



Podesta, Palmieri Wyss links could be a problem for Hillary Clinton in 2016

By Mark Tapscott

Feb. 20, 2015

White House Communications Director Jennifer Palmieri has served two Democrats in the Oval Office — President Obama and President Clinton — and reportedly hopes to work for a third, but that prospect could pose a big ethics problem for Hillary Clinton.

That problem is Hansjorg Wyss, a controversial financial benefactor of John Podesta who reportedly will leave his position as senior counselor to Obama in order to manage Clinton's 2016 presidential campaign. Podesta would be an obvious candidate for White House chief of staff in a Hillary Clinton presidency. Palmieri is reportedly slated to be communications director for the campaign.

Palmieri and Podesta are long-time allies, having both served in the Obama and Clinton administrations in key positions. They are also both former top executives of the Center for American Progress that Podesta founded in 2003. The liberal think tank is a fertile source of ideas and talking points for Democrats, much as the Heritage Foundation, AEI and the Cato Institute are for Republicans.

When Palmieri joined the Obama White House staff in 2011, she came from the center where she had been senior vice president of communications. She had also been president of the Center for American Progress Action Fund, the 501(c)(4) advocacy and lobbying branch of CAP.

The action fund spent \$2.9 million on lobbying between 2005 when Palmieri was its registered lobbyist and 2011 when she joined the Obama administration, according to OpenSecrets.org.

Her jobs in the Clinton administration included stints as White House deputy press secretary, special assistant to White House chief of staff Leon Panetta and deputy director of scheduling and advance.

It was at the liberal think tank founded by Podesta that he and Palmieri benefitted from Wyss's generosity. Wyss is a reclusive Swiss billionaire who is among the center's biggest contributors and is a member of its board of directors. He is also the former head of Synthes, a corporation that conducted illegal human drug trials that resulted in the deaths of three people.

As the Washington Examiner reported last July, four of Wyss's executives at the corporation served jail terms as a result of the illegal trials. The federal judge who heard the case said the company's "pattern of deception is unparalleled."

Podesta, Palmieri and Wyss have been financially linked for years. The center received \$4.1 million from Wyss during Podesta's tenure as the liberal nonprofit's founding president and chief executive officer. When Podesta joined the Obama White House, he listed on his financial disclosure form an \$87,000 consulting fee he received from Wyss's private foundation, the HJW Foundation.

"Wyss and other Synthes executives decided to enter the highly profitable field of spinal surgery in 2000 with Norian XR, a cement-like mixture of calcium phosphate with barium sulfate," the Examiner reported in 2014.

"Company managers claimed the compound could act like bone when injected in the spine in a procedure called 'vertebroplasty.'

"Federal prosecutors noted that at the time there was 'excitement about using Norian for vertebroplasties' at Synthes, even though the U.S. Food and Drug Administration had not approved its use on the spine. FDA approval could take at least three years.

"Company managers, however, decided not to seek FDA approval for Norian XR on the spine. Instead, they conducted unauthorized human experiments over a four-year period that included the three deaths."