

1 the pledge of the State's credit to a corporation unless
2 they could be convinced that a public purpose would be
3 served thereby. Hence, if it could be found that the
4 industry in question might relieve unemployment in
5 Appalachia, then conceivably this would be a valid pledge
6 of the credit, but on the other hand, if the corporation
7 were the Bethlehem Steel Company, and the act is broad
8 enough to permit a guaranteeing of an obligation made for
9 the benefit of Bethlehem Steel Corporation, and I use this
10 merely as an illustration -- I could use C. and P. of
11 Maryland -- then it was made pretty clear by remarks
12 from counsel and also certain dicta and material quoted
13 by the court that this would be struck down.

14 Now, generally throughout the country the
15 rule today is that a State can lend its credit to persons
16 or corporations whether they be private or public if it
17 can be shown that a public purpose will be served thereby.
18 As the Chairman of the Committee said in opening this
19 discussion, examples are urban renewal, industrial
20 development, companies, or credit corporations, and that
21 kind of thing.