Baton Rouge—On the surface, they could have been just two guys hired to fly in and tell the Legislature once again that it’s past time to start facing the financial music and some unpleasant economic realities. Again.

But the consultants talked about hard choices: pork barrel politics versus long-term planning, for instance. Louisiana’s dearth of venture capital, her parochial banking community (read: multi-banking).

Sacred cows were speared right and left. Economic development demands one top-flight university. The 10-year tax exemption may be of little value in recruiting business to Louisiana, while other taxes—corporate and personal—are underutilized.

All in all, it was a slightly irreverent message presented to a January meeting of the Joint Legislative Subcommittee on Economic Development by Dr. Roger Vaughan and Beldon Daniels, consultants hired to put a scalpel to Louisiana’s troubled economy. And they know of what they speak. The two have performed similar dissections in a number of other states.

Louisiana’s traditional tax base is dying, they said. Just as the Legislature’s own analysts have said for years, the mineral riches are slowing down. Collapse of OPEC, or an unforeseen calamity in world markets, would turn the situation from serious to critical.

Meanwhile, the state must further creation of jobs for its citizenry. Where are these jobs to come from, and how are they to be created?

Only five percent of the jobs created in the next 10 years will be from imported industries, according to Dr. Vaughan. Vaughan is an Oxford-educated economist who specializes in public finance and urban economics.

"The expansion of companies already doing business in the state will account for about 47 percent and the rest, nearly half the jobs that will be created in Louisiana (in this decade), will come from the setting up of new businesses," Vaughan told the House and Senate.

Here is a valuable perspective for government and a bright spot for Louisiana’s businessmen and entrepreneurs. If Vaughan is correct, it would behoove the state to drop its traditional reliance on Fortune 500 companies and boost Louisiana business first.

That was the task taken in Massachusetts, which consistently ran two to three percentage points above national unemployment figures until five or six years ago. Its current seven percent jobless rate is attributed to financial incentives, technical assistance and a network of public and private financing passed as a package by the Massachusetts Legislature in 1978.

Other programs, which emphasize technology development or job training sponsored by quasi-government agencies, are expected to create some 5,000 jobs for Massachusetts citizens.

By way of contrast, Massachusetts’ experience shows a growth in jobs of double that experienced in Louisiana’s primary sectors from 1970 to 1980. Louisiana jobs grew from 304,000 to 352,000 in agriculture, mining and manufacturing.

And as consultant Daniels told the legislators, there is a dangerous weakness here: 40 percent of Louisiana’s manufacturing is dependent on oil and gas. A half million Louisianans depend on the declining industry.

Its decline began a decade ago, but a paradox warped the trend: decontrol of oil and climbing world prices showered Louisiana with mineral wealth. There were cries of wolf, but the Legislature spent merrily.

Will the Legislature take heed now? Its leadership has moved to fill a vacuum with the hiring of consultants Daniels and Vaughan. It is perhaps an unintentional swipe at the Treen administration that legislators should have to tackle economic development, a task usually undertaken by the executive.

Will the Legislature demonstrate the political will to innovate, to take risks? As House Speaker John Hainkel puts it, the unemployment and revenue figures have never been so serious—"the time is right."

There are no guarantees, of course, except at the local ballot box. It is an election year, and businessmen can make their wishes known. Public officials and would-be public officials can be urged to seize the moment.

Without swift action, Louisiana will be left to play catchup. Daniels and Vaughan emphasized, too, that it requires the cooperation of public officials, labor and business interests. Now there’s an idea no one’s tried.