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Good ideas are worth good communication

Finally, the Daniels administration is getting around to explaining the toll road leasing proposal. On Feb. 3, the administration released Volume 1, Issue 1 of "Major Moves Help Desk," a newsletter to tell their side of the complicated toll road leasing story. Perhaps a newsletter is pretentious, but it is a move in the right direction.

The idea of leasing the toll road is an attractive one, but I have felt in the dark about why this lease and its many details is best for the state. The process seemed like an avalanche with bids coming in suddenly, a winner being declared, and legislation rushed through the House before anyone had a chance to grasp the details, let alone the over-all significance.

Is this a good deal for Indiana? The fact that a New York firm advising the state endorses the toll road proposal means nothing to me. I've seen those companies give their clients the answers they want. Ethics are not always linked to economic analysis.

Nonetheless, I have come to believe that this is a good deal for the state. That conclusion is based on conversations with people I respect and statements from those whose integrity I have no reason to doubt.

I still do not know as much as I want to know about the Major Moves program, but a part of that is my fault. I have not read everything available on the subject.

I'm like most folks; I'm lazy and do not go digging into the state's Web site to get the details. I depend on newspaper reports and what I hear or read through e-mails from others who are interested in the project.

The arguments against the toll road lease and the Major Moves initiative make little sense to me. They are based on fear and designed to stimulate anxiety. They pose "what if" cases without pointing to actual deficiencies in the lease contract.

This is a technique often relied upon by those who hold inferior ground. When you cannot prove shortcomings, suggest they might exist.

Recently a friend suggested that we will not need Major Moves and new highway construction in Indiana because gasoline-powered vehicles are going to go the way of the horse and buggy.

Part of this is probably true, but we will have new energy sources replacing gasoline.

The flexibility and other advantages of automobiles and trucks will not be undone. We will not see a return to railroads and mass transit as we had in the past.

The arguments for issuing bonds versus leasing have not been convincing. The claim that we will be giving control to "foreign" powers is downright stupid.

This administration has many interesting ideas. Closing redundant offices of the Bureau of Motor Vehicles is a great idea but a public relations disaster. Good government involves more than good ideas; it requires that the public understand the reasoning and significance of proposed actions prior to those actions being put into effect.

One of the first actions of Gov. Mitch Daniels was to kill off the state employees' union. This was done with the stroke of a pen, without any public discussion. Was it appropriate? Perhaps, but how do we know? Public discussion can often derail good ideas, but it is a necessary part of democratic institutions.

Let's hope that, as this administration moves through its second year, it learns to communicate better and to trust Hoosiers to understand what is being proposed and implemented.

Morton Marcus is an economist, formerly at the Kelley School of Business, Indiana University.

New Fed boss vows to stay course



Ben Bernanke took over as chairman of the Federal Reserve last week, replacing Alan Greenspan, who had led the central bank for 18 years.

Bernanke: Central bank will battle inflation, bolster economy

By JEANNINE AVERSA
THE ASSOCIATED PRESS

WASHINGTON

New Federal Reserve Chairman Ben Bernanke pledged Monday to do his best to carry out the central bank's mission of fighting inflation, fostering economic growth and nurturing a healthy jobs climate.

"Our mission as set forth by the Congress is a critical one," Bernanke said Monday at his ceremonial swear-

ing-in at the Fed's headquarters.

Bernanke's first day on the job was Wednesday.

President Bush attended the ceremony, marking only the third visit by a president to the Federal Reserve.

Before becoming chief of the Fed, Bernanke, 52, served as the president's top economist as chairman of the White House's Council of Economic Advisers.

"I came to trust his judgment, his calm demeanor and his sly sense of humor," Bush said.

Former Fed chairmen Alan Greenspan and Paul Volcker also attended and were applauded by staff members.

Greenspan, 79, the second-longest serving chairman of the Fed, retired last week after more than 18 years.

Bush praised Greenspan's stewardship of the economy during that time. Greenspan, he said, was the only central banker to achieve rock star status.

A former Fed governor and Princeton economics professor, Bernanke said he recognized "taking up the challenge of

leading an institution with such weighty responsibilities" and looked forward to working with a staff that possesses unmatched expertise and experience.

The Fed's power rests with the staff that make up the institution and is "far more than any single individual," Bernanke said.

He now follows Greenspan, who was referred to as the maestro, the greatest central banker who ever lived and the second-most important person in Washington.



What does 'high-definition' really mean, anyway?

By MAE WONG
THE ASSOCIATED PRESS

SAN JOSE, Calif.

The term "high-definition" was almost a curse five years ago, when politicians, broadcasters and TV makers were reluctant to hoist massive changes upon the nation's television landscape.

Suddenly the same term, originally meant to describe greater density in TV displays, is being used to tout all kinds of products.

Skin creams. Sunglasses. Laminated counter tops. There's even "Starting High Definition Churches," a book with guidance on building an HD church with improved clarity and higher resolution.

The new worshipful aura of HD brings a laugh to Dale Cripps, the founder of HDTV Magazine. But the HDTV evangelist quickly turns serious.

As the United States marches from analog TV toward the full glory of digital TV, consumers have to wade through hype, linguistic imprecision and a new foreign language. Market research shows many people are downright confused, which isn't ideal when they're spending \$2,000 or more on a new TV.

"Right now people are buying the devices and they don't have all the information," Cripps said. "It's a huge problem."

About 15.7 million households had HDTV sets by the end of 2005, with 50 million predicted by 2009, according to Forrester Research.

The brisk adoption is a consumer electronics industry coup considering how the digital TV format had been introduced only in 1998, thrusting dozens of new technological terms like "aspect ratio," "720p," or "1080i" at consumers, who also must evaluate different kinds of digital TV displays, like plasma, LCD or DLP.

By comparison, it took color TVs a decade to get into just 5 million households during the transition from black-and-white boob tubes.

But the HDTV coup also points to failures in consumer education.

Forrester estimates about half of HDTV owners are not subscribing to an HDTV service through their existing cable or satellite TV accounts. That means some of them are watching the same old standard TV broadcasts on their expensive new TVs, missing the boat for the truly eye-popping images that digital HD programming offers.

What they're seeing on their screens might not look any better than the pro-



Steve Forman looks at an advertisement about high-definition televisions at Costco Wholesale store in Mountain View, Calif., on Jan. 31.

gramming they used to watch, and in some cases, might actually look worse because imperfections would be more visible on the bigger, sharper digital displays.

HDTV delivers images about five times as detailed as standard TV. Beads of sweat are crystalline on athletes' faces. Blades of grass are vivid. And you could pick out flakes of real snow, not the TV snow of poor reception.

Forrester estimates at least 4 million households mistakenly assume they're getting high-definition pictures. Those are regular analog cable subscribers who say they're getting HDTV service from their cable operators, which is impossible, since HDTV service comes only with digital cable.

Getting HDTV goes beyond buying an HDTV set and plugging it in.

You must also have equipment to access HD content. For cable or satellite TV subscribers, that means getting an HD receiver set-top-box or CableCARD, which slides into some newer HDTV models. A subscription to the operator's HDTV offerings is typically required, which sometimes cost extra.

Some HD programming is also available via free, over-the-air television broadcasts by the major TV networks. Doing so usually requires mounting an antenna on the roof. Some cable and satellite operators negate the need for the antenna by offering so-called terrestrial TV receivers in their set-top boxes, allowing them to relay local HD broadcasts to their customers.

Several years ago, retailers notoriously botched HDTV demonstrations by not piping HD content into the shiny new displays.

Today, analysts say most stores have wised up and are showing off real high-def images on HD screens. But in many cases, consumers go home assuming they'll get the same level of performance without knowing they have to take additional steps to get HD video onto their screens.

"The retailers are trying, but the hard part is that you have to explain to people that spending \$2,500 on the set is just the beginning and now you're going to probably have to spend more money every month," said Forrester analyst Josh Bernoff.

GLOSSARY

The digital TVs that will eventually replace today's analog system bring a whole new language, leaving consumers who are eyeing or buying new sets scratching their heads.

Digital television, or DTV, offers astonishing, super-sharp, widescreen pictures and better-quality audio, closer to a theatrical experience. The images are sharper than analog versions because there are more pixels or dots making up the picture.

Plus, digital signals can be compressed, so while images are sharper, the same amount of radio spectrum can carry more channels as well.

Here are some terms to know:

Aspect ratio

Refers to the width and height of a display. A traditional TV is 4x3. A widescreen TV is 16x9.

Interlace vs. progressive scan

Describes how vertical lines are scanned onto a TV picture. Interlace scans all the odd lines first, then instantaneously fills in the even lines. Progressive scans all lines consecutively. The corresponding notation, "i" or "p," follows the number of lines scanned, such as 480i or 480p.

Standard-definition TV

A basic digital TV that displays fewer than 480p scan lines in a 16x9 or 4x3 format. This kind of set usually displays 480i, the same quality as today's analog TVs. SDTV provides 150,000 to 300,000 pixels.

Enhanced-definition TV

A better quality picture with 480 progressively scanned lines, or 480p, which is the quality used by most DVD players. Delivers Dolby digital surround sound. Could be in a 16x9 or 4x3 format. Provides 300,000 to 400,000 pixels.

High-definition TV

The highest-resolution of DTVs with a widescreen format and scanning lines of 720p, 1080i or higher. Some of the newest sets on the market are 1080p. Delivers Dolby digital surround sound. Provides 900,000 to 2.1 million pixels.

HDTV-ready

Describes TVs that can display high-definition TV but only when connected to a separate HDTV tuner. An HDTV-ready TV may sometimes be referred to as an "HDTV monitor."

Integrated HDTV

An HDTV set that has the digital tuner built in so it can receive over-the-air DTV signals without a separate set-top box.