

# House Energy & Commerce Committee

---

*Joe Barton*  
Ranking Member

*Republicans*



## **DAILY NEWS SUMMARY** **Tuesday, November 25, 2008**

Joe Barton

# POLITICO

## Tracking 'The Gore Effect'

By: [Erika Lovley](#)  
November 25, 2008 04:51 AM EST

For several years now, skeptics have amusedly eyed a phenomenon known as “The Gore Effect” to half-seriously argue their case against global warming.

The so-called Gore Effect happens when a global warming-related event, or appearance by the former vice president and climate change crusader, Al Gore, is marked by exceedingly cold weather or unseasonably winter weather.

For instance, in March, 2007, a Capitol Hill media briefing on the Senate’s new climate bill was cancelled due to a snowstorm.

On Oct. 22, Gore’s global warming speech at Harvard University coincided with near 125-year record-breaking low temperatures. And less than a week later, on Oct. 28, the British House of Commons held a marathon debate on global warming during London’s first October snowfall since 1922.

While there’s no scientific proof that The Gore Effect is anything more than a humorous coincidence, some climate skeptics say it may offer a snapshot of proof that the planet isn’t warming as quickly as some climate change advocates say.

“You can’t fool Mother Nature,” said climate skeptic scientist and meteorologist Joseph D’Aleo. “We used to kid in forecasting that whenever we were very certain about a major forecast, it would wind up being so dead wrong that we’d be embarrassed. It certainly makes you think.”

Tracking The Gore Effect “doesn’t contribute much to the actual making of policy,” said [House Energy and Commerce Committee Republican spokeswoman Lisa Miller](#). But it “can be fun.”

Gore’s climate change campaign, though, isn’t laughing.

“As amusing as this little study sounds, we don’t think it should distract us from the reality,” said his spokeswoman, Kalee Kreider.

© 2008 Capitol News Company, LLC

IRIDES  
WEB HOSTING 

John Dingell



## LEADING THE NEWS

---

### Dingell may seek Health panel chair

By Mike Soraghan

Posted: 11/24/08 07:57 PM [ET]

Ousted [Energy and Commerce Committee Chairman John Dingell](#) (D-Mich.) may make a bid for another, less prestigious gavel.

Dingell's supporters on the committee are encouraging him to take the chairmanship of the panel's Health subcommittee, in the wake of Rep. [Henry Waxman's](#) (D-Calif.) successful coup last week.

"Healthcare has been his passion since he was elected," said a top aide to one of the lawmakers who pitched Dingell on the idea. "National healthcare is his life's dream."

In every Congress since being elected in 1955, Dingell has introduced universal healthcare reform legislation.

The prospect of Dingell, dean of the House, seeking a subcommittee chairmanship, is an example of the ramifications of last week's ouster roiling through the committee and the House Democratic Caucus.

It probably also worries Rep. Frank Pallone Jr. (D-N.J.), who now has the Health panel. A spokesman said Monday that he had not heard about Dingell possibly taking the gavel, adding that Pallone doesn't want to give it up. Pallone supported Waxman over Dingell.

A Dingell spokesman did not comment for this article.

The musical-chairs chatter comes as stunned committee staffers worry for their jobs, while others are poised to put the Dingell committee era firmly in the past.

Jostling for subcommittee chairmanships will be the next caucus battle after Waxman's victory, which, coupled with changes in leadership, have appeared to move the Democratic Caucus to the left and strengthen the hand of House Speaker Nancy Pelosi (D-Calif.).

According to aides, subcommittee chairmanships are given based on seniority. But a member can challenge the assignment, forcing a closed-door vote among the Democratic members of the committee.

"We're in this new era where seniority doesn't seem to matter anymore," sighed a Democratic aide.

Members and staffers are also beginning to puzzle over the logistics of a Waxman reign. Waxman is said to have allowed subcommittee chairmen to pick three staffers, while Dingell gave them one.

Dingell also handed off more work and hearings to his subcommittee chairmen, while Waxman tended toward full committee hearings, according to an analysis of a key staffer of a Dingell supporter.

And the potential for numerous challenges to subcommittee chairs highlights some complicating arithmetic.

While Waxman triumphed in the caucus-wide vote, Dingell appeared to enjoy more support among the members of Energy and Commerce.

At least 15 of the returning Democratic committee members publicly supported Dingell, giving him a majority of that group. But the committee is set to get as many as five more Democrats when seats are apportioned.

Among them is likely to be Rep. Bruce Braley (D-Iowa), who gave a speech in support of Waxman before last week's vote.

Dingell's partisans, however, say that at least three more members committed to Dingell before the vote. That would mean that if as many as four Waxman supporters were added to the committee, a majority of the new panel still would be Dingell supporters.

But subcommittee and policy decisions may not fall along those lines.

Still, it has consequences both for congressional careers and the policy of the new committee. Waxman's supporters are hoping people will be ready to work together. But Dingell supporters say Waxman may find the committee and new members aren't ready to move left on key issues like climate change.

"Looking at the membership of the committee, this is not going to be a slam-dunk," said a lobbyist who supported Dingell.

Almost as soon as the vote was over Thursday, Reps. Gene Green (D-Texas) and Bart Stupak (D-Mich.), both Dingell whips, sent letters to their fellow members of the committee, announcing their bids to keep their subcommittee chairmanships.

But another Dingell whip, Rep. Rick Boucher (D-Va.), is believed to have the biggest target on his back.

Hailing from Virginia's coal country, he has shared Dingell's reluctance to enact strict new climate change restrictions.

He also chairs the subcommittee in the thick of the fray — Energy and Air Quality. Members are watching to see if Rep. Edward Markey (D-Mass.), Pelosi's point man on climate change, will seek to move from his Telecommunications subcommittee chairmanship to oust Boucher.

Pelosi said last week that she wants Markey to continue to chair the Select Committee on Global Warming she created in 2006 to put a focus on climate change, which she calls her "flagship issue."

In addition, aides speculate that Rep. Jan Schakowsky (D-Ill.) or Rep. Diana DeGette (D-Colo.), the vice chairwoman of the panel, could seek subcommittee chairmanships.

---

[Close Window](#)

Dow Jones Reprints: This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit [www.djreprints.com](http://www.djreprints.com)  
[See a sample reprint in PDF format.](#)      [Order a reprint of this article now](#)

**THE WALL STREET JOURNAL.**  
WSJ.com

CAPITAL JOURNAL | NOVEMBER 25, 2008

# Auto Makers Settle for Tough Love

By GERALD F. SEIB

It was a dose of tough love that President-elect Barack Obama offered the American auto industry Monday. America shouldn't let the auto makers "vanish," he said at a news conference. But the auto companies should get help, he added, only when they show a better plan for pulling out of their downward slide.

It seems the only love auto makers can get from Washington these days is of the tough variety -- and from some quarters they can't get even that. All told, the auto industry is seeing its political support crumple like a badly rusted fender.

The auto makers have themselves to blame for some of that problem. The Big Three's leaders showed up in town last week seeking help, without offering a coordinated recovery plan or many of those mea culpas for past sins that Washington loves to hear at times like this.

But there also are two big, bipartisan forces at work eroding political support for the auto makers -- forces not really within the control of the Big Three.

On the Democratic side, the auto industry's traditional political strength has been undercut by the rise of Western, environmentally minded leaders who don't see the auto companies as particularly important to their region, or friendly to their green causes. And on the Republican side, the industry's support has been compromised by the rise of foreign-owned auto plants concentrated in Republican-leaning states in the South, which actually stand to benefit if the Big Three American companies go down.

Taken together, those two factors help explain why AIG -- a company that doesn't even make anything shiny a lawmaker can lay a hand upon -- is getting more than \$100 billion in bailout money from Washington, and Citigroup just got \$306 billion of its troubled assets guaranteed by the feds, while an effort to provide a simple \$25 billion bridge loan to America's iconic Big Three auto makers collapsed late last week. It is, in many ways, a bizarre anomaly.

That loan money still might come, of course, perhaps when lawmakers return

next month for one last gasp before year's end. But there was a time when Democratic control of Congress would have created a lot more sympathy for the industry and the auto workers that power it.

Nowadays, though, the Democratic contingent in Congress is dominated less by lawmakers from the Rust Belt of the upper Midwest, and more by those from the West Coast, where the car of choice is no longer a Corvette powered by a Chevrolet V-8 engine, but a Prius powered by a Toyota hybrid engine.

California's Nancy Pelosi is House speaker. A fellow Californian, [Henry Waxman](#), just last week ousted the auto industry's primary champion in Congress, [John Dingell](#) of Michigan, as chairman of the powerful [Energy and Commerce Committee](#). At the same time, a third Californian, Xavier Becerra of Los Angeles, was named vice chairman of the party's House Caucus, a slot that opened up when Rep. Rahm Emanuel, from the industrial Midwest state of Illinois, became President-elect Obama's chief of staff.

On the Senate side, the Democrats' leader is Harry Reid, from California's next-door neighbor, Nevada. He helped head off at the pass Michigan's senators late last week when they tried to rush through that \$25 billion loan to Detroit.

In short, politics for the car companies have grown shakier on the Democratic side. On the Republican side, meantime, the auto companies that seem most in favor these days don't have their headquarters in Detroit at all, but rather in Japan, Germany and South Korea.

Toyota, Honda, Kia, Mitsubishi, BMW and Daimler AG -- all have established auto assembly plants in the U.S. in recent years, and those plants are disproportionately situated in the low-cost, little-unionized states of the South.

That means many of those auto plants now are enriching states dominated by Republicans. Of the 11 states that have or are planning foreign-owned auto assembly plants, seven were carried by Republican Sen. John McCain in this year's presidential campaign. An eighth state, Indiana, was carried by Mr. Obama, but has traditionally been Republican-leaning as well.

That has built a natural bond between the foreign auto makers with their highly competitive plans and pro-business Republican leaders. "The foreign auto companies are very wise in how they deal with lawmakers," says Ron Bonjean, a Republican political consultant who was a top aide to former GOP House Speaker Dennis Hastert.

As a result, Republicans often sound as if they simply don't see Detroit in heavily Democratic Michigan, as the heart of the new American auto industry.

"Both management and labor at the Big Three have pay and wage scales that are substantially higher than their competitors," declared Rep. Spencer Bachus of

Alabama, home to three foreign auto assembly plants, at last week's hearing with American auto executives. "That's not being anti-management or anti-union. It's just being truthful."

The silver lining for the auto companies is that Mr. Obama does sound like somebody who really wants to be on their list of friends. That would be good for the Big Three, because otherwise that list has grown shorter.

Write to Gerald F. Seib at [jerry.seib@wsj.com](mailto:jerry.seib@wsj.com)

Copyright 2008 Dow Jones & Company, Inc. All Rights Reserved  
This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our [Subscriber Agreement](#) and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit [www.djreprints.com](http://www.djreprints.com)

**GOVERNMENT  
EXECUTIVE**.com

**77,000 federal managers** rely on *Government Executive* for government business news and more. **Shouldn't you?**  
Apply for your **FREE** subscription!



## Waxman may push committee's oversight role

By Andrew Noyes *CongressDaily* November 24, 2008

Under the leadership of Rep. [Henry Waxman](#), D-Calif., the [House Energy and Commerce Committee](#) is expected to increase emphasis on government accountability and pursue a transparency agenda. To start that off, high-tech and telecommunications industry insiders are pointing to an investigation into the FCC the panel initiated in January. The FCC probe, which was led by Energy and Commerce Oversight and Investigations Subcommittee Chairman [Bart Stupak](#), D-Mich., is complete and a report will be issued in the coming weeks, an aide said.

"To the extent that Dingell started this FCC inquiry, I think Waxman will finish it," Public Knowledge President Gigi Sohn said, adding the agency is "overripe for reform."

More broadly, Waxman's California connection means strong ties to the high-tech sector, Information Technology Industry Council Government Relations Director Kara Calvert said. But others worry that Waxman, whose district includes parts of Hollywood and Beverly Hills, could help movie studios and record labels that want Congress to pass stronger intellectual property protection laws.

"To the extent that Hollywood wants to mix copyright with commerce, I hope [Waxman] understands the place for reforming copyright is in the Judiciary Committee," Sohn said.

She is concerned that calls for a "broadcast flag," which would require digital television tuners to include content protection technologies, will resurface. A federal court struck down such an FCC mandate in 2005 after Sohn's group and

**Over 77,000 federal  
managers** rely on  
*Government Executive*  
for government business  
news and more.

**Shouldn't you?**

Apply for your **FREE** subscription!



others complained the proposal would unfairly restrict a viewer's ability to use digital video recorders and other devices.

Competitive Enterprise Institute Vice President Wayne Crews said Waxman could offer a mixed bag of legislation, but he is most concerned about the panel's direction on network neutrality, a proposal to ban discrimination of Internet content by broadband firms. Although he is not a member of the Energy and Commerce Telecommunications and the Internet Subcommittee and has a spotty record of attending high-tech oriented hearings, Waxman supports the proposal and is expected to work with the Obama administration on legislation, sources said. Crews also said he anticipates the return of the "fairness doctrine," a defunct FCC policy requiring broadcasters to give balanced airtime to opposing views. Aides to President-elect Obama have said he does not want to reinstitute it despite recent reports that some House Democrats want to revive it.

Many have wondered whether Waxman's chairmanship will lead to a changing of the guard on key subcommittees. One high-tech industry source indicated ousted panel chairman Rep. John Dingell, D-Mich., may yearn for a larger role on the subcommittees for Telecommunications and the Internet, led in the 110th Congress by Rep. Edward Markey, D-Mass.; the Energy and Air Quality Subcommittee, chaired by Rep. Rick Boucher, D-Va.; or Health, led by Rep. Frank Pallone, D-N.J.

"Dingell can have whatever he wants," the official said, noting that energy and health care are presumably among Waxman's top agenda items. A committee spokeswoman did not immediately respond to inquiries about plans for Dingell, now chairman emeritus.

**77,000 federal managers** rely on *Government Executive* government business news and more. **Shouldn't you?**  
for your **FREE** subscription!



---

(C) 2007 BY NATIONAL JOURNAL GROUP, INC. ALL RIGHTS RESERVED.

# POLITICO

## Dingell's ouster reveals Democrats' new order

By: [John Fortier](#)

November 24, 2008 05:38 PM EST

Rep. [Henry A. Waxman's](#) ouster of Rep. [John Dingell](#) as chairman of the [House Energy and Commerce Committee](#) can be seen as liberals triumphing over moderates or environmentalists triumphing over Detroit. But more important, it signals that Rep. Nancy Pelosi (D-Calif.) is the strongest House speaker in a century. Her political skills and the culmination of historical trends have put her in charge of a majority that is sizable, cohesive and governed centrally, not by committee chairmen.

How can a speaker at the end of only her first two years holding the gavel claim the mantle of most powerful? What about Sam Rayburn's more than 16 years in the speaker's chair, or Tip O'Neill's 10 consecutive years? Or Denny Hastert's eight-year and Newt Gingrich's four-year revolutionary speakerships, which attracted national attention?

The answer lies in the previous era of Democratic control of the House, when the party ran the House continuously from 1954 to 1994, and for all but four years from 1930 to 1994. Democrats often had large but divided majorities. This division made it hard for speakers to rule the House; instead, most of the leadership came from committee chairmen.

The House Democratic Caucus had two parts: a Southern conservative wing and a progressive wing. On many issues, conservative Democrats allied with Republicans to form a conservative coalition. Democrats had a numerical majority but often not a working one. The caucus could not discipline members for straying from the party line.

In the place of party discipline and a strong speaker, norms developed that gave committee chairmen great power. Advancement on committees was based strictly on seniority, and chairmen served for life. Chairmen often forged alliances with their ranking Republicans to enhance the independence of committees, and they resisted House leaders' poking their nose in committee business.

Even the Rules Committee, which today works to further the speaker's aims, was often at odds with the leader. For many years its chairman was Rep. Howard Smith, a conservative Virginian who regularly killed bills by not allowing them to get out of his committee.

As the late Nelson Polsby wrote in "How Congress Evolves," the middle of the 20th century saw a battle between progressives and Southern conservatives, with progressives pushing to get their agenda around Southern chairmen. In 1974, the large Watergate-era Democratic class — whose members included Waxman and his chief supporter, George Miller — made progressives enough of a majority to effect some change. But even with a more dominant progressive wing, the independence of committee chairmen persisted up until 1994, when Democrats lost their majority.

Gingrich and Republicans radically changed the way the House operated. No House Republican in the 104th Congress had ever been in the majority, much less served as chairman, and the party owed its majority status to Gingrich, who had led it to victory in 1994.

Gingrich operated by frequently convening task forces outside of the committee system. In

committees, the party established term limits under which no chairman could serve more than six years. Seniority was regularly disregarded as the criterion for choosing a chairman, as the party selected chairmen based on ability and loyalty to party. In this system, it was hard to be a disloyal committee chairman, as the party could easily find a replacement.

Hastert returned a bit to the regular order by abandoning task forces and relying more on committee chairmen, but the power of chairmen was still far from what it had been under Democrats.

During the 12-year Republican majority, I had several occasions to ask Democratic members and leaders what a return to power would look like. Democrats all had disdain for the changes Republicans had wrought and swore that they would never have committee term limits or chairmen working under the supervisory eye of party leaders.

But in two short years, we have seen the imposition of party term limits on chairmen, forceful leadership from the speaker's chair, and now the ouster of the dean of the House from his chairmanship in favor of a new chairman more in sync with the policy positions of the party and the incoming president.

One of the great benefits of the new order is that Democrats are accountable to the people, who can reward or punish Democrats on Election Day.

On the other hand, as my colleagues Norm Ornstein and Tom Mann have argued in their book "The Broken Branch," before Republicans took over, committee chairmen were independent enough to hold oversight hearings on presidents of their own party and to exercise judgment independent of their party.

Pelosi sits with a majority larger than Republicans had during their 12 years in charge, a party much more unified than it has been in the past, and with power shifted from committee chairmen to the speaker. Will we see disciplined accountability to a Democratic Party plan or a Congress strong enough to stand up for itself, even against a president in the same party? The Waxman victory means that, for now, party unity rules.

*John Fortier is a research fellow at the American Enterprise Institute.*

# POLITICO

## Waxman Coup has loud echo on K Street

By: [Jeanne Cummings](#)

November 25, 2008 04:32 AM EST

The overthrow of [House Energy and Commerce Committee Chairman John Dingell](#) (D-Mich.) by Rep. [Henry A. Waxman](#) (D-Calif.) is reverberating beyond Capitol Hill and shuffling the balance of power on K Street and among advocacy groups.

Environmental group leaders are thrilled to see a staunch supporter take the reins of the committee that is expected to draft a major global warming bill in the new Congress.

“It’s an exceptionally positive development,” said Greg Wetstone, the director of governmental and public affairs for the American Wind Energy Association.

The coup that dumped one of Detroit’s staunchest supporters also offered a disastrous exclamation point to an already devastating week on Capitol Hill for the once-mighty automotive industry.

The industry spends more than \$70 million a year lobbying Congress. But much of that work was wiped away when three private jets touched down in Washington with the industry’s top executives seeking a government handout.

Then, on Thursday, congressional leaders rejected — for now — the industry’s plea for a \$25 billion bailout, and Dingell, whose Dearborn-area district is home to several manufacturing plants and thousands of auto workers, was stripped of his chairmanship by the House Democratic Caucus.

As the sun set on Friday, one weary Capitol Hill insider close to the industry said the waves of bad news were nearly impossible to absorb and fully appreciate.

The industry’s financial situation is so dire that its main focus is surviving week to week, he said. If it fails, he added, worrying about what a new committee chairman will mean two months from now may well become a moot point.

With the auto industry on the ropes and its high-profile Hill ally cast out from his agenda-setting role, Waxman veterans are on the rise.

Phil Schilero, who was staff director for the House Oversight and Government Reform Committee chaired by Waxman, has just been tapped by President-elect Barack Obama as his chief congressional liaison.

Advocates of global warming legislation say the long-standing relationship between Waxman and Schilero will smooth the way for negotiations and coordination between Congress and the Obama administration.

Heather Podesta and Partners, a lobbying shop, is spreading the word that it landed one of the few former Waxman aides to leave Capitol Hill and move to K Street.

For eight years, Julian “Tony” Haywood served as counsel for the House Oversight and

Government Reform Committee. He left the Hill 14 months ago, which means the one-year ban on lobbying his former House colleagues has expired.

“He is very strong on health care and is starting to work with some clients on climate change,” said firm founder Heather Podesta.

Wetstone, the wind association's chief lobbyist, also has deep roots with Waxman.

For a dozen years, Wetstone was chief environmental counsel to the House Energy and Commerce Committee's Environment and Hazardous Materials Subcommittee. Working with Waxman, he helped draft and pass the Clean Air Act Amendments of 1990 and the Safe Drinking Water Act Amendments of 1986.

Dingell was chairman of the committee during some of Wetstone's tenure there. Both Waxman and Dingell, the former aide says, were strong leaders and agreed on many things.

But with Waxman at the committee helm, Wetstone noted, a California congressman from an area where urban smog and global warming are major public concerns is replacing a Michigan congressman who gives voice to a region reeling from the decline of manufacturing.

Dingell has circulated only a framework for global warming legislation. Many environmental lobbyists expect Waxman to add a sense of urgency to the effort and introduce a comprehensive measure.

“I expect Henry Waxman to be tough, smart and principled,” said Stephen Beale, global warming campaign director for Greenpeace. “But I also don't think he is going to use this platform to throw bombs and make noise. I think he will be using it to legislate this year.”

It's unclear how much automakers have to fear from new legislation. Congress passed a bill last year that will require better gas mileage on cars in the future. And Waxman's top priority is expected to be creation of a cap-and-trade system that would put limits on industry emissions.

Some environmentalists, however, say the 2007 mileage standards could be toughened even further, or that Congress could expedite the deadlines for meeting the new standards.

The auto industry fought hard to temper the new standards, and Dingell was its champion both in the House committee and in the conference committee with the Senate, which wanted more aggressive standards than the House.

Beale and other environmental lobbyists caution against irrational exuberance, since Dingell will still hold great sway.

While Waxman snagged the chairmanship, most of the committee will remain intact — and many members hail from coal states or from the business-friendly Blue Dog Coalition.

House Speaker Nancy Pelosi (D-Calif.) will be able to place some new members on the committee, since retirements, Election Day defeats and the shifting partisan makeup of the House could open up a half-dozen or so seats on the panel.

Still, Beale said, “John Dingell isn't gone. He's on the committee, and he leads a significant

caucus.”

In addition, lawmakers will face pressure against adding to the financial strain of U.S. automakers when the Big Three — Ford, Chrysler and General Motors — are on the verge of collapse.

“The auto industry and the [United Auto Workers] are an important and powerful constituency, not just for Democrats but in the United States,” Beale said. “It’s wrong to think Dingell has now been thrown under the bus and will no longer have a voice in this stuff.”

© 2008 Capitol News Company, LLC



# The Bulletin

## Philadelphia's Family Newspaper

*"Nearly Everybody Reads The Bulletin"*

11/25/2008

### Dingell Becomes 'Sacrificial Lamb'

By Paul M. Weyrich, For The Bulletin

As long as I can remember U.S. Rep. [John Dingell](#), D-Mich., was one of the toughest committee chairmen in the Congress. His father preceded him in Congress through the Great Depression. I had the pleasure of visiting with him one day while Republicans controlled the Congress. He made it clear he was staying around because he again wanted to be a committee chairman.

Now that Democrats have added liberals to their ranks, U.S. Rep. [Henry Waxman](#), D-Calif., challenged Mr. Dingell and upended him as Chairman of the [House Energy and Commerce Committee](#) that Mr. Dingell used as a vehicle for years to help the auto industry. He didn't always agree with the auto industry, mind you.

There are classic exchanges between Mr. Dingell and executives of the auto industry which will always remain in the annals of Congressional lore. Mr. Dingell represented blue collar Michigan. Mr. Waxman represents Hollywood. Mr. Waxman is an extreme environmentalist.

Despite the evidence to the contrary he is full speed ahead on global warming. Speaker Nancy Pelosi claimed she was neutral in the Dingell-Waxman contest. Reliable sources said she twisted arms in favor of Mr. Waxman. She hated Mr. Dingell's independence. In the end the vote was 137 to 122.

This is a signal. There has been all of this speculation that President elect Barack Obama has to govern as a moderate. Don't you believe it. With an activist leftist like Mr. Waxman winning in the Democrat caucus, it is clear this is Mr. Obama's preference.

Had he, with his strong mandate, indicated he needed Mr. Dingell to help govern as a moderate, he would have prevailed. Right now he has that kind of credibility. He did not so indicate so poor John Dingell became the first sacrificial lamb of the Mr. Obama's move to the left.

It is clear, he will govern not as a moderate but as a clear cut leftist. Some issues he may put off. He doesn't want to get off on the wrong foot they way both Jimmy Carter and Bill Clinton did when they had heavily Democrat Congresses.

When he does select policy options they are going to be the furthest left he feels he can go. Think about it. He relied on the hard left for his early victories in his run against a variety of Democrats. Later when it came down to Hillary Clinton and Mr. Obama, as she moved right he again depended on the left to carry him to victory. From the very beginning, the left were his friends.

He hung around with Bill Ayers and attended a church for 20 years where the pastor preached a Black version of liberation theology. He has a comfort zone with the left. He understands them. They understand him. The big question is this. What of the so called Blue Dogs.

These are Members who ran as moderates and even conservatives. If they are for real they will work with Republicans to defeat the leftist challenge. If, on the other hand, they ran as one thing but when push comes to shove will support the leadership that ought to be a major issue.

Years ago U.S. Rep. Joe Waggoner, D-La., had an organization comparable to the Blue Dogs. He had around 45 Members he could absolutely count on. His count went as high as 82 on some votes. I worked with Joe in putting victorious coalitions together.

The same would be even more possible today. Back then a sizeable part of the GOP caucus was liberal. Those members would not vote with us.

We had just enough conservative Republicans when combined with Waggoner's Democrats that we drove the administration crazy. If I am correct and Mr. Obama tilts left it will be a real test to see if the Blue Dogs are or real.

Paul M. Weyrich is chairman and CEO of The Free Congress Foundation.

*©The Bulletin 2008*



## Scientists urge caution on global warming

By: [Erika Lovley](#)

November 24, 2008 06:07 PM EST

Climate change skeptics on Capitol Hill are quietly watching a growing accumulation of global cooling science and other findings that could signal that the science behind global warming may still be too shaky to warrant cap-and-trade legislation.

While the new Obama administration promises aggressive, forward-thinking environmental policies, Weather Channel co-founder Joseph D'Aleo and other scientists are organizing lobbying efforts to take aim at the cap-and-trade bill that Democrats plan to unveil in January.

So far, members of Congress have not been keen to publicly back the global cooling theory. But both senators from Oklahoma, Republicans Tom Coburn and Jim Inhofe, have often expressed doubts about how much of a role man-made emissions play.

"We want the debate to be about science, not fear and hypocrisy. We hope next year's wave of new politics means a return to science," said Coburn aide John Hart. "It's the old kind of politics that doesn't consider any dissenting opinions."

The global cooling lobby's challenge is enormous. Next year could be the unfriendliest yet for climate skeptics. Already, [House Energy and Commerce Chairman John Dingell](#) (D-Mich.) has lost his gavel, in part because his peers felt he was less than serious about tackling global warming.

The National Academy of Sciences and most major scientific bodies agree that global warming is caused by man-made carbon emissions. But a small, growing number of scientists, including D'Aleo, are questioning how quickly the warming is happening and whether humans are actually the leading cause.

Armed with statistics from the Goddard Institute for Space Studies and the National Oceanic and Atmospheric Administration's National Climate Data Center, D'Aleo reported in the 2009 Old Farmer's Almanac that the U.S. annual mean temperature has fluctuated for decades and has only risen 0.21 degrees since 1930 — which he says is caused by fluctuating solar activity levels and ocean temperatures, not carbon emissions.

Data from the same source shows that during five of the past seven decades, including this one, average U.S. temperatures have gone down. And the almanac predicted that the next year will see a period of cooling.

"We're worried that people are too focused on carbon dioxide as the culprit," D'Aleo said. "Recent warming has stopped since 1998, and we want to stop draconian measures that will hurt already spiraling downward economics. We're environmentalists and conversationalist at heart, but we don't think that carbon is responsible for hurricanes."

D'Aleo's organization, the International Climate and Environmental Change Assessment Project, is collaborating on the campaign with the Cooler Heads Coalition, a subgroup of the National Consumer Coalition with members including Americans for Tax Reform, the

National Center for Policy Analysis and Citizens for a Sound Economy.

More than 31,000 scientists across the world have signed the Global Warming Petition Project, a declaration started by a group of American scientists that states man's impact on climate change can't be reasonably proven.

If the project gains traction, it might give skeptical lawmakers an additional weapon to fight cap-and-trade legislation to curtail greenhouse gases — a move they worry could damage the already fragile economy. At the least, congressional aides say, it could caution additional lawmakers from rushing into a hasty piece of legislation.

Many Hill skeptics have varying opinions on whether the earth's temperature is warming more slowly than some environmentalists predict and how much man is actually contributing to it.

Inhofe's staff has been steadily compiling a list of global cooling findings. And aides report that they have received countless e-mails from scientists worldwide supporting the theory. While Inhofe hasn't indicated that he will move forward with the information anytime soon, his aides continue to compile it.

Republicans aren't the only ones who are wary of hastily passing a greenhouse gas bill. Ten Democrats wrote to Senate leaders earlier this year, citing economic concerns as a key reason why they didn't vote for the Senate's cap-and-trade bill.

And despite Democrats' pickups in the Senate this fall, several of the new Democrats are from conservative, energy-producing states and may not be supportive, either.

But congressional aides say it could be a long wait before lawmakers are comfortable pushing science that contradicts the global warming theory. And until the lobby gains traction, skeptics plan to continue pushing their ideas by arguing for protection of the economy, where they hope to meet middle ground with global warming supporters.

"Never underestimate the ability of Congress to offer nonsolutions to problems that do not exist," said Marc Morano, communications director for the Republicans on the Senate Environment and Public Works Committee. "We could spend weeks arguing the mounting scientific evidence refuting man-made warming fears," he added, "but it's the economic arguments that have the most immediate impact."

At the Cato Institute, senior fellow Patrick Michaels, a contributing author of the United Nations Intergovernmental Panel on Climate Change, said most of Washington is already too deeply entrenched in the global warming mantra to turn back.

"You can't expect the scientific community to now come to Washington and say this isn't a problem. Once the apocalypse begins to deliver research dollars, you don't want to reverse it," said Michaels. "Washington works by lurching from crisis to crisis."

Despite the growing science, the world's leading crusader on climate change, Al Gore, is unconcerned.

"Climate deniers fall into the same camp as people who still don't believe we landed on the moon," said the former vice president's spokeswoman, Kalee Kreider. "We don't think this should distract us from the reality."

# Energy/Environment



November 25, 2008

## Economic Slump May Limit Moves on Clean Energy

By [ELISABETH ROSENTHAL](#)

Just as the world seemed poised to combat [global warming](#) more aggressively, the economic slump and plunging prices of coal and oil are upending plans to wean businesses and consumers from fossil fuel.

From Italy to China, the threat to jobs, profits and government tax revenues posed by the financial crisis has cast doubt on commitments to cap emissions or phase out polluting factories.

Automakers, especially Detroit's Big Three, face collapsing sales, threatening their plans to invest heavily in more fuel-efficient cars. And with gas prices now around \$2 a gallon in the United States, struggling consumers may be less inclined than they once were to trade in their gas-guzzling models in any case.

President-elect [Barack Obama](#) and the [European Union](#) have vowed to stick to commitments to cap emissions of carbon dioxide and invest in new green technologies, arguing that government action could stimulate the economy and create new jobs in producing sustainable energy.

But as the [United Nations](#) prepares to gather the world's environment ministers in Poznan, Poland, next week to try to agree on a new treaty to reduce emissions, both the political will and the economic underpinnings for a much more assertive strategy appear shakier than they did even a few weeks ago.

"Yes things have changed," said Yvo de Boer, executive secretary of the United Nations Framework Convention on Climate Change, in a phone interview. He is organizing the meeting in Poland.

"European industry is saying we can't deal with financial crisis and reduce emissions at the same time," he said. "Heads of government have other things on their minds."

The economic decline also could complicate the political calculus of limiting emissions in developing countries, especially China.

China overtook the United States as the largest producer of greenhouse gases in 2007. But the surge in heavy industry there that produced a sharp increase in its emissions already has given signs of turning into a bust.

Some experts argue that China's emissions — and the pressing need to limit them — may recede until economic conditions improve.

No government has officially repudiated climate goals; in Bali last year, all the nations of the world promised to pursue an emissions control treaty. Mr. de Boer said he remained optimistic that major powers would ultimately stick to pledges to reduce emissions.

"I don't think anyone will show the stupidity to focus on the short term and ignore the long-term issue because these decisions will be with us for 30 years," he said.

Even so, there are signs of considerable backpedaling in at least near-term commitments to invest in green technology and alternative energy.

Italy's environment minister, Stefania Prestigiacomo, said last month that "profound changes" were needed in the European Union climate package because of the global economic crisis. Coal-based economies like Poland's have expressed similar worries.

Theolia, one of France's largest alternative energy companies, has canceled plans for a subsidiary devoted to emerging markets, and pulled back on its goals of how much energy it could produce by 2009.

In the United States, [T. Boone Pickens](#), the Oklahoma oil tycoon who leased hundreds of thousands of acres in West Texas for a giant wind farm, has now delayed the project. He told reporters at a recent news conference that fossil fuel prices would have to rise again before it was economically viable.

Barbara Helfferich, the [European Commission](#) spokeswoman on the environment, said, "Investing in reducing emission is more difficult to do in times of economic downturn than when you have money to spend."

Mr. Obama, Mr. de Boer and Stavros Dimas, the European Union environment commissioner, all argue that by promoting new green jobs, even with heavy government subsidies, they could create an engine of economic growth that would help countries pull themselves out of the recession.

Mr. Obama, without releasing specifics of his proposed economic stimulus package, called on the country to build "wind farms and solar panels, fuel-efficient cars and the alternative energy technologies that can free us from our dependence on foreign oil and keep our economy competitive in the years ahead."

The European Commission says it is planning to stay its course toward lower emissions — a 20-percent reduction by 2020 — and in so doing hopes to have a "first mover advantage" in terms of job creation, renewable sources and energy innovation once the global economy rebounds.

"I know it sounds counterintuitive, but our argument is that because there is an economic turndown, it is just the time to tackle the transition from a high-carbon to a low-carbon economy," Ms. Helfferich said.

Recessions can be good or bad for achieving environmental goals, and it remains uncertain how this one will play out.

In the short term, economic declines tend to reduce emissions, because industrial production slows down. Retrenchment will certainly curb fast-growing emissions from China, for example, where double-digit economic growth has been based partly on production from the most polluting industries, such as steel, cement and aluminum. But such reductions are inevitably temporary, rebounding when the economy picks up.

Against this, the current economic slump could have serious long-term environmental consequences,

because it may reduce investment in greener production technologies without fundamentally changing the longer-term emissions picture. With so many renewable energy projects and programs in their nascent stages, their success is easily undercut by lack of credit or financing.

Centrica, a British company that has been building wind farms to meet its target of having 15 percent of that country's energy come from renewable sources by 2020, has put three planned offshore wind farms on hold, in part because of rising credit costs. Without projects like these it is unclear if Britain's ambitious emissions reductions target can be met.

At the same time, the price of buying permits to emit carbon dioxide in Europe — a system the European Union uses to discourage companies from polluting — have fallen by half compared with the price a year ago, largely because of slower growth.

Wind costs more than \$2.5 billion per gigawatt to build, compared with \$600 million for gas. Carbon permits and subsidies can narrow that gap, but the current low prices mean that it is cheaper to burn coal, even after paying penalties for the carbon dioxide emissions.

The United Nations says that 40 percent of the world's power generating capacity has to be replaced in the next 5 to 10 years. Six months ago, high oil prices, easy credit and political pressure led many governments to promote [biofuels](#), wind farms and nuclear projects and phase out fossil fuel plants. But the logic of spending more on such plants has at least partly evaporated.

"If because of the current economic scenario, you choose cheap and dirty, we'll be in big trouble," Mr. de Boer said.

Paradoxically, it may not look that way, at least at first. One big short-term effect of the economic situation is likely to be a reduction of emissions from the developing world. In the decade after the Eastern bloc countries gained independence in 1989, pollution dropped precipitously, as Soviet-era heavy industry shut down.

Emissions dropped sharply between 1990 and 2000, only to start rebounding in the boom years after 2000. By 2006, for example, emissions dropped by 1 percent in industrialized countries (mostly those in Western Europe) that report their emissions to the United Nations. At the same time, they increased by 3 percent in the so called "economies in transition," including the former Soviet bloc states of Eastern Europe.

In the current global recession China could follow a similar trajectory.

The number of cement plants in China rose to 7,000 from 3,000 from the year 2002 to 2007, as China built new cities at a record pace. That catapulted China to top of the list of global emitters, more than a decade earlier than scientists had anticipated just a few years before.

Yet straight-line projections about China's emissions are now again in question, said Trevor Houser, a visiting fellow at the Washington-based Peterson Institute for International Economics.

"Demand for goods like steel, cement and aluminum is contracting severely, so the energy used to produce them is also severely down," he said.

Last month, he said, China's energy use fell by 4 percent compared with the same month in 2007. A year ago, use was growing at an annual rate of 15 percent.

That may ultimately be a good thing for the Chinese economy as well as the environment, because heavy industry produces heavy emissions, but very few jobs.

Indeed, the slowdown may provide an opportunity for China, too, to reinvent itself with investment in a greener economy. "Slower energy demand provides an opportunity to move away from coal," he said.

Still, such benefits may be more apparent to environmentalists than to factory owners and finance ministers trying to meet budgets and make profits. The European Union estimates that it will cost Italian industry 13 billion euros, about \$16.7 billion, to reduce emissions. Italy puts the cost up to 27 billion euros, which it says it cannot afford.

"Transitions are expensive, but this one will help avoid the ups and downs we've recently seen," Ms. Helfferich said. "This is a short-term bitter apple to create new sectors that are conducive to fighting climate change and jobs as well."

[Copyright 2008 The New York Times Company](#)

---

[Privacy Policy](#) | [Search](#) | [Corrections](#) | [RSS](#) | [First Look](#) | [Help](#) | [Contact Us](#) | [Work for Us](#) | [Site Map](#)



washingtonpost.com

## The Car of the Future -- but at What Cost?

Advertisement

Hybrid Vehicles Are Popular, but Making Them Profitable Is a Challenge

By Steven Mufson  
Washington Post Staff Writer  
Tuesday, November 25, 2008; A01

Many members of Congress believe they know what the car company of the future should look like.

"A business model based on gas -- a gas-guzzling past -- is unacceptable," [Sen. Charles E. Schumer \(D-N.Y.\)](#) said last week. "We need a business model based on cars of the future, and we already know what that future is: the plug-in hybrid electric car."

But the car company Schumer and other lawmakers envision for the future could turn out to be a money-losing operation, not part of a "sustainable U.S. auto industry" that President-elect [Barack Obama](#) and most members of Congress say they want to create.

That's because car manufacturers still haven't figured out how to produce hybrid and plug-in vehicles cheaply enough to make money on them. After a decade of relative success with its hybrid [Prius](#), [Toyota](#) has sold about a million of the cars and is still widely believed by analysts to be losing money on each one sold. [General Motors](#) has touted plans for a plug-in hybrid vehicle called the Volt, but the costly battery will prevent it from turning a profit on the vehicle for several years, at least.

"In 10 years are they [at GM] going to solve the technological problems with respect to the Volt? Sure," says Maryann Keller, an automotive analyst and author of a book on GM. "But are they going to be able to stake their survival, which is really more of a now to five-year proposition, on it? I'd say they can't. They have to stake their future on Malibus, the Chevy Cruze, and much more conventional technologies."

U.S. automakers faced a barrage of demands last week that they provide evidence and assurance that they would use federal bailout money to transform their companies to produce automobiles of the future, using advanced technologies and featuring hybrid or plug-in vehicles. And in his "[60 Minutes](#)" interview on Nov. 16, Obama said that before backing a big loan package he wanted to be sure "that we are creating a bridge loan to somewhere as opposed to a bridge loan to nowhere."

But there's no guarantee that the new business model would be any more viable than the current one. Automobile experts estimate that the battery in a plug-in vehicle could add at least \$8,000 to the cost of a car, maybe considerably more. Most Americans will be unwilling to pay the extra price, especially if gasoline prices languish around \$2 a gallon.

That's why one of the mysteries about GM's plans to introduce the Volt in 2010 is how much it will cost to buy one. "What's the Volt going to cost? I would be happy to answer that if you can tell me the price of oil in 2010," said Robert A. Kruse, GM's executive director of global vehicle engineering for hybrids, electric vehicles and batteries. "I can tell you to the penny what it will cost GM, but pricing is much more related to market conditions."

The hurdles ahead for the Volt and other cars with new technologies pose dilemmas for automakers trying to gauge a market that is still very young for cars that don't exist while trying to stay in business during a downturn.

"These are hard choices," said Toyota chief technology officer Bill Reinert, part of the Prius design team. "Do you bet on lighter, smaller, more fuel efficient but ultimately less profitable cars or do you hold back a little on technology development and look at new versions of existing cars."

Many experts say that gas guzzlers will not fade away as long as Congress fails to impose higher taxes on gasoline to steer people toward fuel-efficient cars.

"You'd think from reading the media that we have had a burial ceremony at [Arlington cemetery](#) for the last pickup truck," said James Womack, a management expert who has written about the automobile industry. "I can easily imagine three years from now when public is focused on a new set of priorities . . . that this whole thing would go poof."

Eager to reduce U.S. dependence on foreign oil, Obama proposed a \$7,500-a-vehicle tax credit for plug-in vehicles during his presidential campaign. Roughly half of Americans don't earn enough to take advantage of such a big tax credit. (A head of household would need to earn almost \$50,000 to have a federal tax liability that large.) Many others don't have the cash to purchase an expensive vehicle then wait for a federal refund. To spur sales of new vehicles, the price must be reasonable at the point of sale, say many industry experts.

Womack warned that it takes time to design a new vehicle, change assembly lines and then turn a new product into a profitable one. "For anything that's really new it's still about four years," he said. "To get your money back, you need to make that product for eight to 10 years with only cosmetic changes."

Helping automakers over that hump may take more money and patience than Congress or its taxpaying constituents have.

The experience of [Tesla Motors](#), a Silicon Valley sports car maker, illustrates the challenges of making a radically new automobile. Founded by a group of high-tech multimillionaires, Tesla has been trying to become the first new successful American car company since [Chrysler](#), which was founded in 1925.

Tesla's founders set out to make all-electric vehicles. The company's first: an all-electric sports car with a price tag of \$109,000 that can go from zero to 60 mph in a bracing 3.9 seconds. As of a week ago, only 63 had been delivered to customers; a couple of dozen were nearly ready and the company has about 1,200 back orders.

"The reason we started with a \$100,000 sports car is that when technology is new it tends to be expensive," says [Elon Musk](#), the co-founder of [PayPal](#) who is the chief executive of and a big investor in Tesla. "It just takes time to optimize the right design and work up to economies of scale. . . . Why we didn't start with a [Honda Civic](#) is that it would be a \$70,000 to \$80,000 Honda Civic."

With a chassis made by Lotus in England, body parts made by a French carbon fiber firm Sotira and battery parts from Taiwan, Tesla has had supply-chain problems ranging from customs delays to a fire in the tunnel that goes under the [English Channel](#). Initially a two-speed vehicle, the early Teslas were rough on transmissions, which have been eliminated in new single-speed versions. Recently Musk has hired some veterans from the Detroit automakers to smooth out production problems.

"For sure, this game looks a lot easier than it really is," said Jon Lauckner, GM's vice president of global program management. "You've got to get 3,000 parts all together in one place to assemble a vehicle."

Tesla isn't any different from the Detroit Three in one regard: It too is looking for government assistance. Eager to make a luxury sedan as the next in what it hopes eventually will be a full line of electric vehicles, Tesla Motors has applied for \$400 million in low-interest federal loans under the \$25 billion loan package approved by Congress a year ago.

But GM and other car companies, while preparing plug-in vehicles, are more likely to live or die based on the sales of conventional cars that get better fuel efficiency through improved transmissions, reduced weight or hybrid technology. GM says it will offer nine hybrids for sale by the middle of next year. Reinert says that Toyota will eventually offer hybrid versions of all its car models.

Still, production of the new cars will be limited. GM, for instance, plans to produce only a little more than 10,000 Volts in the model's first year.

"People ask us when will we produce not just 10,000 but 50,000," said Frank Weber, GM's global vehicle line executive and chief engineer for E-flex systems. "I say when the battery and power train costs have come down significantly."

Weber added: "We never said this program in the first generation was there to make money. You cannot expect this type of technology to make money from day one."

The economic downturn has also changed the equation.

"Will the U.S. auto industry ever be as profitable as it was from mid-90s to the early part of this decade?" asks automobile expert Keller. Those days were "magic. It was like printing money for everybody. Everybody from Toyota and GM to [Ford](#) and [Nissan](#) were feasting on our desire to drive around in those giant vehicles."

But the industry has gone from feast to famine. Auto industry experts say that the basic problem is that the U.S. industry geared up to make 18 million cars and light trucks a year and that it will be lucky to sell 11 million this year. How far sales will climb back -- and when -- is anybody's guess.

"There's fluff and there's reality," Keller said. "The fluff is the [Chevy Volt](#) . . . That's not going to save

GM in the next five years. What will save GM is more small sedans and more crossovers. That's what people are going to be buying."

**Post a Comment**

[View all comments](#) that have been posted about this article.

Comments that include profanity or personal attacks or other inappropriate comments or material will be removed from the site. Additionally, entries that are unsigned or contain "signatures" by someone other than the actual author will be removed. Finally, we will take steps to block users who violate any of our posting standards, terms of use or privacy policies or any other policies governing this site. Please review the [full rules](#) governing commentaries and discussions. You are fully responsible for the content that you post.

© 2008 The Washington Post Company

**Ads by Google**

**[Cisco costs 40% too much](#)**

Saving 40% in energy cost? You can w/ Nortel. Calculate your savings!

[www.nortel.com/saveenergy](http://www.nortel.com/saveenergy)

# Health

**HEALTH****Studies Bolster Democratic Push to Trim Medicare Advantage Payments****By: Stephen Langel**

CongressNow Staff

Nov 24, 2008 2:25 PM

A series of reports published today take private Medicare Advantage plans to task, arguing that such plans receive higher payment rates than traditional Medicare plans, without significant added benefits. This conclusion provides Democratic lawmakers with ammunition they can use in their long-running fight to slash payment rates, a push that has been opposed by many Republican lawmakers and President George W. Bush.

The reports — published by the journal Health Affairs, a respected independent publication — paint MA plans as adding complexity and driving overall Medicare spending higher. The reports also conclude that the additional costs do not translate into value added for the beneficiary.

“We spend a lot of money for the Medicare Advantage program, and it’s not clear what we get in return,” one of the report’s authors, Marsha Gold, a senior fellow at Mathematica Policy Research, said during an event to unveil the reports. Not only must these additional costs be addressed, she said, but Congress must also boost its oversight and accountability of the program.

In the 110th Congress, Democrats sought to use savings from cuts in Medicare Advantage to fund any number of policy goals, including adjustments to physician reimbursement rates under Medicare. It was also floated as a possible pot of money that could be shifted to cover health care insurance for children under the State Children’s Health Insurance Program.

However, Republicans consistently opposed trimming MA and redeploying its funding elsewhere, arguing that it could hamper access for certain vulnerable populations, such as low-income and rural Americans.

But the conclusions unveiled today will almost certainly embolden Democratic efforts to cut MA and use such funds for other purposes.

“I think it’s helpful” because the reports publicize how much the government is paying without noticeable benefits and what the overall impact is on the sustainability of Medicare, a Senate Democratic aide said today.

Some of these plans are “just in it for a quick buck” and these reports agree that the government must take a more active role keeping an eye on them, the Democratic aide added. MA is a “black eye” for the Medicare program, the aide said, citing a number of abuses in the program’s administration. Medicare reform is likely to be a part of a broader health care reform package, the aide said.

A Republican Senate aide disagreed that MA plans provide little value added, arguing that MA plans offer better care coordination than that found under traditional Medicare plans. Also, problems with the health care system cannot simply be traced to MA plans. MA is just a small part of the larger problem surrounding health care.

“I don’t think we should be blaming MA for all these problems,” the GOP aide said.

Simon Stevens, chief executive officer of Ovations, a company that provides services under MA, agreed that there are additional benefits to MA plans. Not only do beneficiaries receive additional medical benefits under MA plans, he said, but these plans are also more efficient than traditional Medicare and ensure access to such coverage for more rural areas, he said.

The GOP aide did acknowledge, however, that the reports will harm MA proponents. “It hurts, obviously,” by bolstering Democrats’ arguments that these plans are overpaid and provide no additional benefits. MA plans will need to work hard next year to publicize the additional benefits they provide, the aide added.

[Back to top](#)**OTHER GALLERYWATCH HOTDOCS ON HEALTH**[Letter to President-Elect Barack Obama From Eight Senators \(PDF 609 KB\)](#)[Letter to Defense Secretary Robert Gates From 57 Senators \(PDF 834 KB\)](#)[Letter to President-elect Barack Obama From 15 Senators \(PDF 636 KB\)](#)[Letter to Chairman and Chief Executive Officer of Best Practice Roger Meyer From Senate Finance Chairman Chuck Grassley \(PDF 36.3 KB\)](#)[Report: Health Information Technology: More Detailed Plans Needed for the Centers for Disease Control and Prevention’s Redesigned BioSense Program \(PDF 1.1 MB\)](#)

O&I

---

November 25, 2008

## Research Center Tied to Drug Company

By [GARDINER HARRIS](#)

When a Congressional investigation revealed in June that Dr. Joseph Biederman, a world-renowned child psychiatrist, had earned far more money from drug makers than he had reported to his university, he said that his interests were “solely in the advancement of medical treatment through rigorous and objective study.”

But e-mail messages and internal documents from Johnson & Johnson made public in a court filing reveal that Dr. Biederman pushed the company to finance a research center at [Massachusetts General Hospital](#), in Boston, with a goal to “move forward the commercial goals of J. & J.” The documents also show that the company prepared a draft summary of a study that Dr. Biederman, of Harvard, was said to have written.

Dr. Biederman’s work helped to fuel a fortyfold increase from 1994 to 2003 in the diagnosis of pediatric [bipolar disorder](#) and a rapid rise in the use of powerful, risky and expensive antipsychotic medicines in children.

Although many of his studies are small and often financed by drug makers, Dr. Biederman has had a vast influence on the field largely because of his position at one of the most prestigious medical institutions.

Massachusetts General said in a statement Monday that it took the accusations related to the research center “very seriously” and intended “to investigate these issues thoroughly.”

Johnson & Johnson makes a popular antipsychotic medicine called Risperdal, or risperidone. More than a quarter of its use is in children and adolescents.

Last week, a panel of federal drug experts said that medicines like Risperdal were being used too cavalierly in children and that regulators must do more to warn doctors of their substantial risks. Other popular antipsychotic medicines, also referred to as neuroleptics, are Zyprexa, made by Eli Lilly; Seroquel, made by AstraZeneca; Geodon, made by Pfizer; and Abilify, made by Bristol-Myers Squibb.

Thousands of parents have sued AstraZeneca, Eli Lilly and Johnson & Johnson, claiming that their children were injured after taking the medicines; they also claim that the companies minimized the risks of the drugs.

As part of the lawsuits, plaintiffs’ lawyers have demanded millions of documents from the companies. Nearly all have been provided under judicial seals, but a select few that mentioned Dr. Biederman became public after plaintiffs’ lawyers sought a judge’s order to require Dr. Biederman to be interviewed by them under oath.

In a motion filed two weeks ago, lawyers for the families argued that they should be allowed to interview Dr. Biederman under oath because his work had been crucial to the widespread acceptance of pediatric uses of antipsychotic medicines. To support this contention, the lawyers included more than two dozen documents, among them e-mail messages from Johnson & Johnson that mentioned Dr. Biederman. A judge has yet to rule on the request.

The documents offer an unusual glimpse into the delicate relationship that drug makers have with influential doctors.

In a November 1999 e-mail message, John Bruins, a Johnson & Johnson marketing executive, begs his supervisors to approve a \$3,000 check to Dr. Biederman as payment for a lecture he gave at the [University of Connecticut](#).

"Dr. Biederman is not someone to jerk around," Mr. Bruins wrote. "He is a very proud national figure in child psych and has a very short fuse."

Mr. Bruins wrote that Dr. Biederman was furious after Johnson & Johnson rejected a request that Dr. Biederman had made for a \$280,000 research grant. "I have never seen someone so angry," Mr. Bruins wrote. "Since that time, our business became non-existent (sic) within his area of control."

Mr. Bruins concluded that unless Dr. Biederman received a check soon, "I am truly afraid of the consequences."

A series of documents described the goals behind establishing the Johnson & Johnson Center for the study of pediatric psychopathology, where Dr. Biederman serves as chief.

A 2002 annual report for the center said its research must satisfy three criteria: improve psychiatric care for children, have high standards and "move forward the commercial goals of J. & J.," court documents said.

"We strongly believe," the report stated, "that the center's systematic scientific inquiry will enhance the clinical and research foundation of child [psychiatry](#) and lead to the safer, more appropriate and more widespread use of medications in children.

"Without such data, many clinicians question the wisdom of aggressively treating children with medications, especially those like neuroleptics, which expose children to potentially serious adverse events."

A February 2002 e-mail message from Georges Gharabawi, a Johnson & Johnson executive, said Dr. Biederman approached the company "multiple times to propose the creation" of the center. "The rationale of this center," the message stated, "is to generate and disseminate data supporting the use of risperidone in" children and adolescents.

Documents show that Johnson & Johnson gave the center \$700,000 in 2002 alone. Massachusetts General said in its statement on Monday that grant agreements indicated the center "was for scientific and educational purposes only and not for purposes of promoting, directly or indirectly, the products of Johnson & Johnson and its affiliates."

A statement Monday from Janssen Pharmaceutica, a unit of Johnson & Johnson, said it helped finance the research center in 2002 "with an objective to conduct rigorous clinical trials to clarify appropriate use and dosing of Risperdal in children."

A June 2002 e-mail message to Dr. Biederman from Dr. Gahan Pandina, a Johnson & Johnson executive, included a brief abstract of a study of Risperdal in children with disruptive behavior disorder. The message said the study was intended to be presented at the 2002 annual meeting of the American Academy of Child and Adolescent Psychiatry.

"We have generated a review abstract," Dr. Pandina wrote, "but I must review this longer abstract before passing this along."

One problem with the study, Dr. Pandina wrote, is that the children given placebos and those given Risperdal both improved significantly. "So, if you could," Dr. Pandina added, "please give some thought to how to handle this issue if it occurs."

The draft abstract that Dr. Pandina put in the e-mail message, however, stated that only the children given Risperdal improved, while those given placebos did not. Dr. Pandina asked Dr. Biederman to sign a form listing himself as the author so the company could present the study to the conference, according to the message.

"I will review this morning," responded Dr. Biederman, according to the documents. "I will be happy to sign the forms if you could kindly send them to me." The documents do not make clear whether he approved the final summary of the brief abstract in similar form or asked to read the longer report on the study.

Drug makers have long hired professional writers to compose scientific papers and then recruited well-known doctors to list themselves as the author. The practice, known as ghostwriting, has come under intense criticism recently, and medical societies, schools and journals have condemned it.

In June, a Congressional investigation revealed that Dr. Biederman had failed to report to Harvard at least \$1.4 million in outside income from Johnson & Johnson and other makers of antipsychotic medicines.

In one example, Dr. Biederman reported no income from Johnson & Johnson for 2001 in a disclosure report filed with the university. When asked by Senator [Charles E. Grassley](#), an Iowa Republican who is leading the Congressional inquiry, to check again, Dr. Biederman said he had received \$3,500. But Johnson & Johnson told Mr. Grassley that it paid \$58,169 to Dr. Biederman in 2001.

A Harvard spokesman, David J. Cameron, said Monday that the university was still reviewing Mr. Grassley's accusations against Dr. Biederman. Mr. Cameron added that the university had not seen the drug company documents in question and that it was not directly involved in the child psychiatry center at Massachusetts General.

Calls to Dr. Biederman were not returned.

---

Copyright 2008 The New York Times Company

[Privacy Policy](#) | [Search](#) | [Corrections](#) | [RSS](#) | [First Look](#) | [Help](#) | [Contact Us](#) | [Work for Us](#) | [Site Map](#)

---