – like the late Sen. Edward Kennedy of Massachusetts, or disgraced Illinois Gov. Rod Blagojevich – is not above using the resources of government in an effort to oust owners or editors from unfriendly press outlets.

Either way, I'll repeat what I wrote in this space five years ago:

One moral is that we cannot expect our First Amendment to do the whole job of protecting freedom of the press. Yes, it repels some kinds of incursions against press liberty, but it does not by its nature ward off the danger of entanglement between publishers and closely regulated industries, stadium operators, and others dependent on state sufferance.

That's one reason there's such a difference in practice between a relatively free economy, where most lines of business do not require cultivating the goodwill of the state, and an economy deeply penetrated by government direction, in which nearly everyone is subject to (often implicit) pressure from the authorities.

Walter Olson is a senior fellow at the Cato Institute's Center for Constitutional Studies.