

THE HILL

JULY 22, 2003

BUSINESS & LOBBYING

Lawmakers questioning Eli Lilly role
Watchdogs fear Homeland Security Advisory Council exemption from FACA
By [Peter Brand](#)

Oversight hawks on and off Capitol Hill are raising concerns about the prominent pharmaceutical company Eli Lilly's spot on the Homeland Security Advisory Council.

The 18-member council, which advises Homeland Security Secretary Tom Ridge, is made up of local and state government leaders and representatives from the private sector, including Sidney Taurel, chairman of the board, president and CEO of Eli Lilly.

The council was created in March 2002 by an executive order, its members were appointed in June 2002, and it first met last month.

It is exempt from the Federal Advisory Committee Act (FACA), which is designed to assure public participation in and oversight of such councils.

Eli Lilly, an Indianapolis-based company with 43,000 employees, found itself at the center of controversy last winter when Congress was considering the Homeland Security Act.

A debate erupted over language in the bill that would have indemnified drug companies like Eli Lilly from lawsuits relating to its vaccines, which some critics believe can cause autism in children. The language was approved and then later rejected.

Eli Lilly has been hit with a wave of class-action lawsuits in the past three years.

"Those lawsuits had nothing to do with national security. Now [Eli Lilly sits] on the advisory council," said Rep. Jan Schakowsky (Ill.), a Democratic member of the Energy and Commerce Committee.

One of Schakowsky's chief concerns is the council's exemption from FACA. Last year, when she was a member of the Government Reform Committee, Schakowsky unsuccessfully fought



[THOMAS BUTLER](#)

Rep. Jan Schakowsky (D-Ill.): Concerned about security council.

against FACA and Freedom of Information Act exemptions in the Homeland Security Department.

“This is exactly what I was worried about,” she said.

Eli Lilly spokesman Edward Sagebiel defended Taurel’s position on the council.

“Mr. Taurel takes his role very seriously,” Sagebiel said.

“I don’t have a problem with them being on any board. My main concern is to make sure they don’t try to stick that language back [in legislation],” said Rep. Dan Burton (R-Ind.), a subcommittee chairman on Government Reform.

Non-corporate members on the council include former Rep. Lee Hamilton (D-Ind.), Washington, D.C., Mayor Anthony Williams (D), Utah Gov. Michael O. Leavitt (R) and Jared L. Cohon, president of Carnegie Mellon University in Pittsburgh.

Overall, Schakowsky thinks the council is lopsided toward business interests. “It’s not that we don’t want the private sector represented on the council; it’s the imbalance.” The council has six representatives from the corporate sector.

Danielle Brian, executive director of the Project on Government Oversight, a leading watchdog group, also has criticized the makeup of the council. In a July 8 letter to Homeland Security Secretary Tom Ridge, Brian called Eli Lilly “a questionable player.”

Brian also expressed concerns that taxpayer money could be used to shore up private sector security, citing, among others, the presence of Richard Davidson, CEO of the Union Pacific Corporation, on the council.

“Because the job of protecting the railroad system falls not to federal or state law enforcement but to the rail companies and their security employees, his presence on the council is a prime opportunity to push the burden of increased security upon taxpayers instead of the companies,” Brian wrote.

Some observers believe that the private sector can play as critical a role as federal and local governments in many areas of homeland security, especially chemical plants and cybersecurity.

Since the Sept. 11, 2001, attacks, corporate spending to guard against terrorism has increased only 4 percent, according to a report released this month by the Conference Board, a business research group.

The study is based on a nationwide survey of 331 business security officials. More than half of the companies in the survey generate \$1 billion in revenue per year.

