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The Calling

John Paul's Frailty Stirs Emotional Debate Over Papal Retirement

Are There Limits to Tenure Of a Man Who Answers To No One but God?

Celestine and His Donkey

By Lisa Miller
Staff Reporter of THE WALL STREET JOURNAL
ROME—Should he or shouldn't he? Pope John Paul II was in the Holy Land last week. Mr. Mastroianni was hanging out in the crowd of young people that gathers daily in the piazza near the Pantheon. The 79-year-old art student thinks the aging pontiff should resign his post. "Like all people—when they're old, they retire," says Mr. Mastroianni.
But Paolo Bondi, who is sitting nearby, disagrees. "He can be a good shepherd even though he's old and tired," says Ms. Bondi, who is 22 and a psychologist.
From the cobblestone streets near St. Peter's Square to rural districts in the American Midwest, people are debating a question that in many ways exemplifies the Roman Catholic Church's age-old struggle between tradition and modernity: Is the Holy Father so frail that he should step down?
Triggered by John Paul II's obviously declining health—in Jerusalem on Sunday he needed help rising from his knees in the Church of the Holy Sepulchre and was fueled by a German bishop's controversial public remarks on papal retirement early this year, the debate has reached a fever pitch. Both in private conversation and in the press, people are talking about canon law, God's will and one famous instance of papal retirement, in 1294. "It's a feeding frenzy," says Margaret Melady, president of the American University of Rome.
Even devout American Catholics such as Gerard Roche struggle with the question of whether John Paul II, who turns 80 in May, is too frail to lead the world's billion Catholics. On the one hand, last week's trip convinced Mr. Roche that the pope remains a powerful spiritual leader.
"On the other hand," Wight Corporation would put up with a CEO like this for long," says Mr. Roche, chairman of Helix & Strategies Inc., the New York-based headhunting firm.
Often photographed skiing and hiking early in his 22-year tenure, the pontiff now uses a trolley to transport him from one of St. Peter's Basilica to another. But although he is not quite the relentless traveler he used to be—in 1998 he visited Rwanda, Burundi, Tanzania, Cape Verde and Guinea-Bissau—John Paul II's public appearances nevertheless have the effect of inspiring world leaders to lead.
Similarly, as his career has progressed, his faith has moved from the world of geopolitics—ethnic diversity in the College of Cardinals and the fact of communism, for example—to more internal, spiritual matters: the elderly, apology and reconciliation. And for three years now, his energy has been aimed at this year's Jubilee celebration.
Giuseppe DePasquale reflects the mood of many who watched John Paul II on his latest trip. "I'm waiting for a fight to Bangkok at Rome's Fiumicino airport on Sunday," Mr. DePasquale is riveted to the TV as the pope tours the Church of the Holy Sepulchre. "His body is no good," says Mr. DePasquale, a salesman. "But he's a great man, the most powerful man of the last 100 years."

Others, such as Bishop Raymond Lucker, of New Ulm, Minn., point out the considerable challenges of the position. Bishop Lucker, who himself is 73 and about to retire, supports a mandatory age for papal retirement. Since 1966, he notes, bishops have had to submit letters of resignation at age 75. And, he says, being a pope is harder than being a bishop. The pope presides over Vatican City, a country unto itself, as well as a massive international bureaucracy of 151 cardinals and about 4,400 bishops, not to mention museums, libraries, real-estate holdings, innumerable committees and councils, and an operating budget of about \$200 million.
"Once you pass the age of 70, you notice diminishing abilities. You have health problems, you need more sleep," Bishop Lucker says. "A person can have done a marvelous job as pope and then come to a point and say, 'I can't do this anymore.'"

This isn't the first time a pope has grown infirm on the job, of course. Leo XIII, pope from 1878 until 1903, "was rumored to be dying for about 10 years," before he died at age 63, says the Rev. Gerald Fogarty, a historian at the University of Virginia.

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What's News

Business and Finance

PEC MEMBERS couldn't agree on how much to increase oil production, with Iran in particular insisting on a smaller boost than Saudi Arabia wants. Despite weeks of back-room consensus meant to lead to a quick consensus, the meeting adjourned with only an agreement to return to the table today. Crude prices fell.
Greenspan dismissed worries the runup in oil prices would spark inflation, suggesting the economic impact would be negligible if fuel costs stayed at a plateau around current levels. (Articles on Pages A3 and A4)

Some brokerage firms are ratcheting up efforts to pay upfront bonuses and provide other perks to brokers, potentially running counter to the spirit of a high-profile effort by SEC regulators to clean up conflicts of interest. (Article on Page C1)

James Dimon was picked to be chairman and CEO of Bank One, the nation's fifth-largest bank. Bank One shares rose 8.8% on the news. Former Citigroup president had the job. (Article on Page C1)

Philip Morris and R.J. Reynolds were told by a California jury to pay \$20 million in punitive damages to a sick smoker, underscoring cigarette makers' vulnerability in the state. (Article on Page A2)

Microsoft continued working with the U.S. toward a possible settlement, even as a federal judge prepared to rule soon if the effort fails, people close to the case said. Its stock fell 6.8%. (Article on Page A2)

Home sales rose 6.7% in February, rebounding from January. In a sign that rising interest rates aren't significantly cooling the economy, inventory levels edged down but stayed tight. (Article on Page A2)

Cisco Systems surpassed Microsoft to become the company with the highest market value in the world, at \$55.4 billion, as the networking-equipment maker's stock price rose. (Article on Page C1)

ABC's president, Patricia Fili-Krushel, is leaving her post at the TV network after seven years, according to people familiar with the situation. (Article on Page B6)

Volkswagen bought a minority stake in Scania from holding company Investor for \$1.2 billion, acquiring a foothold in the heavy-truck market. (Article on Page A2)

Colgate named Lois Juliber its new chief operating officer, positioning her as the front-runner for the top post. (Article on Page B6)

The Florida attorney general's office is probing some business practices of the discount marketing division of Rexall, a health-products maker. (Article on Page B9)

The Academy Awards drew 46.3 million viewers for ABC, a 2% increase from last year, according to preliminary numbers from Nielsen Media. (Article on Page B2)

Lernout & Hauspie will buy a maker of speech-recognition software, Dragon, for \$587 million in stock. (Article on Page B9)

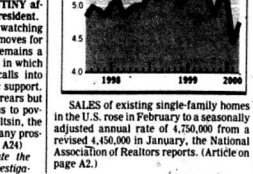
MARKETS

Stocks: NYSE vol. 876,257,909 shares, Nasdaq vol. 1,360,960,328. Dow Jones industrials 11,025.85, off 86.87; transportation 2667.81, off 20.34; utilities 290.76, up 3.43.
Bonds: Lehman Brothers Treasury index 8405.51, up 1.06.
Commodities: Oil \$27.74 a barrel, off 0.15; Dow Jones industrials 11,025.85, off 86.87; DJ spot index 120.54, off 0.13.
Dollar: 106.74 yen, off 0.14; 1.0344 euros, up 0.0112; 2.0222 marks, up 0.0219.

TECH SECTOR

Company	Change
Alcatel	Up
Alcatel-Lucent	Up
Alcatel-Milcom	Up
Alcatel-Submarine Networks	Up
Alcatel-Telecom	Up
Alcatel-Telecom Italia	Up
Alcatel-Telecom Luxembourg	Up
Alcatel-Telecom Netherlands	Up
Alcatel-Telecom Norway	Up
Alcatel-Telecom Sweden	Up
Alcatel-Telecom Switzerland	Up
Alcatel-Telecom UK	Up
Alcatel-Telecom USA	Up
Alcatel-Telecom West	Up
Alcatel-Telecom Worldwide	Up
Alcatel-Telecom Asia	Up
Alcatel-Telecom Europe	Up
Alcatel-Telecom Japan	Up
Alcatel-Telecom Korea	Up
Alcatel-Telecom Latin America	Up
Alcatel-Telecom Middle East	Up
Alcatel-Telecom Oceania	Up
Alcatel-Telecom Africa	Up
Alcatel-Telecom Australia	Up
Alcatel-Telecom Canada	Up
Alcatel-Telecom China	Up
Alcatel-Telecom India	Up
Alcatel-Telecom Israel	Up
Alcatel-Telecom Italy	Up
Alcatel-Telecom Mexico	Up
Alcatel-Telecom New Zealand	Up
Alcatel-Telecom Pakistan	Up
Alcatel-Telecom Philippines	Up
Alcatel-Telecom Singapore	Up
Alcatel-Telecom South Africa	Up
Alcatel-Telecom Taiwan	Up
Alcatel-Telecom Thailand	Up
Alcatel-Telecom Turkey	Up
Alcatel-Telecom Vietnam	Up
Alcatel-Telecom Hong Kong	Up
Alcatel-Telecom Macao	Up
Alcatel-Telecom Mongolia	Up
Alcatel-Telecom Myanmar	Up
Alcatel-Telecom Nepal	Up
Alcatel-Telecom Oman	Up
Alcatel-Telecom Qatar	Up
Alcatel-Telecom Saudi Arabia	Up
Alcatel-Telecom Sri Lanka	Up
Alcatel-Telecom Uzbekistan	Up
Alcatel-Telecom Kyrgyzstan	Up
Alcatel-Telecom Tajikistan	Up
Alcatel-Telecom Turkmenistan	Up
Alcatel-Telecom Kazakhstan	Up
Alcatel-Telecom Georgia	Up
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Alcatel-Telecom Russia	Up
Alcatel-Telecom CIS	Up
Alcatel-Telecom Europe	Up
Alcatel-Telecom Asia	Up
Alcatel-Telecom Africa	Up
Alcatel-Telecom Latin America	Up
Alcatel-Telecom Middle East	Up
Alcatel-Telecom Oceania	Up
Alcatel-Telecom Australia	Up
Alcatel-Telecom Canada	Up
Alcatel-Telecom China	Up
Alcatel-Telecom India	Up
Alcatel-Telecom Israel	Up
Alcatel-Telecom Italy	Up
Alcatel-Telecom Mexico	Up
Alcatel-Telecom New Zealand	Up
Alcatel-Telecom Pakistan	Up
Alcatel-Telecom Philippines	Up
Alcatel-Telecom Singapore	Up
Alcatel-Telecom South Africa	Up
Alcatel-Telecom Taiwan	Up
Alcatel-Telecom Thailand	Up
Alcatel-Telecom Turkey	Up
Alcatel-Telecom Vietnam	Up
Alcatel-Telecom Hong Kong	Up
Alcatel-Telecom Macao	Up
Alcatel-Telecom Mongolia	Up
Alcatel-Telecom Myanmar	Up
Alcatel-Telecom Nepal	Up
Alcatel-Telecom Oman	Up
Alcatel-Telecom Qatar	Up
Alcatel-Telecom Saudi Arabia	Up
Alcatel-Telecom Sri Lanka	Up
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Alcatel-Telecom Kazakhstan	Up
Alcatel-Telecom Georgia	Up
Alcatel-Telecom Armenia	Up
Alcatel-Telecom Azerbaijan	Up
Alcatel-Telecom Belarus	Up
Alcatel-Telecom Ukraine	Up
Alcatel-Telecom Russia	Up
Alcatel-Telecom CIS	Up

Existing-Home Sales



SALES of existing single-family homes in the U.S. rose in February to a seasonally adjusted annual rate of 4,500,000 from a revised 4,450,000 in January, the National Association of Realtors reports. (Article on Page A2)

Guam's Roots Are So Deep in Spam, They're Hard to Find

The Mall Is a Place to Look—For Chamorro T-Shirts: The Layers of Assimilation

By Robert Frank
Staff Reporter of THE WALL STREET JOURNAL
HAGATNA, Guam—The brochure for this breezy Pacific outpost boasts of a "small island containing a world of cultures." On the main drag in downtown Hagatna, Japanese noodle shops thrive amid Dairy Queens, cha-cha clubs, Spanish-style Catholic churches and American strip clubs. There's even a Wild West-style shooting gallery that doubles as a wedding chapel for visiting South Koreans.
And what about the native culture of Guam? "Oh, gee, I'm not sure where to even look," says a Japanese conchie at the Guam Hyatt Regency. "Maybe the mall?"

Cold War Castaway

Foreign Guam's confusion. Officially, this small volcanic island in the middle of the Pacific, which has been colonized three times in an "unincorporated territory of the U.S." Unofficially, it's a Cold War castaway looking for a purpose. For decades, it was supported by the Navy, and more recently, by Japanese tourists looking for a nearby beach and duty-free Chanel bags. Through it all, people here have patiently accepted the language, food, clothing and religion of their invaders in hopes of being accepted.
Yet, with self-determination all the rage around the world, Guam is looking for

its inner Guamanian. Local residents are scheduled to vote in July on whether to remain part of the U.S. or become independent, setting the stage for a new round of talks with Congress on the island's status. Guam's indigenous Chamorros are battling outside to fight for Chamorro rights, Chamorro businesses and, most of all, Chamorro culture.
Leading the charge is the Chamorro Nation, a group of tattooed youths and tribal activists who seek to reclaim the country. Their method is simple—starting from staging the occasional sit-in, they give beach tours and faena festivals.
The group has gained widespread popularity on an island searching for its provincial roots. "We've had some tough times since Magellan landed" in 1521, says Eddie Benavente, leader of the Chamorro Nation, and a teacher at Guam's John F. Kennedy High School. "But now it's time to

French Prime Minister Joseph Ruffin reshuffled his cabinet. Predecessor Laurent Fabius becomes finance minister, while Socialist Interior Jack Lang succeeds the embattled education minister. (Article on Page A2)

Burning of speech-recognition was urged by Rep. Durbin, who says the Justice Dept. isn't neutral enough to look into White House failure to hand over e-mails. Reno is unlikely to comply. (Article on Page A5)

A Pakistani serial killer's sentence to a violation of Islamic law, the nation's highest religious body ruled, javal was ordered strangled, cut up and dissolved in acid, the same way he killed 100 children.

Work Week

A Special News Report About Life On the Job—and Trends Taking Shape There

OSHA PUSHES builders to improve workplace safety. Construction sites have always been dangerous places, but they're getting more so, as the tight labor market increases the number of inexperienced workers on the job. More than 1,200 construction workers were killed at work last year, up 25% since 1992.
In response, the agency is focusing more on eliminating safety violations through cooperative safety "partnerships" such as its recent accord with the Associated Builders & Contractors trade group. Contractors who meet strict safety and training standards set by the ABC will face fewer OSHA inspections, and will get a break on regulatory hassles over technical violations.
"We want to spend less time at sites where hazards are being controlled," says OSHA Administrator Charles Jeffrey, "and more at sites where they aren't."

COUNT ME IN plans "microloans" for U.S. women. In developing nations, microfinancing programs where women groups make small loans to poor entrepreneurs who can't qualify for conventional loans—have proven very effective. Today, newly formed Count Me In for Women's Economic Independence is kicking off a campaign to make such loans available in this country, specifically for women. The nonprofit is the brainchild of Neil Merlino, creator of "Take our Daughters to Work Day."
The drive will seek to raise at least \$10 million by soliciting \$5 donations from women. The money will be used to help female entrepreneurs do "all the sorts of things we've never seen before," says a spokeswoman, Count Me In, which says a lack of credit history often makes it hard for women to qualify for standard loans, says it will provide women-appropriate credit scoring "technique."

HEAVY OVERTIME can strain blue-collar families, researchers find. A study by Cornell University's School of Industrial and Labor Relations finds unionized hourly employees work an average of 6.3 hours overtime on top of their regular 40-hour week. But while many employees worked only a few extra hours per week, just over one-third worked more than 10 hours. Many of the overtime 4,300 workers in the study sought the overtime and still they would like even more hours. Why? The study cites "job insecurity and financial strain." But workers' economic well-being may be greater than suspected, the study notes. Workers who put in more than 50 hours a week reported a "greater incidence of 'severe' work-family conflicts."
Workers pressed into OT work by supervisors showed "significantly higher rates of absenteeism, job stress, and absence, the study found."

ONLINE RECRUITING accounted for one out of every eight new hires last year, according to Kforce.com's recent poll of 300 U.S. companies. The Web-based staffing industry will continue to grow as many companies plan to expand their efforts. Leading disadvantages they listed for online job searches: too many applicants, too many unqualified, and too many resumes. "We get a lot of junk," noted one respondent.
"HELL, FREEZES OVER": That's the tongue-in-cheek reaction on a recent AFL-CIO newsletter item noting that two traditional enemies—the United Farmworkers union and longtime foe the Western Growers Association—an agricultural industry group—had found a bit of common ground. Officials of both groups joined to publicly endorse a \$1.97 billion California water-improvement ballot proposal. The bond measure, which state voters subsequently approved, will fund a host of flood-control and water-use improvements. Some projects will benefit ever-thirsty agricultural interests, but farm-worker communities will get safer water and other benefits.

IT COULD HAPPEN: A KPMG International poll of college seniors found that fully 60% of the students expect to become a millionaire.
FERTILIZER THIEVES give farmers something new to worry about on a recent AFL-CIO newsletter item noting that two traditional enemies—the United Farmworkers union and longtime foe the Western Growers Association—an agricultural industry group—had found a bit of common ground. Officials of both groups joined to publicly endorse a \$1.97 billion California water-improvement ballot proposal. The bond measure, which state voters subsequently approved, will fund a host of flood-control and water-use improvements. Some projects will benefit ever-thirsty agricultural interests, but farm-worker communities will get safer water and other benefits.

It's not losing a few gallons of inexpensive fertilizer that worry farmers, it's the prospect of chutesy city-slicker thieves handling the dangerous product. NH3 can freeze-dry in its liquid form, and it forms a toxic vapor when exposed to the air. Last month, authorities evacuated 250 people from a farm Pleasant Hill, Mo., after somebody tampered with an agricultural fertilizer tank at the Corn Belt.
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Safe and Effective

Many Medicines Prove Potent for Years Past Their Expiration Dates

Since 1985, FDA Has Tested Military Drug Stockpile To Extend Shelf Lives

What the Dates Really Mean

By Laurie P. Cohen
Staff Reporter of THE WALL STREET JOURNAL
Do drugs really stop working after the date stamped on the bottle?
Fifteen years ago, the U.S. military decided to find out. Sitting on a \$1 billion stockpile of drugs and facing the daunting process of destroying and replacing its supply every two to three years, the military began a testing program to see if it could extend the life of its inventory.
The testing, conducted by the Food and Drug Administration, ultimately covered more than 100 drugs, prescription and over-the-counter. The results, never before reported, show that about 90% of them were safe and effective far past their original expiration date, at least one for 15 years past it.

In light of these results, a former director of the testing program, Francis Flaherty, says that the results, never before reported, show that about 90% of them were safe and effective far past their original expiration date, at least one for 15 years past it.
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Manufacturing Issue
"Manufacturers put expiration dates on for marketing, rather than scientific reasons," says Mr. Flaherty, a pharmacist at the FDA until his retirement last year. "It's not profitable for them to have products on the shelf for 10 years. They want turnover."
The FDA cautions that there isn't enough evidence from the program, which is weighted toward drugs needed during combat and which tests only individual manufacturing batches, to conclude that most drugs in people's medicine cabinets are potent beyond the expiration date. Still, Joe Davis, a former FDA expiration-compliance chief, says that with a handful of exceptions—namely nitroglycerin, insulin and some liquid antibiotics—most drugs are probably as durable as when the agency first tested for the military. "Most drugs degrade very slowly," he says. "In all likelihood, you can take a product you have at home and keep it for many years, especially if it's the refrigerator."

Manufacturers' View
Drug-industry officials don't dispute the results of the FDA's testing, within what is called the Shelf Life Extension Program. And they acknowledge that expiration dates have a commercial dimension. But they say relatively short shelf lives make sense from a public-safety standpoint, as well.
New, more-beneficial drugs can be brought on the market more easily if the old ones are discontinued, they say. They say, Label redesigns work better when consumers don't have earlier versions in hand to create confusion. From the companies' perspective, any liability or safety risk is diminished by limiting the period during which a consumer might misuse or improperly store a drug.
"Two to three years is a very comfortable point of commercial convenience," says Mark van Arsdale, spokeswoman for pharmaceutical development at Pharmacia & Upjohn Inc. "It gives us enough time to put the inventory in warehouses, ship it and ensure it will stay on shelves long enough to get used." But companies uniformly deny any effort to spur sales through planned obsolescence.

Why Not Longer?
Now that the FDA has found that many drugs are still good long after they have supposedly expired, why doesn't it advocate later expiration dates for consumer drugs? One reason is that the consumer market lacks the military's logistical reasons to keep drugs around longer.
Frank Holcombe, associate director of the FDA's office of general counsel, says that in many cases a manufacturer could extend expiration periods again and again, but to support those extensions, it would have to keep doing stability studies, and keep more in storage than it would like.
Mr. Davis adds: "It's not the job of the FDA to be concerned about a consumer's economic interest." It would be up to Congress to impose changes, he says.
As things stand now, expiration dates get a lot of emphasis. For instance, there's a campaign, co-sponsored by some drug makers, that urges people to discard pills when they reach the date on the label.
And that date often is even earlier than the one the maker set. That's because when pharmacists dispense a drug in any

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downside

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Celestine and His Donkey

By LINA MILLER
Staff Reporter of THE WALL STREET JOURNAL

ROME—Should he or shouldn't he? Luca Massimo Moran thinks he should. While Pope John Paul II is in the Holy Land last week, Mr. Massimo is hanging out in the crowd of young people that gathers daily in the piazza near the Pantheon. The 25-year-old art student thinks the aging pontiff should resign his post. "Like all people—when they're old, they retire," says Mr. Massimo.

But Paolo Biondi, who is sitting nearby, disagrees. "He can be well and healthy even though he's old and tired," says Ms. Biondi, who is 26 and a psychologist.

From the cobblestone streets near St. Peter's Square to rural dioceses in the American Midwest, people are debating a question that in many ways exemplifies the Roman Catholic Church's age-old struggle between tradition and modernity: Is the Holy Father so fragile that he should step down?

Triggered by John Paul II's obviously declining health—in Jerusalem on Sunday he needed help rising from his knees in the Church of the Holy Sepulchre—and fueled by a German bishop's controversial public remarks on papal retirement early this year, the debate has reached a fever pitch. Both in private conversation and in the press, people are talking about canon law, God's will and the one famous instance of papal retirement, in 1294. It's a feeding frenzy, says Margaret Melady, president of the American University of Rome.

Even devout American Catholics such as Gerard Roche struggle with the question of whether John Paul II, who turns 80 in May, is too frail to lead the world's 1.2 billion Catholics. On the one hand, last week's trip convinced Mr. Roche that the pope remains a powerful spiritual leader.

On the other hand, "What corporation would opt up with a CEO like this for long?" asks Mr. Roche, chairman and CEO of Strategies Inc., the New York-based headhunting firm.

Often photographed skiing and hiking early in his 22-year tenure, the pontiff now uses a trolley to transport him from one end of St. Peter's Basilica to another. But although he is not quite the reclusive traveler he used to be—in 1990 he visited Argentina, Bermuda, Canada, Cape Verde and Guinea-Bissau—John Paul II's frail appearance nevertheless has the effect of bringing world leaders to tears.

Similarly, as his career has progressed, his focus has moved from the world of geopolitics—ethnic diversity in the College of Cardinals and the fall of communist regimes, for example—to more internal, spiritual matters: the elderly, apology and reconciliation. And for three years, his focus has been aimed at this year's Jubilee celebration.

Giuseppe DePaquale reflects the mood of many who watched John Paul II leave his Israel trip. Awailing a flight to Bangkok at Rome's Fiumicino airport on Sunday, Mr. DePaquale is riveted to the TV as the pope tours the Church of the Holy Sepulchre. "His body is no good," says Mr. DePaquale, a salesman. "But he's a great man, the most powerful man of the last 100 years."

Challenges of the Position

Others, such as Bishop Raymond Lucker, of New Ulm, Minn., point out the considerable challenges of the position. Bishop Lucker, who himself is 78 and about to retire, supports a mandatory age limit for papal retirement. Since 1963, he notes, bishops have had to submit letters of resignation at age 75. The pope's age limit is harder than being bishop. The pope presides over Vatican City, an international city, as well as a massive interdenominational bureaucracy of 151 cardinals and about 4,400 bishops, not to mention museums, libraries, real-estate holdings, immovable committees and councils, and an operating budget of about \$200 million.

"Once you pass the age of 70, you notice diminishing abilities. You have health problems, you need more sleep," Bishop Lucker says. "A person can have done a marvelous job as pope and become to a point and say, 'I can't do this any more.'"

This isn't the first time a pope has given up the job, of course. In 1978, Pope John XXIII, pope from 1978 until 1963, was removed to be dying for about 10 years. Before he died at age 85, says the Rev. Gerald Fogarty, a historian at the University of Virginia.

But with 2,000 years of management experience, the College of Cardinals, for which holds limited control of the church in the absence of the pope, can take the reins as needed. And the Vatican's day-to-day

What's News

Business and Finance

OPEC MEMBERS couldn't agree on how much to increase oil production, with Iran in particular insisting on a smaller boost than Saudi Arabia wants. Despite weeks of back-room negotiations meant to lead to a quick consensus, the meeting adjourned without any agreement to return to the table today. Crude prices fell.

Greenspan dismissed worries the runup in oil prices would spark inflation, suggesting the economic impact would be negligible if fuel costs stayed at a plateau around current levels.

(Articles on Pages A2 and A4)

Some brokerage firms are ratcheting up efforts to pay upfront bonuses and provide other perks to brokers, potentially running counter to the spirit of a high-profile effort by SEC regulators to clean up conflicts of interest.

(Article on Page C1)

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(Article on Page A2)

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TODAY'S BEST PERFORMERS	
Symbol	Company
AMZN	Amazon.com
GOOG	Google
MSFT	Microsoft
INTC	Intel
IBM	IBM
ORCL	Oracle
HPQ	HP
QCOM	Qualcomm
TXN	TXN
WMT	Walmart
DIS	Disney
BA	Boeing
GM	General Motors
F	Ford
GM	General Motors
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GM	General Motors
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World-Wide

Existing-Home Sales

PUTIN COMES UNDER SCRUTINY after winning election as Russia's president. Governments and investors are watching the 47-year-old former KGB spy's moves for clues to an agenda that largely remains a mystery. His state factory Svyaz which he drew 53% of the vote, also calls into question the depth of his domestic support. Putin ordered payment of wages arrears but admitted he has no quick solutions to poverty and corruption. He visited Yezin, the nation he lacked immunity from any prosecution. (Articles on Page A21 and A24)

Clinton called to scrutinize the president-elect and urged an investigation of allegations human-rights abuses by Russian troops in Chechnya.

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Work Week

Safe and Effective

OSHA PUSHES builders to improve workplace safety. Construction sites have always been dangerous places, but they're getting more so, as the tight labor market increases the number of inexperienced workers on the job. More than 1,200 construction workers were killed at work last year, up 25% since 1992.

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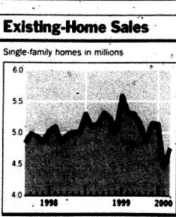
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SALES of existing single-family homes in the U.S. rose in February to a seasonally adjusted annual rate of 4,760,000 from revised 4,600,000 in January, the National Association of Realtors reports. (Article on Page A2)

Guam's Roots Are So Deep in Spam, They're Hard to Find

The Mall Is a Place to Look—For Chamorro T-Shirts: The Layers of Assimilation

By ROBERT FRANK
Foreigner's Journalist

HAGATA, Guam — The brochures for this breezy Pacific outpost boast of a "small island containing a world of cultures." On the main drag in downtown Hagata, Japanese noodle shops thrive amid Dairy Queens, cha-cha clubs, Spanish-style Catholic churches and American strip clubs. There's even a Wild West-style shooting gallery that doubles as a wedding chapel for couples.

And what about the native culture of Guam? "Oh, gee, I'm not sure where to look," says a Japanese colleague at the Guam Hyatt Regency. "Maybe the mall?"

Cold War Castaway
Foreigner's Journalist's confusion. Officially, this small Pacific island in the middle of the Pacific, which has been colonized three times, is an "unincorporated territory of the U.S." Unofficially, it's a Cold War castaway looking for a purpose. For decades, it was supported by the Navy, and more recently, by Japanese tourists looking for a nearby beach and duty-free Chanel bags. Through it all, people here have patiently accepted the language, food, clothing and religion of their invaders in hopes of being accepted.

Yet, with self-determination all the rage around the world, Guam is looking for a purpose.

Clamor's South Asia trip produced little progress in resolving the tensions between nuclear-armed neighbors India and Pakistan, or in restarting Israel-Syria peace talks. The lack of results raises the question of whether his average is fading or just a few months left in office. (Article on Page A2)

Israel warned that it will proceed with a unilateral withdrawal from Gaza, raising a risk of confrontation with Damascus. Separately, Iraq easily survived a United Nations confidence motion on his Jerusalem policy.

A record number of poor families need rent aid, HUD Secretary Cuomo said in a bid to pry more affordable-housing funds from Congress. These spending plans halve their earnings on rent rose 12% since 1991, while the number of affordable-housing units fell by 37%. (Article on Page A2)

An ally of Minnesota Gov. Ventura lost a federal court battle over the state's Reform Party. The judge ruled Ross Perot's 1996 running mate, Pat Choate, is the legitimate chairman. The split has badly hurt the party's prospects for the fall election.

Ugandan cell investigators found 74 more bodies, some with stab wounds. That brings to more than 50 the number of deaths tied to the humanitarian Movement for Resistance of the Ten Commandments of God.

Burundi's Tutsi militia ruler agreed to negotiate a cease-fire with Hutu rebels who have fought a long civil war that has killed thousands. A regional delegation led by South Africa's Mandela secured the pledge.

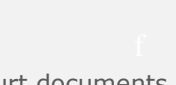
A plant explosion near Houston injured at least 52 people, some severely. The Phillips Petroleum complex was the site of a 1989 series of blasts that left 16 people dead, and an explosion last year that killed two.

French Prime Minister Jospin reshuffled his cabinet. Professor Laurent Fabius becomes finance minister, while Socialist firebrand Jack Lang succeeds the embattled education minister. (Article on Page A2)

Naming of special coupes was urged by Rep. Borsari, who says the Justice Department isn't neutral enough to look into White House failure to hand over e-mails. Reno is unlikely to comply. (Article on Page A4)

A Pakistani serial killer's sentence is being strangled, cut up and dissolved in acid, the same way he killed 100 victims.

Please Turn to Page A8, Column 1



Many Drugs Prove Potent Long Past Expiration Dates

Continued From First Page
 cines goes to replace expired ones. But in a poll done by The Wall Street Journal by NPD Group Inc. of Fort Washington, N.Y., 70% of 1,000 respondents said they probably wouldn't take a prescription drug after its expiration date; 72% said the same after over-the-counter remedies.

"People think that, upon expiration, drugs suddenly turn toxic or lose all their potency," says Philip Alper, professor of medicine at University of California at San Francisco. In his own practice, Dr. Alper says, "I frequently hear—from patients who can't afford medicine—that they have thrown away expired drugs." He says companies should be required to test drugs for longer periods and set later expiration dates when results warrant.

Some manufacturers first began putting expiration dates on drugs in the 1960s, although they date back to 1979, the main effect was to set uniform testing and reporting guidelines, as required by the FDA, so-called stability testing analyzes the capacity of a drug to maintain its identity, strength, quality and purity for whatever period the manufacturer picks. If it can't pass a two-year expiration date, it means it test beyond that.

Testing for a two-year expiration doesn't initially entail holding a drug for two years. Rather, the drug is tested by subjecting it to extreme heat and humidity for several months, then chemically analyzing each ingredient's identity and strength. After the date is set and the drug is marketed, testing continues for the full two years.

The FDA also uses chemical analysis in testing for possible shelf-life extension; it doesn't test on human subjects. Testing conditions are such that any medicine that passes, say, the standards for a one-year expiration date probably lasts longer, the FDA and drug companies agree.

Still Good
 Consider aspirin. Bayer AG puts two-year or three-year dates on aspirin and says that it should be discarded after that. Chris Allen, a vice president at the Bayer unit that makes aspirin, says the dating is "pretty conservative"; when Bayer has tested four-year-old aspirin, it remained 100% effective, he says.

So why doesn't Bayer set a four-year expiration date? Because the company often changes packaging, and it undertakes continuous improvement programs. "Mr. Allen says. Each change triggers a need for more expiration-date testing, he says, so testing each time for a four-year life would be impractical.

Bayer has never tested aspirin beyond four years. Mr. Allen says. But Jens Carstensen has, at the University of Wisconsin's pharmacy school, who wrote what is considered the main text on expiration, he says. "I did a study of different aspirins, and after five years, Bayer was still excellent. Aspirin, if made correctly, is very stable."

Only one report known to the medical community linked an old drug to human toxicity. A 1981 Journal of the American Medical Association article said degraded tetracycline caused kidney damage. Even this study, though, has been challenged by other scientists. Mr. Flaherty says the Shelf Life program encountered no toxicity with tetracycline and typically found batches effective for more than two years beyond their expiration dates.

Plea From the Air Force
 The program dates to a U.S. effort begun in 1981 to increase military readiness by buying large quantities of drugs and medical devices for the armed forces. Four years later, more than \$1 billion of supplies had been stockpiled. The General Accounting Office audited Air Force troop hospitals in Europe and found many supplies at or near expiration. It warned that by the year 1990, more than \$100 million would have to be spent yearly on replacements.

The Air Force Surgeon General's office asked the FDA if it could possibly extend the shelf life of these drugs. The FDA had the equipment for stability testing. And because it had approved the drugs' sale in the first place, it also had manufacturers' data on the testing protocols.

Testing for the Air Force began in late 1985. In the first year, 58 medicines from 127 different manufacturing lots were shipped to the FDA from overseas storage, including penicillin, lidocaine and lactated Ringers, an intravenous solution for dehydration. After testing, the FDA extended more than 80% of the expired lots, by an average of 33 months.

In 1992, according to the FDA, more than half of the expired drug batches had been retested in 1985 were still fine. Even now, at least one is still in use.

Such results came as a revelation for Army Col. George Crawford when he took over military oversight of the program in 1997. He is a pharmacist, but "nobody tells you in pharmacy school that shelf life is about marketing, turnover and profits," he says. (The drug makers don't agree that it is, however.)

How It Works
 The military's base for the program is a 10-story barracks room in Fort Detrick, Md., a group headed by Air Force Lt. Col. Russell, who recently took over from Crawford, tracks drugs that are near expiration at defense facilities all over the U.S., selecting many for retesting. They are shipped to the FDA, which sends them to its laboratories.

The FDA's lab in Philadelphia recently tested five automatic injectors containing an antidote to chemical poisoning, which were purposely held for three months in conditions even better and more humid than the FDA requires in consumer testing of drugs. The FDA tested the drug contained in the injectors, pralidoxime chloride, by separating its ingredients and measuring the strength and quality of each, then applying a computer to newly determine whether a shelf-life extension was warranted.

The injectors' original expiration date

'Expired' Drugs That Are Still OK

The FDA tests batches of drugs—the armed forces' stockpiles that are near their expiration dates, and in most cases finds them still potent and gives them a new, later expiration date for military use. Here are examples:

DRUG (MANUFACTURER)	DATE	ORIGINAL EXPIRATION	EXTENDED TO	TYPE OF DRUG
Chloroquine Phosphate Tablets (Ariston)	Wyeth	Nov. '90	Dec. '99	Anti-malarial agent
Chlorpheniramine Tablets (Procton)	Ayerst	Nov. '85	Jan. '91	Antihistamine
Ciprofloxacin Tablets (Cipro)	Bayer	Mar. '89	Dec. '00	Antibiotic
Clozapine Tablets (Lelecy)	Bristol-Myers Squibb	Mar. '95	April '00	Antipsychotic
Clonidine Injections (Valium)	Roche	June '94	Dec. '00	Muscle relaxant; tranquilizer
Alprazolam Injections	Schering-Plough	June '94	Dec. '99	Consciousness chemical agents (also used for dilating pupils)
Sodium Chloride Injections	Abbott	Jan. '93	Nov. '98	Fluid replacement
Lactated Ringers Injections	Baxter	Sept. '92	Dec. '98	Fluid replacement

1. Lot part of Synthes/Boehringer. 2. Lot part of the Wyeth/Ayerst unit of American Home Products. Source: FDA and Defense Department

made by Ayerst Laboratories, now part of American Home Products Corp.'s Wyeth Ayerst unit, is 18 years old. It is 15 years beyond the expiration date applied by Ayerst. The FDA found it is still good.

A spokesman for Wyeth-Ayerst says it "uses scientific data to establish expiration dates" and "tries to have the longest possible dating on products that scientific data supports." The company is aware of the FDA retesting program. It says it can't comment specifically on the injectors tested by the FDA.

A Few Fall
 Shelf-life extensions are "intentionally conservative," the FDA's Mr. Flaherty told military brass in a 1992 speech. He says military use of drugs is different from civilian use. "We don't like to test those," says Col. Crawford. "Not because we can't, but because it would be politically sensitive if G.I. Joe was lying in bed and we had originally expired three years ago."

Mr. Flaherty has said that while he tested a handful of drug batches, he did not even make it to their expiration dates, most drugs were "surprisingly durable." In one instance, he says, drugs labeled for 100°C temperature storage had been kept for two years in a warehouse in Oman that averaged 135 degrees Fahrenheit in the daytime. Upon expiration, the drugs, which included the local anesthetic lidocaine and atropine, a nervous-system anticholinergic also used by eye doctors to dilate pupils, "were well within the standards for potency and other quality characteristics," he says.

Stable Molecule
 One medicine the FDA has endorsed for shelf-life extension is chlorzoxazone hydrochloride tablets, an antibiotic marketed by Bayer as Cipro. One batch had an expiration date of March 1989. More than 9½ years later, the FDA found the tablets were still good. It then extended some of them for 18 more months and others for 21 more months.

Albert Poirier, quality-assurance director for Bayer's pharmaceutical division, says he isn't surprised because Cipro "is a stable drug molecule" in tablet form. "We go for a shelf life that will be safest for patients," he says. "We want the drug to be used up within three years. We wouldn't want a patient to have it for 10 years because they're taking the drug in a package that might omit new information or contraindications and because 'we have no control over how they'd store the drug during this time.'"

Another extended drug is Thorazine, a tranquilizer chemically known as chlorpromazine tablets. Batches bearing December 1996 expiration dates were tested and approved, as is the case with all drugs evaluated in the Shelf Life program—were tested in July 1998 and extended for two years. A spokesman for the Baker, SmithKline Beecham PLC, says it applies an expiration date 24 months after manufacture. "We think that is the appropriate expiration date," he says. "We don't benefit from short expiration dates."

Some other drugs the FDA has extended at least two years beyond their expiration dates are diazepam, sold as Valium; cimetidine, sold as Tagamet; phenytoin, sold as Dilantin; and the antibiotics tetracycline and penicillin.

Big Savings
 On a cost-benefit basis, the program's returns have been huge. The first year, the Air Force saved the FDA \$78,000 for testing and saved 59 times that sum by not needing to replace the drugs. After other services joined, the military from 1993 through 1998 spent about \$1.8 million on testing and saved \$83.4 million on drug expense, according to Lt. Col. Russell.

Says Mr. Flaherty: "We've cost the pharmaceutical companies hundreds of millions of dollars in sales of new stuff to the Department of Defense."

For the past two years, says Messrs. Flaherty and Davis explained the program to drug-company chemists at a meeting of the American Association of Pharmaceutical Scientists in Woodbridge, N.J., going into detail about how the FDA decided whether to extend a given expiration date. Mr. Davis concluded by noting how much the U.S. had saved by extending shelf lives instead of "destroying large quantities of still-useful medical products."

Mr. Flaherty says the FDA has been aware that if its methodology was flawed, or its results incorrect even once, its credibility would be attacked. Yet FDA officials have liked what they were doing, but they weren't able to challenge it, he says. While the military is finding it can keep most drugs longer, civilians hear quite a different message. For instance, a campaign called the National Expired and Unused Medication Drive has collected and destroyed 36 tons of drugs since 1991, says its founder, Kathleen Champlin, Ms. Champlin, of Colorado Springs, Colo., says her interest derives from experience working with the elderly and seeing how hard it was for them to keep track of all their medications. She says she wasn't aware of any FDA program to extend drugs' shelf lives.

Her group has gained sponsorship from the some big drug retailers, including Wal-Mart Stores Inc. It sponsors the campaign to be "a good corporate citizen," says Frank Seagraves, vice president of pharmacy merchandising. "We believe that people should dispose of unused prescription medicines a year after they get them," he says, adding that Wal-Mart sometimes gives people a free bottle of vitamins if they bring in expired drugs.

Johnston & Johnson's Janssen Pharmaceutical unit, a drug maker, also sponsors Ms. Champlin's campaign. "We think it's important to educate the public about the risk of taking drugs that are expired and to raise public awareness," says a spokesman for Janssen. Both Wal-Mart and J&J say that supporting the campaign to discard expired drugs has nothing to do with their sales efforts.

Many pharmacists also play a role in shelf lives. The U.S. Pharmacopeia, a not-for-profit scientific group that develops standards for the drug industry, urged in 1985 that pharmacists set expiration dates on no more than one year if they were dispensing drugs in a bottle other than the manufacturer's original packaging. "New containers may let in more moisture and heat than the container the manufacturer used for the stability study," accelerating the drug's degradation, says the USP General Counsel Joseph Valentino.

The recommendation became a USP requirement in 1999. As a result, "the major-

ity of pharmacists shorten the manufacturers' expiration dates" on prescription drugs to one year or less, says Susan Winkler, an official of the American Pharmaceutical Association. In fact, in 11 states, pharmacists now are legally required to do so. Ms. Winkler says shortening the dates makes sense because many people store drugs in moist bathrooms. She says the one-year rule is "motivated by product integrity and not by profit."

Even the FDA has sometimes pushed for throwing out drugs at their expiration date. Last October it co-sponsored, with the National Association of Chain Drug Stores and others, a campaign that urged women not to use medications beyond the expiration dates because, as the brochure put it, "they may not work." Mr. Davis says this shows just how obscure the military Shelf Life Extension Program is. "Many people at the FDA have absolutely no idea this program exists," he says.

Monsanto Co.
NutraSweet to Be Acquired
 By J.V. Childs Associates
 Monsanto Co., St. Louis, cleaning house before its planned merger with Pharmacia & Upjohn Inc., said it agreed to sell its bulk NutraSweet business to J.V. Childs Associates LP for \$10 million. The NutraSweet business makes the no-calorie sweetener aspartame for use in beverages and food.

J.V. Childs, a Boston investment firm which owns medium-size food and personal products companies, said the chief executive of its NutraSweet business with be Nick E. Rosa, who has been a senior vice president of Monsanto, a crop-biotechnology and pharmaceutical concern. Monsanto said it also agreed to sell its stakes in two European makers of the artificial sweetener for \$67 million to Ajinomoto Co., its Japanese partner in the ventures. The moves bring to \$2.3 billion the sum Monsanto has raised paying asset sales since July to help pay down \$7 billion in debt.

Lucent, MetroMedia Plan Video Start-Up
 By WALL STREET JOURNAL Staff Reporter
 MURRAY HILL, N.J. — Lucent Technologies Inc. and MetroMedia Fiber Network Inc. are expected to announce today details of a start-up company that will offer speedy video services over an all-fiber network.

The new company, GeoVideo Networks Inc., New York, is a product of Lucent's internal venture-capital arm, Lucent New Ventures Group. GeoVideo aims to deliver "real-time" video over the Internet, using a high-speed fiber network at speeds of more than 10 gigabits a second. MetroMedia, a White Plains, N.Y., builder of fiber-optic telecommunications networks, will supply the fiber.

GeoVideo executives said business customers will be able to use the technology to deliver all sorts of services such as video conferencing or high-definition television programming over a "private" network. Internet-based video services have typically been slow, because the service requires huge amounts of space on the network. Setting up a "private" network would route the video signals away from the heavily trafficked Internet and significantly increase speed.

GeoVideo plans to introduce the services in about 27 markets, including New York and Los Angeles, in the coming months. Pricing has yet to be determined.

Needy Countries, Prompted by WHO, Reject Drugs Nearing Expiration Dates

By LAURIE P. COHEN

Staff Reporter of THE WALL STREET JOURNAL
 In the U.S. military, expired drugs are routinely left on the shelf after FDA testing shows they are still safe and effective. Meanwhile, charitable groups and developing nations often reject drug-company donations of much-needed medications that are nearing their expiration dates.

Why the incongruity?
 The World Health Organization in 1986 urged countries to refuse free drugs that didn't have at least a year left before expiration. WHO said there had been many "inappropriate donations."

The \$5 million in drugs contributed to Armenia after a 1988 earthquake was the "wake-up call to the donor world," says Jonathan Quick, an official of WHO. Many had already expired, according to WHO. The issue grew hotter in 1997, when the New England Journal of Medicine reported that at least half of the drugs donated during the last year of the war in Bosnia were unusable, in most cases because they had reached their expiration dates. The article said the effort "may have been used to dump outdated supplies" to gain fax breaks and avoid millions of dollars of disposal costs.

Reflecting the new militancy on the issue, officials in Haiti, Kenya, Egypt and Peru in 1998 refused more than two million cartons of antibiotics and pain relievers because were due to expire within a year.

The same year, the Catholic Medical Mission Board turned away \$2.4 million in drugs because some had only eight months to a year left before expiration.

Yet most drugs the Food and Drug Administration rejects for the U.S. military program safe and potent long past their expiration dates. And even Philippe Attier, a doctor who was an author of the New England Journal article, says he has used expired antibiotics in the Indonesian jungle. "We know that most expired drugs will pose no danger, so when we have no other choice, we use them," he says.

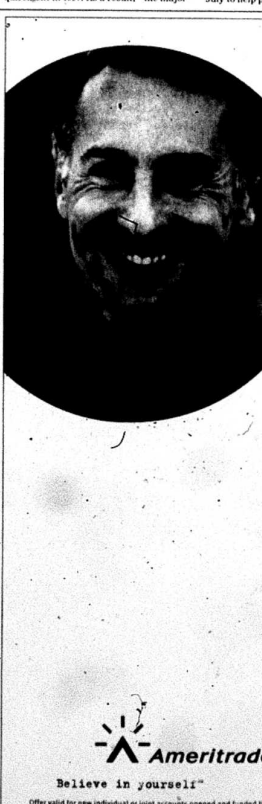
Asked why drugs with less than one year to expiration are shunned by international medical groups, Robin Gray, a WHO medical officer, says that recipients of donated drugs deserve the same protections as U.S. citizens. If expired drugs weren't potentially harmful, he reasons, the FDA wouldn't require expiration dates. He says he wasn't aware of the FDA retesting and extending of drugs for the military.

Some see a political agenda lurking in the issue. "This is an anti-pharmaceutical industry, anti-U.S.-motivated attack," contends Glenna Crooks, a former Reagan administration health-policy adviser who is a consultant to several drug companies. "Are we destroying drugs that could be used? Yes," she says.

To the suspicion that companies donate short-dated drugs to get tax deductions and save disposal costs, the companies respond that they also can get deductions for destroying drugs. But the deductions aren't as large.

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