



## **BioEdge: Bioethics News for Health and Legal Professionals and the Media, August 22, 2007**

### *Federal Funding For Embryo Research Unlikely To Rise After Bush*

State governments and private donors will probably remain the biggest supporters of human embryonic stem cell research, even if President Bush's successor reverses his restrictions on federal funding. According to a survey of stem cell financing by James Fossett of the Rockefeller Institute of Government, "federalism by necessity" will remain the pattern of stem cell research. But despite its unwieldiness and complexity, this system is producing funds for American hESC research. California's stem cell institute, funded with a US\$3 billion bond issue, has already doled out \$200 million for hESC research, more than five times what the Federal government's annual allocation.

Several states are enthusiastic supporters of hESC research, including Massachusetts, New Jersey, New York and Maryland, and have promised substantial funding. Over the next ten years, their support could amount to more than \$500 million a

year. And most of these states will focus on embryo research as a priority.

"Even if as little as half of potential state funding is devoted to hESC research, states would be outspending NIH by a factor of six in this area," says Fossett. Another source of funding is private philanthropy, although this is less consistent. Fossett's research shows that at least \$1.7 billion has been donated for hESC research. Two novel trends have emerged in this area. The first is that private donors have directed supported the work of government agencies. The second is that private money has been used to support political campaigns in support of hESC research.

Although Fossett is glum about the prospect of increased Federal funding after Bush, "federalism by necessity" has its advantages. States are competing amongst themselves, and with foreign countries, to attract the best researchers and to keep a competitive edge.