

## TWO-THIRDS RULE ISSUE TO BE SETTLED

### TOWNSEND OLD AGE MOVEMENT TALKING ABOUT CANDIDATE

Decision on Getting Into  
Presidential Race Awaits  
Cleveland Radical  
Meeting

SAYS SMITH SPOKE  
MANY SENTIMENTS

Appeal To Abandon Roose-  
velt Shared by Half the  
Delegates if Truth Were  
Known, Pension Leader  
Says; Not Interested in  
Lemke Movement

Philadelphia, June 25.—(AP)—Dr. Francis E. Townsend intimated today his old age pension movement may launch a presidential candidate of its own.

A decision on this, as well as on the Townsendite attitude toward Congressman Lemke's new Union party, will be reached at a convention July 15-19 in Cleveland, Dr. Townsend said.

Branding the Democratic convention as "only a lot of smoke and noise," Townsend said, "If you could get at the heart of half the people at the convention, you would find that they are in sympathy with Al Smith and the four other anti-New Dealers who asked the convention to abandon Roosevelt.

It is "impossible," Townsend said, that any support from his \$200 a month organization will go to the Democrats, "because we are not having anything to do with a party built upon bad faith, as this one is."

Townsend said he would "not be interested at all" in the Lemke movement unless delegates to the Cleveland convention manifest "a profound interest."

In response to questions, he added: "We may nominate a man of our own. We would have to move very rapidly, of course, to get registered. We would not be able to get on the ballots in some states, but in those we could endorse other candidates for the presidency."

### COTTON PRICES TO ADVANCE IN STATE

Increased Consumption and  
Reduced Surplus to  
Lift Quotations

College Station, Raleigh, June 25.—North Carolina cotton is slated to bring higher prices next fall in the opinion of authorities who have been studying world cotton markets.

However, this does not mean that prices will be high enough for farmers to expand their cotton production, warned Dean I. O. Schaub, director of the State College agricultural extension service.

Cotton consumption is increasing over the world, according to statistics gathered by the U. S. Department of Agriculture, with the result that the surplus now on hand is being reduced. It has been estimated that there will be around 6,000,000 fewer bales of

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### Air Program Bill Signed By President

Strike-Breakers' Pro-  
tection Measure  
Also Gets Roose-  
velt Signature

Washington, June 26 (AP)—Legislation against strike-breaking and for expansion of the army air corps topped a list of 55 bills signed into law today by President Roosevelt.

The list of approved measures was made public as the chief executive continued work on the renomination acceptance speech he is to deliver Saturday night in Philadelphia.

His signature made it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing in labor controversies.

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### Keynoter Barkley's Speech Cheered



A demonstration followed the keynote speech of Senator Alben Barkley of Kentucky at the Democratic convention in Philadelphia.

## U. S. Naval Officer And Jap Indicted Upon Spy Charges

Los Angeles, Cal., June 25.—(AP)—The oft-rumored "navy spy case" was stripped of its secrecy today with the indictment of two men charged with conspiring to furnish United States Navy information to the Japanese government.

One of the defendants, Toshio Miyazaki, was identified in the Federal grand jury indictment as a lieutenant commander in the Japanese imperial navy. The other was Harry Thomas Thompson, former navy petty officer, accused by the government of masquerading as an officer to obtain in-

formation and then selling it to Miyazaki.

In addition, a Japanese woman was injected into the affair when it became known Federal operatives had been questioning her and were keeping her accessible for further interrogation. The indictment returned yesterday accused "divers other persons unknown" of complicity in the alleged plot.

Thompson now is serving a county jail sentence for illegally wearing a naval officer's uniform.

The indictment presented yesterday

contained this story:

"Dressed as a navy officer, Thompson went aboard United States warships at San Pedro and San Diego and obtained assorted documents—code books, signal books, photographs, blue prints, plans, maps, models x x x x and information relating to the national defense."

Miyazaki, described in the indictment as one-time honor student at Stanford University, met Thompson on several occasions in San Pedro and Los Angeles and paid him for naval information.

### HORTON PICKED TO WIN SECOND POST

McNeill Believed to Have  
Gotten Many Votes He  
Was Entitled To

Daily Dispatch Bureau,  
In The Sir Walter Hotel,  
By J. C. BASKERVILLE

Raleigh, June 25.—The campaign for the Democratic nomination for lieutenant governor in the second primary July 4 is attracting almost as much attention now as the campaign for governor, many observers here agree. The reason for this is that there is believed to be a very definite and close hook-up between the two campaigns and because in many ways the lieutenant governor has more power than does the governor.

The candidates for lieutenant governor in the second primary are W. P. Horton of Pittsboro, Chatham county, and Paul D. Grady, of Kenly, Johnston county, who were the two high men in the first primary on June 6. George McNeill, of Fayetteville, the third candidate, was eliminated in the first voting.

It is now generally conceded that

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### Browder Is To Head Up Communists

New York, June 25.—(AP)—Earl Browder, a mild-mannered former bookkeeper, held firm control of the Communist party today and was practically assured of its nomination for the presidency.

Browder, since 1930 general secretary of the party, to all intents and purposes assumed its leadership after its ninth annual convention tumultuously approved his keynote address yesterday.

Browder called for determined participation in the national presidential campaign and an unrelenting fight on both major parties.

The Republicans, he said, must be stopped at all costs as the chief exponent of fascism.

The Democrats, he added, must be

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### U. S. Protests On Japs' Arrogance

Peiping, China, June 25.—(AP)—Protest against the "rude, rough treatment" of American citizens during a military display Tuesday was lodged with the Japanese Embassy today by Nelson T. Johnson, United States ambassador to China.

The official protest complaining of the activities of Japanese soldiers was made on instructions from Washington.

The Japanese Embassy replied it would submit the complaints to the Japanese commandant and make a formal answer later.

(Chinese reports told of Japanese soldiers armed with bayonets, pushing foreigners, including an American, from the roads and sidewalks as 3,000 Japanese troops marched to an army demonstra-

### MORE TEACHERS IN NEXT YEAR LIKELY

Certainly Won't Be Any  
Less, School Commis-  
sion Head Declares

Daily Dispatch Bureau,  
In The Sir Walter Hotel,  
By J. C. BASKERVILLE

Raleigh, June 25.—The number of teachers needed in the public schools of the State for next year is not as yet known, due to the fact that not all of the organization statements have been received from the 169 administrative units in the State. Lloyd E. Griffin, executive secretary of the State School Commission, said today. So far only 135 of the 169 organization statements have been received and a week or more will be required to check these and make the necessary computations in order to determine the number of teachers needed for next year, Griffin pointed out.

"One newspaper has already printed a story to the effect that there would be a reduction in the number of teachers next year as compared with this year, because of the drop in attendance due to the severe winter weather," Griffin said. "But where it got its information, I have no idea. It did not get it from the school commission, since we have no figures available as yet. We do not even have

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### ROOSEVELT CHIEFS NOT WORRIED MUCH

Lemke's Third Party Threat  
Not Greatly Feared by  
New Dealers

By CHARLES P. STEWART  
Central Press Staff Writer

Philadelphia, June 25.—The Rooseveltian management is represented in some quarters as badly worried by Congressman William Lemke's announcement of his "Union Party" candidacy for president.

Though of course they don't admit it, it's true that the Roosevelt folk are a bit worried, but they are not much worried by the Lemke develop-

ment. If all the voters who want a new party could be brought together and kept together they would constitute a weighty consideration, but there is very little prospect that such a consolidation can be effected at present. Each of several groups of the dissatisfied element wants its own particular kind of a new party, differing from all the others.

FOLLOWERS

Father Charles E. Coughlin, to be sure, is out for Lemke, and presumably he has enough authority over his National Union for Social Justice to secure its endorsement of the North Dakotan.

But Father Coughlin seems to proceed on the assumption that his Social Justice cohorts will be joined by Dr. Francis E. Townsend's old age pension following and by the late Senator Huey P. Long's share the wealth aggregation, under the Rev. Gerald L. K. Smith, when the three hold their scheduled conference in Cleveland.

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### OUR WEATHER MAN



Generally fair tonight and Friday; slowly rising temperature Friday and in west and central portions tonight.

### TAR HEELS MIGHT REVERSE VOTE ON TWO-THIRDS RULE

Members of Delegation  
Changing Minds Toward  
Keeping Old Nomi-  
nating Custom

MANY DELEGATES  
FAVOR REVERSAL

Comes Before Full Conven-  
tion Tonight; Miss Cobb  
Happy Over Placing of  
Women Members in Plat-  
form Committee; Miss  
Elliott, of Greensboro Is  
Named

Philadelphia, June 25.—(AP)—A movement developed today in the North Carolina delegation to the Democratic National Convention for reconsideration of the State's action in pledging its 26 votes for abrogation of the two-thirds rule.

Governor J. C. B. Ehringhaus, chairman, said a number of delegates had told him they wished to change their vote. In its caucus Tuesday, only nine members opposed the proposal to abrogate the rule, with the delegation going on record for casting its 26 votes as a unit.

The two-thirds rule is scheduled to come before the convention tonight. Miss Beatrice Cobb, national committee member from North Carolina, hailed the placing of women on the platform committee as a political move of outstanding importance.

"It is deserved recognition for the woman in politics," Miss Cobb said.

Miss Harriett Elliott, Greensboro, dean of the Woman's College of the University of North Carolina, was named North Carolina's first woman alternate member on the committee. She will work with Senator Josiah W. Bailey, the State's male member in the drafting of the platform.

### FARLEY IS BIGGEST CONVENTION SHOW

Crowd in Philadelphia Entirely  
Different From  
Cleveland Host

By LESLIE EICHEL  
Central Press Staff Writer

Philadelphia, June 25.—The most interesting sight to the onlookers in Philadelphia is James A. Farley, in action.

The National Democratic chairman is congenial to all—shaking hands with everybody—even his enemies.

But behind the scenes he gives orders to his subordinates that cause them to sweat and frown. They obey, however. Farley is not an inept general. He is a far more suave general than John D. M. Hamilton, new national Republican chairman.

Hamilton, as Governor Landon's campaign manager, was here, there and everywhere in Cleveland. He was the young executive, plowing his way through at high speed.

Farley seems to have no speed. But in his eyes there is a cold shrewdness that speaks hard punches—perhaps when one isn't looking.

DEMOCRATS  
The crowd in Philadelphia is entirely different from that in Cleveland. Republicans seemed the solid type, whether wealthy or not. The Democrats—well, they seem democrats. There are more women among them, too.

And, strange to say, the Democrats seem better dressed than the Repub-

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### CHANGE IN METHOD OF REPRESENTATION WRESTED BY SOUTH

Invites Al to G. O. P.



John Hamilton

Openly inviting Alfred E. Smith and other anti-New Deal Democrats into the Republican fold, John Hamilton, chairman of the G. O. P. national committee, speaks to a large gathering of Republicans in New York City. Hamilton's address was the opening gun in the campaign to elect Gov. Alfred M. Landon of Kansas to the presidency.

—Central Press

### Platform Is Not To Urge Amendment

Tentative Draft  
Omits all Reference  
to Any Change In  
the Constitution

Philadelphia, June 25 (AP)—A platform which does not contain a proposal for a constitutional amendment was completed today by the drafting sub-committee of the Democratic resolutions committee.

The meeting of the full resolutions committee to consider the platform was postponed until afternoon when the drafters were not ready to report

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### Senator Smith Returns To Convention After Leaving As Negro Minister Prays

Philadelphia, June 25.—(AP)—Senator E. D. Smith, of South Carolina, describing himself as a "Reconstruction Democrat," returned today to the Democratic National Convention, which he left yesterday in protest against Negro participation.

Smith, who walked out when a Negro minister offered invocation, and announced he was "through," said he was back to fight abrogation of the two-thirds rule, and may take the floor to "give 'em hell."

Smith expressed satisfaction over reaction from the South to his "walk-out."

He exhibited about a score of tele-

grams from the South congratulating him over his walkout.

SMITH SAT IN ASSEMBLY

WITH NEGRO MEMBER 1898

Columbia, S. C., June 25.—(AP)—South Carolina's State historian cited records today as showing that United States Senator E. D. Smith, who walked out of the Democratic National Convention, once sat in the South Carolina legislature with a Negro member.

A. S. Salley, secretary of the State Historical Commission, said Smith

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Would Be Apportioned On  
Basis of Democratic  
Strength and Not  
Upon Population

FEELINGS GIVEN  
FULL, FREE PLAY

Row in Committee Forces  
Adjournment of National  
Convention After Creden-  
tials Report Is Approved;  
Implacable Southern Mi-  
nority Fights Hard

Philadelphia, June 25 (AP)—The troublesome two-thirds rule issue headed for possible peaceable disposition in the Democratic convention today as Roosevelt leaders strove to obtain unanimity also on the platform.

An impetuous southern minority in the rules committee forced a concession if the century-old nominating rule is to be abrogated tonight as expected.

Outvoted by 36 to 13 in committee, the obstinate unanimous consent of a sub-committee for the recommendation of a plan whereby convention representation in the future would be apportioned on a basis of Democratic strength in the states instead of total population as now.

The committee row, in which no feelings were spared, forced adjournment of the fifth session soon after it had unanimously accepted the reports of the credentials and permanent organization committee.

### Glass Back At Meeting Though Ill

Convention Hall, Philadelphia, June 25.—(AP)—A weary Democratic convention settled amicably today its few troubles over credentials, but faced at once a bitter dispute over the two-thirds rule and possibly another later on the platform.

While the rules committee was voting 36 to 13 against the century-old nominating rule, the relatively few delegates on the convention floor accepted the credentials committee report unanimously.

There was no minority credentials report, despite feelings between Minnesota factions, both of which were seated, splitting between them the state's 22 votes. The same compromise plan was adopted on contests from Puerto Rico and the Canal Zone.

In the rules committee, New York sprung a surprise by casting its vote with the minority opposing simple majority nominations. A floor battle was promised.

The full platform committee was called to meet at 3 p. m., eastern daylight time, at which time they hoped to act on recommendations of a sub-committee which worked all night.

Adoption of the credentials report enabled the convention to complete the organization by electing Senator Joe T. Robinson, of Arkansas, permanent chairman. It did so unanimously.

Glass Comes Back

Failure of the platform sub-committee to complete its labors in an all-night session evidenced troubles there. The return of Senator Carter Glass, of Virginia, to the city, against doctors' orders, caused a flurry of speculation about his taking a hand on the monetary plan after all.

Friends quickly denied it, saying the old-timer had been aroused by reports of his "taking a walk" along with Alfred E. Smith when he left abruptly earlier in the week and came back to show he stood with the party.

Curiosity was aroused by rumors that Smith might appear personally against the New Deal after all. He had left New York, but acquaintances did not expect him to come here.

North Carolina stood practically alone as a unit from the South against the two-thirds rule. Arkansas and Louisiana were split, and some aid for the dissenters came from Massachusetts and Indiana.

The foes of the rule expressed confidence they had more than the 551 votes—a plain majority—by which the tradition could be scrapped.