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# War of words escalates in run-up to California's vote on stem cells

**Jonathan Knight, San Francisco**

California is gearing up for an epic battle over a state-wide referendum on whether to issue a \$3-billion bond to support embryonic stem-cell research.

Proposition 71, which will appear on the state's ballot in November, would authorize the money to be spent over ten years and change the state's constitution to protect researchers' right to do the work.

The issue looks set to trigger an almighty row in the state. Many biologists believe that research with stem cells derived from human embryos could yield therapies for degenerative ailments such as Parkinson's disease and diabetes. But restrictions

set by President George Bush prohibit federal funding for research on embryonic stem-cell lines derived after 9 August 2001, on the grounds that making new lines involves destroying human embryos.

Proposition 71 is supported by a coalition of patient-advocacy groups, researchers at the University of California's campuses and Stanford University in Palo Alto, and venture capitalists. It would establish a California Institute for Regenerative Medicine to distribute grant money through a review process, prioritizing research not supported by the federal government. By amending the constitution and requiring a 70% legislative majority to make changes to the proposition, the initiative seeks to make California a haven for the research.

"This really separates the funding from the swinging pendulum of politics," says proponent Lawrence Goldstein, a neurobiologist at the University of California, San Diego. "At some point you have to stop arguing and move on."

Opposition to the proposition has brought together people who are against the research on moral grounds and fiscal conservatives — a powerful group in California, who see the bond as something the debt-laden state cannot afford. They have



California could choose to commit \$3 billion to embryonic stem-cell research.

formed a group called Doctors, Patients and Taxpayers for Fiscal Responsibility (DPTFR) and have hired a political consultant to run their campaign.

The measure's cost will probably be one of the most potent arguments against it. Repaying the bond will cost some \$6 billion over 30 years, according to an official state estimate that will appear, by law, on the ballot form.

"This is looting the taxpayers for a very narrow and unproductive area of research that venture capitalists don't want to touch because the benefits are decades away," says Rex Greene, a cancer physician in San Mateo county and a spokesman for DPTFR. Greene says that he is a liberal who supports choice on abortion, but finds himself allied with pro-life Catholics on the ballot issue.

## Battle of the bonds

Proponents claim that the initiative will more than pay for itself. Laurence Baker, a health economist at Stanford University who analysed the bond for the initiative, says that spending on buildings and research staff alone will generate enough tax revenue to more than cover the first five years' interest on the bond. Although the long-term benefits are hard to estimate, Baker says that the bond should stimulate the state's

biotechnology industry and give better therapies that will save tens of millions of dollars in medical costs each year.

But with these benefits far in the future, Greene and other opponents say they hope that the public will focus on the measure's short-term beneficiaries. The true winners, they say, are the initiative's sponsors. Most of the \$2.6 million so far raised to support the ballot drive has come from venture capitalists and biotechnology entrepreneurs who stand to gain from its passage, Greene says.

He also questions the new institute's proposed constitution. This involves an oversight committee including members

of patient-advocacy groups, research institutes and five University of California campuses. "The mission isn't curing disease," Greene says. "It's biotechnology entrepreneurship and the aggrandisement of academic research centres."

Fiona Hutton, a spokeswoman for the initiative, says that the measure's checks and balances will ensure money is distributed fairly. She also says the measure emanates from ordinary Californians. "We have a lot of volunteers doing things like mailings and breast cancer walks," she says, although she declines to estimate how many.

California has a history of high-profile, contentious ballot initiatives. The real dark horse in this one is the state's popular and moderate Republican governor, Arnold Schwarzenegger. On the one hand, other Republicans have supported stem-cell research, including former First Lady Nancy Reagan. On the other, Schwarzenegger wants to balance California's budget, and he may hesitate to back a measure whose passage would be seen as a slap in the face for President Bush. His support or antipathy would have a big impact on voters who elected him to fix California's financial woes — but observers say that the former muscleman may choose to sit this fight out. ■