SFChronicle Unions and Campaign Cheating

Washington

Members of Congress have solicited illegal campaign assistance from organized labor and should be prosecuted for it, the author of a new book on union campaign financing charged yesterday.

Douglas Caddy also said in an interview that organized labor is just as guilty as corporations which have been prosecuted for violating the federal elections law but added that the justice department has ignored union violations,

"I think it's outrageous ... that the violations of the law by organized labor are not being prosecuted," Caddy said.

Caddy, author of "The \$100 Million Payoff — How Big Labor Buys Its Democrats," said that tens of millions of dollars in union dues are being used illegally to provide non-cash, or so-called "in kind" contributions to assist candidates.

The federal election campaign act of 1971 prohibits funds from union and corporate treasuries from being used in federal elections. The law also states that it is illegal to accept such assistance knowing it was paid for from union dues.

The AFL-CIO has stated, however, that the services they provide candidates for Congress — such as mailings, voter registration drives, campaign aides are perfectly within the law because they are provided by their own members.

Caddy gave two examples out of "several hundred" he said he found of illegal union practices.

He said Representative Lloyd Meeds (Dem-Wash.), "wrote a memorandum to



SENATOR BAYH They bought his book

the machinists union and listed six specific things he wanted done to aid his campaign . . . one of them was to assign manpower, paid manpower from the union."

"These are non-cash contributions but nevertheless they're a violation of the law and they have never been prosecuted by the justice department," he said.

Caddy cited a second example in which the administrative assistant to Senator Birch Bayh (Dem-Ind.) wrote "many of the unions asking them to make a contribution to cover his deficit (in his campaign for reelecteion) . . . "

Caddy said "the way they (the machinist union) did this as a conduit was to purchase a book which Senator Bayh had written. Union dues were used to purchase vast quantities of that book but the real purpose was not the purchase of the book and the distribution of the book but to cover his campaign deficit."

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