# MAJOR DRIVE ON SHANGHAI IS AWAITED

### DANIELS WILL **NOT** BE CANDITATE FOR STATE'S GOVERNOR

Statement Of Raleigh Publisher Takes Him Out of Race For Nomination

FOURTH CANDIDATE MAY YET BE ENTERED

Fountain Seen As Strongest Candidate But Entrance of Daniels Backed Man Would Change Things

Dally Disputch Buttons.
In the Mr. Watter Hotel
nv J. C. RASKERVILL.
Raleigh, Feb. 15. – Josephus Daniels will not be a candidate for the Demecratic nomination for Governor. He said so himself this morning in The News and Observer. In making this announcement Daniels has removed the bung from the political barrel that has been holding back the campaign in North Carolina for fully two months, since it has been conceded for many weeks that the Democrats of the state have been waiting largely to see what action Daniels would take before committing themselves to any of the other candidates. Even the candidates themselves here felt the restraint and have been delaying their activities, waiting for Daniels

to announce what he would do. Yet the political atmosphere has not been appreciably clarified by the announcement that Daniels will not be a candidate nor does it seem that there will not yet be a fourth candidate in the contest, it is agreed here. Daniels' withdrawal undoubtedly means that the campaign will be less bitter and less fiery than it would have if he had become a candifate. But if hnything, it means that the outcome is now more uncertain than it has been at any time yet, since it is generally admitted

(Continued on Page Five.)

Indications Point To Crop As Large As That Of Past Season

Raleigh, Feb. 15.-Indications are now that there will be a supply of American cotton this fall and winter equal to the present large supply tending to cause low prices in all parts of the cotton belt, says Dr. G. JONAS NOMINATION W. Forster, head of the department of agricultural economics at State

Dr. Forster says the production for 1231 is now placed at 16,918,000 bales and the carry-over as of August first, 1931, was 8,880,000 bales giving a total supply of approximately 26 million bales for the year ending July 31, 1932. If the probably consumption for this year is subtracted from this total amount, some idea will be gained of the supply available for this fall and inter. This consumption is placed at 12,500,600 bales and will therefore leave about 13,218,000 bales as a carv-over into the coming season. Dr. Forster says this will probably be the argest carry-over in the history of American agriculture.

### **Break Among Important Elements Of Democratic Party Reported Growing**

Will Not Run



JOSEPHUS DANIELS.

In a lengthy statement issued today, Josephus Daniels, Raleigh publisher, announced that he would not be a candidate for the Democratic nomination as Governor of North Carolina. Mr. Daniels has figured prominently in reports of gubernatorial possibilities during the past few weeks, but his announcement laid at rest all reports of his entering the

Ouster Proceedings Against Alvin O. King Started In Louisiana

Lake Charles, La., Feb. 15 .- (AP)-Denying he obtained the office by conspiracy or is holding it by force of arms, Alvin C. King, who succeeded Huey Long as governor of Louisiana filed exception today to the ouster suit brought against him by Dr. Paul miss the action for lack of jurisdic-

Cyr, elected lieutenant governor at the time Long was named governor has charged a conspiracy existed be tween Long and King to place the latter in the governor's chair when Long went to Washington and took his seat in the United States Senate. Because he fwas elected lieutenant of about 26,000,000 bales, which will governor Cyr's suit asked that the court recognize him as governor.

UNDER DISCUSSION Washington, Feb. 15.—(AP)— The Senate Judiciary committee today discussed the nomination of Charles A. Jonas to be United States attorney for the Western district of North Carolina but took no action.

**SUMMERALL NOT TO** 

RESIGN HIS OFFICE Charleston, S. C., Feb. 15.—(AP)
—Major General Charles P. Sum-merall, former chief of staff of the United States Army today withdrew his resignation as president of the Citadel, the state mili-

# Gardner Will Talk To Kentucky Legislature

Dally Disputch Bureau. In the Sir Walter Hotel.

a joint session of the Kentucky general assembly February 19 and has accepted the invitation, he has announced. He has selected as his topic New Conditions Demand New Remedies" and will tell how North Carolina has already adopted many new remedies to meet new conditions and of the newt legislation enacted by the 1931 general assembly looking ahead to the new conditions not then as apparent as they are now.

On this same trip to Kentucky, Governor Gardner will also stop at the University of Kentucky at Lexington and address a conference of governmental. vernmental experts on the subject of the recognition of State government, and again tell of some of the steps that have already been taken in this State in modernizing the State governmental machinery.

"I regard to the invitation from the Kentucky legislature not only as a Raleigh. Feb. 15. Governor O. Max but as an even greater compliment to the State of North Carolina and to the State of North Carolina and the members of the various legislatures, who as a result of the wise legislation they have enacted in the last several sessions, have served to put North Carolina among the leading states in the country and served to attract nation-wide attention to it," Governor Gardner said.

"For the credit for whatever North Carolina ha sdone to bring its govern-mental machinery up to date and enable it to meet new and difficult conditions must be given to the people of the State as a whole and to the members of the legislatures that enacted the laws. It is true that I suggested or recommended some of the changes. But the reason they weer enacted into law was because they appealed to the good sense of the people rather than because I or anyone else sug-

### Opposing Positions Regarding Instruction of Delegates Is Causing Rift

SHOUSE STATEMENT STARTS FIREWORKS

Governor Roosevelt And His Supporters Take Opposing View On Instructing Convention Delegations

Washington, Feb. 15 .- (AP)-A c'ear cut rift now exists between important elements of the Democratic party and the prospects for harmony in the year of presiden-tial election has faded to a

Definitee statements of opposing positions over the instruction legates now stands between Franklin D. Roosevelt and his supporters on the one hand and that section of the party leadership which agrees with the views of Jouett Shouse, director of Democratic National headquarters under Chairman John J.

Shouse has advocated that delegates not be instructed but be left free to choose their candidate in the light of conditions at the moment the convention is held and the ballots are cost. Governor Roosevelt sees in the plan disfranchisement of the party's rank and file with the decision thrown to the dickering of powerful leaders nothing more than a back room nomination.

Shouse and Raskob disclaimed any intention to stop Roosevelt or any other candidate with the non-instruction plan but Roosevelt's candidacy rolling up a mounting total of votes all over the country, is the one most threatened before the convention time having most to lose. Yet the New York governor has not questioned the sincerity of the Shouse Raskob disclaimer.

Slain by Man Who Claims Pair Were Trying To Enter His Home

Lenior. Feb. 15 .- (AP)-Ned Mc-Dade, textile worker at Hudson, near here, was shot to death early today and Homer Taylor was seriously wounded by Jeff Swanson, who said McDade was trying to break into

Sheriff John Welsh quoted Swan-son as saying he fired the fatal shot in the darkness after the only lamp in his home had been broken. Swanson was arrested and charged with the murder. Seven other persons were held as material witnesses

### APPEAL OF CANNON **VERDICT IS FILED**

Government Appeals Decision Invalidating Indict. ment of Bishop

Washington, Feb. 15.-(AP)- The government notified the District of Columbia Supreme court today that it would appeal from last Saturday's decision which invalidated corrupt practices act indictments against Bishop Cannon, Jr., and Miss Ada L.

John J. Wilson, assistant district attorney who acted for the govern-ment said the appeal might be ready for the district court of appeals within a week.

Sixty days are allowed for perfect-

WILL LIMIT DEBATE ON BANKING BILL

Washington, Feb. 15.—(AP)—
The House agreed today to limit debate on the Glass-Stegali banking bill to two hours in order to expedite passage before nightfall.

The agreement was made in the face of an anouncement that otherwise an attempt would be made to suspend the rules and thus cut debate to less than half

### U. S. AND BRITAIN PROTEST ACTION OF JAPS IN SHANGHAI

Object To Using International Settlement As Base of Attacking Chinese

FORMAL PROTESTS TO JAPANESE ARE MADE

Consul Generals In Shanghai Follow Out Instructions From Government In Making Objections

Washington, Feb. 15 .- (AP)-The United States and Great Britain have again protested against Japan's use of the international settlement in Shanghai as a mili-tary base for attacking the Chineso ostalde the settlement.

A message received today by the State Department from Consul General Edwin S. Cunningham, at Shanghai, said he had protested to the Japanese consul general against the land ing of Japanese troops in large numbers on docks in Hongkew, the cer tion of the international settlement which is policed by the Japanese. Similar action was taken by the

British counsul general. Cunningham's move was made under his instructions to act on individual instances which violate the neutrality of the international settle-

Senatorial Candidate Plans To Open Campaign on Thursday Night

Raleigh, Feb. 15.-Robert R. Reynolds of Asheville, one of the three candidates seeking the Democratic nomination for United States Senator from Senator Cameron Morrison in the June 4 primary, will formally House Committee Turns In open his campaign in Shelby, Cleve-land county, Thursday night, Feb-ruary 18, he announced while here

"Several different cities have asked me to open my campaign in them. but the most insistent demand came from Shelby, where a petitlon was signed by more than 750 men and women asking me to open my campaign there," Reynolds said. Reynolds would not indicate along what line his opening speech would be other than to hint it would serve to let the entire State know that is in the contest for the senatorial nomination to the finish.

Following the opening of his active campaign in Shelby Thursday night, Reynolds said he expected to devote almost his entire time to his campaign, speaking almost daily, some times twice a day, and that he hopes to visit every county in the State.

# DATE FOR HEARING HARWOOD CASE SET

Preliminary Trial Of Superior Court Jurist Set For Tuesday

Raleigh, Feb. 15.-(AP)-A preliminary hearing for Judge John H. Harwood, speial superior court jurist, charged with tampering with the records of criminal and civil actions of the State against his daughter, Miss Lola Harwood is scheduled to be held

in police court here tomorrow. The judge was arrested Saturday shortly after Governor Gardner had suspended his ommission. He made bond in the sum om \$1,000.

Members of the State legal staff would not comment on the rumor that documents in the case had been had been photographed for finger prints. Neither Judge Harwood nor nployes of the Revenue Department have been finger printed, police and Assistant Attorney General A. A. F. Sewell said today.

### WEATHER

FOR NORTH CAROLINA. Rain tonight and probably Tues day morning; slowly rising temperature Tuesday; fresh northeast and east winds.

# Heavy Gunfire Is Resumed In Chapei Sector; Chinese Call On League For Drastic Action

Baron Shidehara, former Japa-

nese foreign minister and sole

survivor of Japan's famous tri-

umvirate of liberal statesmen, has

been seriously ill at Tokio. Shi-

dehara, who is 60 years old, is the

only one left of the three states-

men known as especial friends of

the United States. The other two

were both assassinated.

Conference At Tokyo Called

By Jap Foreign Min-

ister Today

EXPLAINS JAP STAND

Tells Foreign Delegation Why Japan

Is Attempting To Drive Chinese

Army Away From Shanghai

Tokyo, Japan, Feb. 15-(AP)-Am-

United States and Ambassador Lind-

ley and DMartel, of Great Britain and

France, called at the foreign office

late this afternoon on invitation of Foreign Minister Kenkichi Yos-

hizawa and it was understood the for-

eign minister explained to them the

reasons why Japan deemed it neces-

sary to send a thousand of additional

The foreign minister was also un-

derstood to have outlined why Japan

Chinese army back to a "safe distance" from Shanghai in case the

Chinese refuse to withdraw volun

Named Postmaster.

Washington, Feb. 15 .- (AP)-

President Hoover today nominated Jeremiah C. Meekins to be

postmaster at Washington, N. C.

believes it necessary to drive

troops to Shanghai.

### **ECONOMIC BOYCOTT** SOUGHT BY CHINA

Report Of Special Investiga. tors In Shanghai Area Made To League

DECLARE WAR EXISTS

ommissioners Also Declare That Offensive is Entirely in Hands of Japanese In Shanghai Area

Geneva, Switzerland, Feb. 15.—(AP)—China prepared today to call upon the League of Nations to authorize an economic boycott against Japan, the most drastic action provided for in the cove-nant of the League of Nations, unless redress is obtained through a special meeting of the league assembly under Artile 15 of the ovenant, which it has invoked officially.

Report Made.

The decision of W. W. Yen, Chinese spokesman, coincided with a report received by the league from its investigating commission at Shang-ha iin which the commissioners declared "a state of open war exists" there and "the offensive is entirely in the hands of the Japanese whose declared object is to capture the Woosung forts and drive all Chinese to a considerable distance" from the

# ARE CUT HEAVIL

Measure After Making Large Reductions

Washington, Feb. 15.-(AP)-All important divisions of the State, Justice, Commerce and Labor departments except the prohibition bureau felt the sharp scythe of economy in their \$124.713,000 supply bill for next fiscal year, reported today to the

The Democratic conrolled appro priations committee cut \$5,170,000 off the budget estimates of \$129,784,000 but left untouched the request for \$11,369,500 for the dry enforcement unit, the same amount appropriated for the current year. However it disclosed the budget bureau had reduced the original prohibition bureau request for \$13,635,000 by disallowing an increase from 2,000 to 2,500 in the number of dry agents.

# CHARGE DENIED BY FOSTER ON STAN

Republican Official Denies Soliciting Funds From Postmaster

Greensboro, Feb. 15 .-- (AP)-W. H. Foster, secretary-treasurer of the Republican party in North Carolina took the stand today in his trial here. He is charged with illegal solicita-

tion of party funds. Foster contradicted the testimony of James B. Fagg, former Leaksville ostmaster about party funds solici-Foster said he went into the Leaks-

ville postoffice and introduced himself to Fagg. The latter then requested Foster to accompany him cutside to Foster's auto where the two talked about contributions. Fagg had testified that Foster ap-

proached him inside the postoffice.

SWEDISH FREIGHTER

REPORTED ON FIRE

New York, Feb. 15.—(AP)—The Swedish freighter Halloran sent an SOS this morning saying fire had broken out in her hold about 425 miles east of Halifax but add rescue vessels at 9:66 a. m. that she was in no further need of

### **SOLDIERS AWAITING** Shidehara Ill TREMENDOUS FIGHT

Observers In International Settlement Believe Big Push Is Now On

CHAPEI UNDER FIRE

Heavy Artillery Blazes Away From Jap Lines And Chinese Trench Mortars Go Into Action

Shanghai, Feb. 15 (Tuesday)-(AP)-Fifty Thousand Chinese sold'ers stood by in the dark behind the trenches of Chapel today waiting for the Japanese offensive which did not come.

At nightfall on Monday the Chapei guns opened up after a quiet day but the shooting subsided after an hour or so and presumably the concentrations be-hind the lines were going on while the Japanese completed unloading troops and supplies in the Whangpoo near Woosung.

Shanghai. China, Feb. 15.—(AP) -Heavy gunfire crashed in the Chapel sector soon after dark tonight ending a day of compara-tive quiet and observers in the international settlement thought it raight be the beginning of the big push in which 25,000 Jupanese will be thrown against a Chinese army

twice as big.

Resume Conflict. Heavy artillery was blazing from the Japanese lines and Chinese trench mortar batteries responded weakly. The fire seemed to be concentrated on Chapel and the armies at Woosung had not resumed their engagement.

Official reports indicated that more than 85,000 soldiers, 10,000 of them co were massed in the Shanghai-Woosung area, awaiting a trenmendous battle.

### IEW YORKER NAMED TO SUPREME COURT bassador W. Cameron Forbes, of the

Chief Justice Of New York Court Of Appeals Appointed By Hoover

Washington, Feb. 15.—(AP)—Ben-jamin Nathan Cordozo, chief justice of the New York State Court of Appeals was appointed by President Hoover today to the Supreme Court vacancy caused by the resignation of Justice Olive Wendell Holmes. Cardozo is now chief justice of the New York court. He has been strong-ly recommended by various elements

is a Democrat and a Jew.

The name was to be forwarded to the Senate sometime today.

describin gthemselves as liberals. He

### Harwood Case Evidence Is Now Being Gathered

Daily Dispatch Bureau.
In the Sir Walter Hetel.
SV J. C. BASKERVILL.
Raleigh, Feb. 15.—Further develop

ments in the case against Special Superior Court Judge John H. Harwood, now under bond following his arrest under two warrants charging him with being an accessory after the fact in the alleged embezzlement of \$4,828 by his daughter, Miss Lola G. Harwood and with having mutilated or destroyed certain original documents pertaining to his daughter's case ,are not expected until the preliminary hearing to be held here Tuesday morning before Municipal

Judge Wiley G. Barnes. Judge Harwood went to police leadquarters here voluntarily Saturday morning to accept service of the warrants that had been sworn out against him by Commissioner of Revenue A. J. Maxwell, when he heard that the warrants had been issued, and posted bond for \$1,000 for his ed and has thus been saving the appearance before Municipal Judge Barnes at, 9:30 Tuesday morning

When Judge Harwood was told Friday night that the warrants had been issued. he expressed surprise, but had no comment to make when he accepted service of the warrants Saturday morning.

Though he has not yet resigned as a Judge of the Superior Court, Judge Harwood wrote Governor O. Max Gardner a letter Saturday mos asking that he be suspended and relieved of duty without sulary until the charges against him had been posed of. This Covernor Gard agreed to do at once. Governor Gard-ner further indicated that in line with his policy of economy, he did not con-template appointing another. Judge even temporarily to the post relia-quished by Judge Harwood. Though Governor Gardner has the power to appoint two additional Special Judges be has declined to do so on the grounds that they have not be

(Continued on Page Four)