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## Labor Law: Political Expenditures of Labor Organizations, *United States v. International Union United Automobile Workers, CIO*, 352 U.S. 567 (1957)

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and, considering this precedent, it is believed that mutual good faith on the part of the United States and those nations presently playing host to our military forces can produce results that do not conflict with American ideas of fairness.

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LABOR LAW: POLITICAL EXPENDITURES OF LABOR ORGANIZATIONS

*United States v. International Union United Automobile Workers, CIO, 352 U.S. 567 (1957)*

Defendant labor union was indicted for expending union funds to sponsor commercial television broadcasts which were intended to influence a federal election, allegedly in violation of section 610 of the Federal Corrupt Practices Act.<sup>1</sup> The district court dismissed the indictment on the ground that the "expenditures" charged were not within the statutory prohibition.<sup>2</sup> On direct appeal<sup>3</sup> the Supreme Court reversed, holding that the use of union dues to influence the public at large to vote for a particular candidate or political party in a federal election constituted an "expenditure" within the meaning of the statute.<sup>4</sup>

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of Libya, Sept. 9, 1954, 5 U.S. TREATIES & OTHER INT'L AGREEMENTS 2449, 2464, T.I.A.S. No. 3107. Conversely, treaties with some nations make no mention of any procedural safeguards to be furnished an accused, but these same treaties contain provisions awarding the United States *exclusive* criminal jurisdiction over American citizens. See, e.g., Agreement Between the United States and the Imperial Ethiopian Government, May 22, 1953, 5 U.S. TREATIES & OTHER INT'L AGREEMENTS 749, 756-58, T.I.A.S. No. 2964; see also note 62 *supra*.

1. 18 U.S.C. § 610 (1952). The pertinent parts of the statute are as follows: It is unlawful . . . for any corporation . . . or any labor organization to make a contribution or expenditure in connection with any election at which Presidential and Vice Presidential electors or a Senator or Representative in, or a Delegate or Resident Commissioner to Congress are to be voted for, or in connection with any primary election or political convention or caucus held to select candidates for any of the foregoing offices. . . .

Every corporation or labor organization which makes any contribution or expenditure in violation of this section shall be fined . . . and every officer or director of any corporation, or officer of any labor organization, who consents to . . . violation of this section shall be fined . . . or imprisoned. . . .

For purposes of this section 'labor organization' means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exist for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

2. *United States v. International Union United Automobile Workers, CIO, 138 F. Supp. 53 (E.D. Mich. 1956)*.

3. The United States may appeal directly from the district court to the Supreme Court in criminal cases which deal with the construction of a statute upon which an indictment or information is founded. 18 U.S.C. § 3731 (1952), *United States v. Borden Co.*, 308 U.S. 188 (1939).

4. *United States v. International Union United Automobile Workers, CIO, 352 U.S. 567 (1957)*. The Court construed the indictment as follows: "Thus, for our purposes, the indictment charged the appellee with having used union dues to sponsor commercial television broadcasts designed to influence the electorate to select certain candidates for Congress in connection with the 1954 elections." *Id.* at 585.

Since 1943 Congress has attempted, through corrupt practices legislation, to control the disbursements of union funds for political activities in connection with federal elections.<sup>5</sup> The first statute<sup>6</sup> prohibited only "contributions" and proved ineffective because "contributions" were thought to be confined to direct gifts or payments. As a result unions easily circumvented the statute by making indirect contributions which were termed "expenditures."<sup>7</sup> Congress therefore added an "expenditure" prohibition to the statute in 1947, completing it as it exists today.<sup>8</sup> Congress sought to achieve three basic objectives with this legislation: (1) to reduce the "undue and disproportionate influence" which labor unions exerted through contributions and expenditures, *i.e.*, sponsoring political activities which reached the public at large as opposed to union members only;<sup>9</sup> (2) to preserve the "purity of federal elections" against the great wealth of labor unions;<sup>10</sup> and (3) to protect minority union members by preventing funds contributed by them from being used to promote the adverse political views of the majority.<sup>11</sup> The purpose of this comment is to examine the various interpretations given the word "expenditure" by the courts, and to analyze and evaluate these interpretations<sup>12</sup> in light of the legislative objectives which Congress sought to achieve.<sup>13</sup>

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5. Because the statute deals only with *expenditures in connection with federal elections*, all future reference to expenditures should be understood to pertain only to federal elections.

6. Smith-Connally Act, c. 144, § 9, 57 STAT. 167 (1943). See also *The Smith-Connally Act*, 3 LAW. GUILD REV. 46 (July-Aug. 1943).

7. See H.R. REP. NO. 2093, 78th Cong., 2d Sess. 11 (1944); H.R. REP. NO. 2739, 79th Cong., 2d Sess. 39-40 (1946); S. REP. NO. 1, 80th Cong., 1st Sess. 36-39 (1947).

8. Taft-Hartley Act § 304, 61 STAT. 159 (1947), 18 U.S.C. § 610 (1952), amending 43 STAT. 1074 (1925), 2 U.S.C. § 251 (1940). This statute gave rise to little debate in the House (93 CONG. REC. 3423, 3522 (1947)) the bill merely being summarized by the House Committee on Education and Labor, which considered and approved it (H.R. REP. NO. 245, 80th Cong., 1st Sess. 46 (1947)). Senator Taft originally introduced the bill in the Senate without the "expenditure" provision attached. A joint conference committee adopted the expenditure provision as approved by the House. The Senate considered the conference version and passed it after considerable debate. See 93 CONG. REC. 6436-47, 6493-6507, 6681-84, 7680 (1947). For a detailed account of the evolution of the present act see Comment, 57 YALE L.J. 806 (1948).

9. See S. REP. NO. 101, 79th Cong., 1st Sess. 24 (1944). See also Brief for Appellant, pp. 51-52, *United States v. International Union United Automobile Workers, CIO*, 352 U.S. 567 (1957); Justice Rutledge's concurring opinion in *United States v. CIO*, 335 U.S. 106, 129 (1948).

10. *Ibid.* Congress has also passed complementary legislation to help achieve this purpose. See, *e.g.*, 36 STAT. 822-24 (1910), 2 U.S.C. §§ 242, 244-46, 248 (1952); 18 U.S.C. §§ 608-09 (1952).

11. See note 9 *supra*. See also 93 CONG. REC. 6440 (1947).

12. The problem of statutory construction is certainly not a novel one in the area of federal corrupt practices legislation. See *United States v. Harriss*, 347 U.S. 612 (1954); *United States v. Rumely*, 345 U.S. 41 (1953).

13. This statute only encompasses those expenditures which are related to elections. The Federal Lobbying Act 18 U.S.C. § 1913 (1952), regulates, to some extent, those expenditures which are unrelated to elections. See Comment, 56 YALE L.J. 304 (1947).

Although a question arises as to the scope and applicability of the words "in

The Supreme Court first construed the word "expenditure" in the case of *United States v. CIO*.<sup>14</sup> The Court held that an editorial published in a union newspaper, financed with funds of the union's general treasury and urging the election of a particular candidate for Congress, did not constitute an "expenditure" so long as the periodical was published in regular course and distributed only to union members and subscribers.<sup>15</sup> The Court thus implied that a

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connection with any election," it will not be dealt with in this comment. See Kallenbach, *The Taft-Hartley Act And Union Political Contributions And Expenditures*, 33 MINN. L. REV. 1 (1948).

Another issue of considerable importance, namely whether the statute infringes the right to freedom of political expression as guaranteed by the first amendment (U.S. CONST. amend. I), was raised in the principal case. Although the constitutional validity of the statute was discussed in the briefs for the appellant and respondent in the principal case, the majority tactfully avoided this issue by using the "strict necessity" doctrine, *i.e.*, the policy of refraining from determining the constitutional validity of a statute unless it is "absolutely necessary" to a decision of the case. *Burton v. United States*, 196 U.S. 283, 295 (1905). Justice Frankfurter reasoned that the indictment in the principal case charged an offense and because the case would be remanded to the district court where proof of the charges might fail, the constitutional issue involved might never be squarely presented to the Court. *United States v. International Union United Automobile Workers, CIO*, 352 U.S. 567, 591-92 (1957). However, Justice Douglas' dissenting opinion in which Chief Justice Warren and Justice Black concurred, stated that the statute as construed and applied by the majority was a "broadside assault on the freedom of political expression guaranteed by the first amendment," and that the construction and application which the Court gave the act makes its survival impossible. *Id.* at 598. Apparently Justice Frankfurter's caution was justified. After this case was remanded to the district court in Michigan, a jury found the union not guilty. *St. Louis Post Dispatch*, Nov. 7, 1957, p. 18A, col. 3. Discussion of the constitutionality of this statute and related issues, such as whether a labor organization, as an entity in itself, has first amendment rights, and whether the legislative objectives which prompted its passage justify inhibiting the right of freedom of speech, is beyond the scope of this comment. For a discussion of the constitutional issue see Chang, *Labor Political Action And The Taft-Hartley Act*, 33 NEB. L. REV. 554 (1954); Kallenbach, *supra*; Mulroy, *The Taft-Hartley Act In Action*, 15 U. CHI. L. REV. 595 (1948); Sutherland, *Reasons In Retrospect*, 33 CORN. L.Q. 1 (1947); Note, 1949 WIS. L. REV. 184; Comment, 96 U. PA. L. REV. 888 (1948); Comment, 2 VAND. L. REV. 322 (1949); Comment, 34 VA. L. REV. 461 (1948); Comment, 57 YALE L.J. 806 (1948).

14. 335 U.S. 106 (1948). The Supreme Court reviewed this case after the district court sustained a motion to dismiss the indictment on the grounds that the statute on its face was an unconstitutional abridgment of freedom of speech, and that there was no clear and present danger to the public interest under the circumstances surrounding the enactment of this legislation. *United States v. CIO*, 77 F. Supp. 355 (D.C.D.C. 1948).

The indictment further alleged that 1,000 extra copies of the edition were published, then transported from the District of Columbia to Maryland where they were circulated, and that the cost of printing, packaging, and transportation came from the general treasury of the union. *United States v. CIO*, 335 U.S. 106, 111-12 (1948).

15. 335 U.S. at 122-24. It should be noted that only four justices unqualifiedly joined in the opinion of the Court concerning the construction of the word "expenditure." Justice Frankfurter felt that there was no case or controversy, but stated that the Court had heard the case and therefore he would accede to the view expressed by Justice Reed in the Court's opinion. Justice Rutledge, in a long concurring opinion in which the remaining three justices joined, agreed that the indictment should be dismissed, but the basis of his concurrence was that the statute was unconstitutional. The view expressed in Justice Rutledge's concurring opinion was reaffirmed by Justice Douglas in his dissenting opinion in the principal case. 352 U.S. at 598.

publication which was either a casual or occasional one, or one which reached the general public, even though published in regular course, would fall within the statutory prohibition. In support of its interpretation the Court reasoned that members of unions were familiar with the union practice of regularly publishing periodicals, and therefore were willing participants in this normal organizational activity.<sup>16</sup> Because the decision was based upon the regularity of publication, and distribution to union members, the source of funds for the publication was rendered immaterial,<sup>17</sup> in spite of the fact that senatorial debate indicated the source of funds used should be an essential determinant of whether a particular disbursement constituted an "expenditure."<sup>18</sup> It is possible that the Court ignored these debates because the Senate did not originate the "expenditure" provision of the bill.<sup>19</sup> This construction of the word "expenditure" and the reasons in support thereof appear to be inconsistent with two of the expressed legislative objectives of the statute. First, by sanctioning the use of union funds to print political editorials, it seemingly ignores the legislative attempt to prevent the wealth of unions from influencing the "purity of elections."<sup>20</sup> Further, because it is unlikely that all members of the union approved of the expense incurred in printing the periodical,<sup>21</sup> the "minority protection" objective was probably disregarded.<sup>22</sup> The "undue and disproportionate influence" objective<sup>23</sup> was not contravened because the Court limited the scope of distribution of the periodical to union members and subscribers, as opposed to the public at large.

The word "expenditure" was construed for the second time in *United States v. Painters Local 481*,<sup>24</sup> decided by the court of appeals for the second circuit. It was there held that "expenditure" did not encompass the purchase of commercial newspaper space and radio

16. 335 U.S. at 123.

17. The Court stated that "The funds used may have been obtained from subscriptions of its readers or from . . . dues . . . or from other general or special receipts." 335 U.S. at 111.

18. See 93 CONG. REC. 6436-37, 6440 (1947), where the exact situation which this case presents was contemplated in questions propounded by Senator Taft. In his answers the Senator repeatedly made unqualified statements that any political expenditure which originated from union dues, as opposed to voluntary subscriptions or contributions by union members, would violate the statute.

The concurring opinion in this case chose to follow the view of Senator Taft and stated: "[I]n the face of the legislative judgment, . . . this Court sets aside the one clearly intended feature of the statute apart from its general objectives. . . . This is not construction under the doctrine of strict necessity. It is invasion of the legislative process by emasculation of the statute. . . ." 335 U.S. at 139.

19. See note 8 *supra*.

20. See text supported by note 10 *supra*.

21. See Mulroy, *The Taft-Hartley Act In Action*, 15 U. CHI. L. REV. 595 (1948).

22. See text supported by note 11 *supra*.

23. See text supported by note 9 *supra*.

24. 172 F.2d 854 (2d Cir. 1949).

time to urge the defeat of certain political candidates,<sup>25</sup> so long as the union was communicating with its members *in a natural way* and the communication did not affect a greater number of people than were affected by the publication in the *CIO* case.<sup>26</sup> In reaching this result the court purported to follow the *CIO* decision, stating that the facts in the two cases were similar. However, it is believed that because the medium of communication in this case was commercial rather than union-owned, and because the broadcast and publication reached the public at large rather than only union members and subscribers, the facts were markedly dissimilar. In holding that these disbursements were not "expenditures," the court was therefore forced to promulgate the "natural way" test, which was substantially different than the test used in the *CIO* case. This construction of the word "expenditure" does not conform to any of the legislative objectives of the statute. By allowing the union to disseminate its political views to the general public, the "disproportionate influence" objective was not achieved.<sup>27</sup> Congress' desire to preserve the "purity of elections" against the wealth of labor unions<sup>28</sup> was frustrated by permitting the union to use its funds to sponsor political broadcasts and advertisements. Because the disbursements came from the union's general funds, the "minority protection" objective was not achieved.<sup>29</sup> The court was greatly impressed by the fact that these disbursements were authorized by a majority of the union members present at a special meeting held for the purpose of obtaining this authorization.<sup>30</sup> But adherence to the democratic process of gaining authorization for the expenditure of funds should be of no significance to the question of protecting the minority unless, of course, there is a unanimous vote in favor of the expenditure.

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25. According to Senator Taft, the purchase of radio time or newspaper space for political purposes with union or corporate funds would have constituted an expenditure in violation of the statute. 93 CONG. REC. 6439-40, 6447 (1947).

26. The issue concerning whether this was an expenditure in violation of the statute was not raised or determined by the district court. The court decided defendant's motion to dismiss the indictment on constitutional grounds, proceeding on the assumption that the indictment charged an offense if the statute was constitutional. *United States v. Painters Local 481*, 79 F. Supp. 516, 518 (D. Conn. 1948).

The government did not appeal this case to the Supreme Court. In the principal case the appellee urged this fact upon the Court, partly to support its contention that the government had become discouraged from instituting prosecutions under this statute. Reference was made to testimony of the attorney general before a Senate Sub-Committee on Privileges and Elections that prosecution under it was almost impossible, and certainly impractical, due to the *CIO* and *Painters Local* decisions. See Brief for Appellee, p. 44, *United States v. International Union United Automobile Workers, CIO*, 352 U.S. 567 (1957).

27. See text supported by note 9 *supra*.

28. See text supported by note 10 *supra*.

29. See text supported by note 11 *supra*.

30. 172 F.2d at 856

*United States v. Construction Local 264*<sup>31</sup> was the third case which construed the word "expenditure." The district court held that the union did not violate the statute by paying full salary to three employees who devoted a considerable portion of their normal working hours aiding the election of a congressional candidate. Their activities included registering voters, transporting voters to the polls, driving an advertising truck, and distributing campaign literature.<sup>32</sup> In justification of its holding that registering voters and driving them to the polls did not fall within the statutory prohibition, the court stated that these activities were a public service which benefited all candidates alike.<sup>33</sup> However, with respect to driving an advertising truck and distributing campaign literature, the import of the decision is not clear. Regarding these activities, the test which the court apparently adopted to measure the scope of the "expenditure" provision was the *degree* of the activity engaged in, *i.e.*, the percentage of normal working hours that a union employee devoted to political activities while receiving compensation from the union.<sup>34</sup> Therefore, the *type* of political activity in which the employee engaged was made immaterial.<sup>35</sup> The court's decision appears to be out of harmony with all of the legislative objectives of the statute. Because the *type* of activity is considered to be immaterial, the "disproportionate influence" objective<sup>36</sup> of the statute is not observed. It is entirely possible that a union may engage in an activity which is designed to influence only union members, *e.g.*, the publication in the *CIO* case. However, the possibility remains that the activity is one which is directed at influencing the public at large, *e.g.*, driving an advertising truck and distributing campaign literature to the general public. Because the potential exists for unions to engage in the latter type of activity, the "disproportionate influence" objective of the statute is not effectuated. Allowing the union to pay its employees to engage in political activities outside the union during normal working hours thwarts the congressional attempt to prevent union wealth from influencing the "purity of elections."<sup>37</sup> The "minority protection" objective<sup>38</sup> is not fulfilled because the use of

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31. 101 F. Supp. 869 (W.D. Mo. 1951).

32. *Id.* at 874-75. The court also ruled that these activities were not "contributions" within the meaning of the statute. *Id.* at 876.

33. *Id.* at 875.

34. *Id.* at 876. The court provided no criterion for the application of this standard. Thus it is not clear exactly *what* percentage is necessary to constitute a violation of the expenditure provision of the statute, other than that the time expended must represent a considerable portion of the employee's normal working hours.

35. *Id.* at 876.

36. See note 9 *supra*.

37. See note 10 *supra*.

38. See note 11 *supra*.

union funds to aid in the election of one candidate without the unanimous consent of all members of the union is condoned.

The tendency of the decisions leading up to the principal case was increasingly to narrow the scope of the "expenditure" prohibition. Although the test promulgated in the *CIO* case gave "expenditure" a broader meaning than any of the subsequent decisions, it was nevertheless narrower than Congress intended because it sanctioned the disbursement of union funds to defray the cost of printing a political editorial in a union-owned periodical. Because the *Painters Local* case permitted a union to use commercially owned media of communication to voice its political preferences, not only to union members but also to the general public, the scope of the "expenditure" provision was further narrowed. Finally, the *General Laborers* case emasculated the "expenditure" prohibition because it made the *type* of activity engaged in totally immaterial.

The most recent interpretation of the word "expenditure" occurred in the principal case. Basically, the test used was the same as that in the *CIO* case: whether publication was in regular course, and distribution was only to union members and subscribers.<sup>39</sup> Applying this test to the facts of the instant case, the Court found that, because the broadcast was delivered to the public at large, the disbursements fell within the statutory prohibition.<sup>40</sup> The Court was aided in its view by the legislative history of section 610;<sup>41</sup> the senatorial debates indicated specifically<sup>42</sup> that the acts charged in the principal case were violations of the "expenditure" provision. It has been noted that the Court in the *CIO* case ignored the Senate's suggestion as to what factors would determine whether an "expenditure" had been made.<sup>43</sup> In the instant case the Court's conformity to the examples set forth apparently indicates that these examples will be followed only when they would also constitute "expenditures" under the *CIO* test. Because the Court held that sponsoring the broadcast in question constituted an "expenditure," it would appear that the decision conformed to the legislative objectives. However, it is submitted that because the Court followed the *CIO* case,<sup>44</sup> this conformity is only illusory. Thus whenever a factual situation arises involving a disbursement which, under the *CIO* test, does not constitute an "expenditure," the "purity of elections" and "minority protection" objectives will not be realized. Conversely, all of the legislative objectives of the statute can be attained only when, in the peculiar factual situa-

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39. See text supported by note 15 *supra*.

40. 352 U.S. at 588-89.

41. *Id.* at 570-84.

42. *Id.* at 586. See also 93 CONG. REC. 6436-47, 6493-6507, 6681-84, 7680 (1947).

43. See text supported by notes 17-19 *supra*.

44. 352 U.S. at 588-89.



tion of the case under consideration, the disbursement does constitute an "expenditure" under the *CIO* test.

It must still be determined what effect the principal case has on the previous decisions interpreting the "expenditure" provision. Due to the factual similarity between the principal case and the *Painters Local* case, which also involved a radio broadcast, it is suggested that the principal case overrules the *Painters Local* decision. The factual dissimilarity between the instant case and the *General Laborers* case makes it difficult to assess the effect which the former had on the latter. But it should be noted that the dissenting opinion in the principal case conceived the majority's holding as making criminal the use of union funds to distribute political literature to the public at large.<sup>45</sup> If this interpretation were to be followed in the future, the decision might easily have a nullifying effect on the *General Laborers* case. Furthermore, the instant case, by reaffirming the broadest of the judicial tests, has reversed the trend of the previous decisions narrowing the "expenditure" prohibition.

All of the decisions interpreting section 610 have apparently disregarded the legislative objectives of the statute in whole or in part. A possible reason for this disregard<sup>46</sup> is that the validity of the legislative objectives has always been open to serious doubt. If the "undue influence" and "purity of elections" objectives were to be realized, unions would be precluded from disseminating any information of a political nature to the public. This is not in accord with our democratic concepts of conducting elections, which demand a well informed citizenry. This demand can best be fulfilled by the free and unrestricted dissemination of political thought. The existence of conflicting political interests constitutes a sufficient safeguard against the danger that the public will be indoctrinated with a one-sided or distorted view.<sup>47</sup> The "purity of elections" objective is not only theoretically unsound, but also has no practical basis as is evidenced by the fact that labor contributed only 15% of the total political expenditures in the 1954 congressional elections.<sup>48</sup> It is submitted that the "minority protection" objective is also invalid. Most of the charters or constitutions of labor unions state that one of the objectives of the union will be to further the interests of members through the advocacy of candidates who are favorable to labor's welfare. Therefore, a worker impliedly accepts and approves of this basic union tenet when he becomes a member, although he may not approve of

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45. *Id.* at 594.

46. Another possible reason why the courts have disregarded the legislative objectives of the statute is the fear that if they adhered to them, the resultant interpretation might violate the Constitution. See note 12 *supra*.

47. Kallenbach, *supra* note 13, at 24.

48. 11 CONG. Q. ALMANAC 725 (1955).

specific action taken in the political arena.<sup>49</sup> Furthermore, labor unions are associations of individuals governed by democratic principles. There appears to be no greater reason to foster minority protection in labor unions than there is in any other type of democratic organization. All other activities of labor unions are based upon the principle of majority rule,<sup>50</sup> and as long as democracy within the union makes union leaders responsible to the membership, the individual will be protected.<sup>51</sup>

The above discussion and analysis has revealed that, although the word "expenditure" has been construed on four different occasions, some conflict and doubt still pervade its meaning. The principal case indicates, however, that the *CIO* test, *i.e.*, whether publication is in regular course, and distribution is only to union members and subscribers, will be followed in the future. By disregarding the legislative objectives, all of the decisions interpreting the statute have adopted a markedly narrower view of the "expenditure" provision than Congress intended. It has been suggested that a possible reason for the courts' disregard of these objectives is their invalidity. The courts have seemingly been placed, therefore, in the unenviable position of interpreting and construing a statute which has no apparent reasonable basis for existence, other than that Congress has passed it. It is submitted that by its affirmation of the *CIO* test, which is the broadest one used to construe the word "expenditure," the Court in the instant case arrived at a practical compromise because the results reached by the application of this test will still be narrower than those intended by Congress. Furthermore, the narrowing effect of the cases prior to the principal case on the "expenditure" provision apparently discouraged the government from instituting prosecutions for suspected violations of the statute,<sup>52</sup> as is evidenced by the four-year interval between the *General Laborers* case and the principal case. It is believed that the Court's affirmation of the broadest judicial test should, and probably will, encourage the government to institute more prosecutions. This increased litigation will undoubtedly hasten a much desired constitutional determination of the statute's validity, which the Supreme Court has until now refused to undertake.<sup>53</sup> In the interim the use of the *CIO* test will afford at least some basis for

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49. Kallenbach, *supra* note 13, at 24-25.

50. Brief for Appellee, p. 67, *United States v. International Union United Automobile Workers, CIO*, 352 U.S. 567 (1957).

51. Kallenbach, *supra* note 13, at 25.

52. Brief for Appellee, *supra* note 50, at 44. No prosecutions were brought from 1951 to 1956.

53. See notes 13, 46 *supra*.

predicting what acts will and what acts will not constitute an "expenditure" within the meaning of the statute.<sup>54</sup>

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54. The practical effect of the instant case is very limited because unions have several methods to circumvent § 610. As a result of the prohibition on "labor organizations," unions organized political committees as early as 1944. See Brief for Appellant, pp. 39-48, *United States v. International Union United Automobile Workers, CIO*, 352 U.S. 567 (1957). These committees are separate entities whose purpose is to engage in political activities in behalf of union interests. They are organized at every echelon which corresponds to the union level of organization from local to national. These committees engage in activities which include: endorsing candidates favorable toward union views in federal, state, and local elections; sponsoring radio and television broadcasts that urge the election of candidates who are sympathetic toward labor; and printing and purchasing political posters, trailers, pins, bumper signs, and other political materials. In answer to an inquiry by Senator Moore, the Attorney General of the United States ruled in 1944 that these committees were not "labor organizations" within the meaning of the Smith-Connally Act. See *Department of Justice Clears PAC*, 4 LAW. GUILD REV. 49 (Sept.-Oct. 1944). As a result of this ruling, the government has never attempted to prosecute these committees for violating § 610. Although the committees are voluntarily supported, the coercive powers which unions possess over their members would appear to be an inducement for members to contribute. Furthermore, if unions or corporations wish to circumvent § 610, there is nothing to prevent them from paying their officers higher salaries, with the understanding that the extra money will be individually contributed by each officer toward political activities which will benefit the union or corporation the most.