

THE

Fair
Farmer
Sunday

Sunday American-S

3 SECTIONS—42 PAGES.

AUSTIN, TEXAS, SUNDAY, MARCH 20, 1938

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Housing Papers Are Signed

the 10th Texas Vice Pres. John N. Garner, United States administrator (seated), countersigned the papers for the Austin low cost housing project. Pres. Roosevelt had ap

proved the Austin project and three others a few minutes before this picture was taken. Cong. Johnson is at the left, while at the right of the vice president are Rep. Joachim Fernandez of New Orleans, and Rep. Henry B. Steagall of Alabama.



Associated Press Photo

Citizenry Escaping War City

Rebels Shift Bombing 50 Miles Down The Coast

TRUCE SET IN CAPITOL RAIDS

Half of Population Of City Is Reported Gone to Hills

By the United Press

BARCELONA, March 19.—Thousands of civilians streamed out of Barcelona Saturday night while the nationalists shifted their bombing raids to the Tarragona, 50 miles down the coast.

The war ministry announced officially that the two raids on Tarragona at least 18 persons were killed and 50 injured. Forty buildings were destroyed.

Many Buried

"These figures cannot be considered definite," the ministry said, "because many victims are buried under destroyed buildings."

There have been no raids on Barcelona since 3 p. m. Friday. In 48 hours ending then, an estimated 1,200 persons were killed.

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Watch Out! Death Wants to Ride!

THE WEATHER

Unsettled and Cooler Saturday.

The Austin State

Texas Seco

Est. July 26, 1871 — Founded by Texas Dem

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16 PAGES

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GERMANY MAY GET

AHA Acts To Acquire Land For Hou.

Barcelona Bombing Reopened By Rebels

WARNING AVERS SURRENDER OR PERISH

BARCELONA, March 18. (UP)—Nationalist planes carried on their terrorizing bombing of this capital of loyalist Spain for the third consecutive day Friday, and for the first time accompanied their explosives with demands for immediate surrender.

Friday's bombings were in relay as had been those of Thursday and Wednesday, and they added to the frightful carnage and intensified the panic and passion.

"Give Up or Die."

One of the planes showered the city with leaflets which read:

"Surrender or perish."

In the first four days Friday, at least 50 buildings were destroyed or partially wrecked. Approximately 50 were added to the death toll, which had reached approximately 1,000, with three times that number wounded.

The new bombing intensified an exodus of terrified citizens to the comparative safety of the mountains. All activity was concentrated on caring for the dead and wounded.

The bombers flew so high that their presence was not known until their bombs dropped.

Workers (Shaken)

Apartment houses, hotels, buses, street cars, factories and homes were pounded to pieces.

Many of the bombs, weighing hundreds of pounds, crashed through the roofs of six and seven-story buildings and hit their way through the floor to explode in the cellars.

Red Cross workers, extricating dead and injured, blocked off the areas in which they were working with wide bands of black crepe. Rescue workers were sickened by what they found in the debris. Many collapsed and had to be relieved. Ambulance sirens created a steady din. Flames still licked at the shattered walls of some buildings.

COTTON QUOTAS OWN COUNTRY

NEW FRIENDS GRAB \$10 FROM VISITOR AND RUN

The friendly interest that some residents of the Friendly City display in a visitor is expensive. Claud Partin of Texarkana concluded Friday.

The Texarkana man was \$10 poorer as a result of meeting up with a stranger at the bus station who later conducted Partin to the capitol grounds. There, the visitor related to police, they met another man, and the three of them engaged in friendly conversation which finally reached this stage:

"By the way," said one of the men to Partin, "have you got change for a ten-dollar bill?"

"Why, I think so," said Partin, pulling his money out of his pocket. "And that," the Texarkana told officers, "ended the conversation because these men grabbed my money and ran. They didn't even stop to say good-bye."

FDR LAYS DOWN THE LAW TO TVA

WASHINGTON, March 18.—(AP) Pres. Roosevelt conveyed the second White House conference on internal strife in the Tennessee Valley Authority Friday with a statement that it would be impossible to "secure" administration of the actual work of the TVA until personal charges and counter charges by the three directors were cleared up.

"It is my duty," the president told Chmn. Arthur E. Morgan and Directors David E. Lilienthal and Harecourt A. Morgan, "both to investigate the truth of the charges and to take appropriate action based on the facts of this investigation. The president does not have the sole responsibility for actual administration, but he has a primary and direct responsibility."

"Ascertain Facts"

The object of this inquiry is, of necessity, because of the circumstances, to ascertain facts, if any, on which charges of personal dishonesty, malfeasance and official misconduct have been made.

MINOR CHANGES IN DAM PLANS MADE

Minor revisions are being made in construction plans for Tom Miller dam, to be rebuilt, equipped and operated by Colorado River authority under contract with the city of Austin, it was announced here.

Consulting engineers' report on the proposed construction has been furnished by Moran, Proctor and Freeman, New York firm of consultants. This report will accompany the construction plans to be submitted through public works administration channels for approval. The PWA has approved the budgeting of \$1,800,000 for completion of the city dam and installation of power machinery.

Foundation Approved

Based on the consulting engineers' report, the detailed plans are being reexamined and some revisions are being made. Mgr. Clarence McDonough of the CRA announced.

These revisions will include some additional work, such as deeper excavation for some portions of the new work, and more grouting of the "drifted" foundation in original plans. The report confirmed soundness of the foundation for the dam, and adequacy of the rebuilt structure, as designed, but recommended supplemental items of work.

All Speed Used

Mgr. McDonough indicated the suggested revisions are being carried through with all speed. Drilling for tests of the foundations of the dam has been completed, and the "picture" of the foundation was considered for the consulting engineers in their approving report.

AGENCY CHEERS ROOSEVELT'S PLEDGE

The Austin housing authority Friday applauded Pres. Roosevelt's promise that the new slum clearance program will go forward "until every American family has a decent home" as the local authority pushed its program to build 186 low-rent homes.

Signed by Pres. Roosevelt Thursday was this city's allotment of \$642,000 in government money of 90 per cent of the total estimated cost of \$714,475.

Rent Figures Lowest

Next big step for the authority is to acquire land for its units—three main projects for 48 white families, 60 Mexican and 40 negro—a job authority members termed an intricate one because clear titles must be had. Options already are held on sites for the three projects.

Cong. Lyndon Johnson, served Chmn. E. H. Perry that Austin's proposed rental figures were the lowest in five cities' applications approved by the president. Four other cities—New Orleans, Charleston, Syracuse and Youngstown, Ohio—participated with Austin in loans totaling \$16,836,000 for immediate start on projects having a combined cost of \$18,706,772. Rent, as cited by the five cities ranged from just under \$2.70 per room per month to just over \$4.25, Cong. Johnson said.

Pointing out that land costs are higher in larger cities, Mr. Perry predicted that no other city will be able to offer lower rents unless such cities have land donated. Furthermore, Mr. Perry believes that at the end of 13 years, when local bonds will have been retired, the authority may be able to effect a reduction in its rents. Amortization payments to the government will begin after the 13th year and will be payable in 47 equal annual installments.

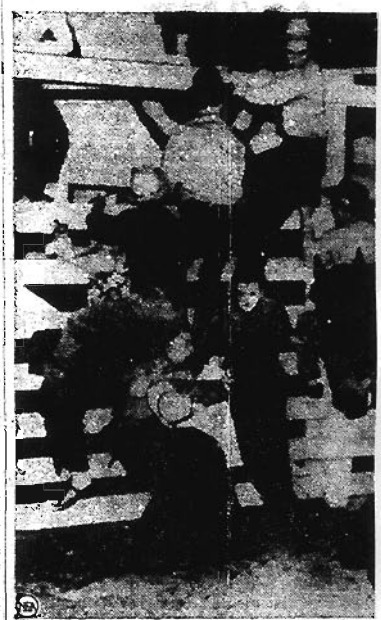
More Reductions Seen

O. C. Winston, federal housing planner, will return to Austin next Wednesday or Thursday to remain until architects' sketches are worked out for final government approval. Then the authority will be ready to let contracts on completion.

It is the authority's conviction that actual costs will run under the estimated \$714,475 total, and the possible saving most likely will be used for some expansion of the local program. In addition, the government has promised Austin 10 per cent more than the present loan if the authority wants the money, an increase which would carry the government loan beyond the \$700,000 mark.

H. F. Kuehne, chairman of architects working on the local program,

A BUCKING BRONC BUS



Packed with dramatic action, the picture above was snapped at a Houston, Texas, rodeo when one of the bucking broncos ran wild and scattered cowboys like chaff. The man lying on the ground was trampled three times, but by some miracle escaped injury. On the fence 11 busy cowboys are

Burglar Leaps When Resident

When Cecil Middleton discovered a burglar in their house, 1005 Reagan Terrace, Thursday night they were no more surprised than the burglar himself.

Clutching a few coins, the prowler leaped through a bedroom window, dashed across the yard and jumped the back fence as Middleton tried to borrow a gun from his neighbors.

Entering by way of the kitchen window, the burglar had already ransacked the house and was prowling a back bedroom when Mr. and Mrs. Middleton and their children returned about 9 p. m. While Middleton and the children waited at the back, Mrs. Middleton came through the front door and started towards the kitchen to unlock the door when she noticed that household effects had been disturbed.

Fuzzled to find papers littering the table, she called to her husband, who ran to the panic-stricken bedroom.

The man entered the bedroom and

MOTHEI ATTEM

CENTER M wild; insane seven-year-old land, by bunda and then three foot well result day of Mrs. former, school near here. The woman, boy and throw jumped in he hold Bryan's until he drew Sample said.

REVAMPING BILL PASSES SENATE

WASHINGTON, March 18.—(AP) The Senate today passed a bill

More Reductions Seen

O. C. Winston, federal housing planner, will return to Austin next Wednesday or Thursday to remain until architects' sketches are worked out for final government approval. Then the authority will be ready to let contracts on competitive bids.

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H. F. Kuehne, chairman of architects working on the local program, is revising his sketches for the federal planner's inspection. Since the low-rent housing program is based on 60-year maturity of government bonds, the houses must be built of durable materials and must meet definite requirements for longevity.

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Full Speed Ahead

Mr. Perry decided against an invitation to go to Washington to sign the housing contract, and the papers will be brought to Austin by Winston.

With announcement to the five cities that were first to participate in government allotments, U. S. Housing Administrator Nathan Straus declared, "Now that the cork is out of the bottle, we expect to put the program into full force quickly. Another and larger batch of loans will be announced within 30 days." Actually Austin was the first city to have its formal application ready for presidential approval, but its contract was held up so that the four other cities could get their requests in form for Mr. Roosevelt's approval at the same time.

Vice Pres. John Garner participated with Cong. Johnson in ceremonies at which the president's approval was announced in Washington.

Partly
Cloudy
Sunday

Volume 26.

PRICE 10 CENTS IN AUSTIN

AUSTIN, TEXAS, SUNDAY, JUNE 25, 1939.

Rites For FHA Unit Held Here

Apartments First In
U.S. To Be Taken
Under Plan

2 OTHER UNITS
TO OPEN LATER

15 Mexican Families
Now In; Room
For 40

Proudly 15 Mexican families Saturday night were busy getting themselves settled in spic and span new lodgings, apartments of Austin's first low-cost housing project to be completed.

With news reel cameras grinding and with officials of the city in attendance, the new housing project of 40 apartments was formally opened Saturday afternoon. The larger white and negro low-cost housing projects are still under construction.

Record for Johnson
Cong. Lyndon Johnson had set a national record when the first of the slum-clearance units here received its habitants Saturday.

The Austin housing program was the first presented to the United States housing authority, the first to win federal approval and the first to be started and completed; and is the first in the nation in which

(Continued on page 12, col. 4)

Wife of Oil Man

Dies Aboard Yacht

BROWNSVILLE, June 24.—Mrs. George K. Taggart, 56, of Fort Worth, wife of the president of the Pentec Oil corporation, Saturday died of a heart attack aboard the family yacht at the port of Brownsville.

Bodyguard Captain Of King Is Dead

EDINBURGH, June 24.—Brig. Gen. Sir Robert Gordon-Gilmer, 82, captain of the Royal Company of Archers, which is the king's bodyguard for Scotland, died Saturday.

Jones In Key Spot

World's Biggest Money
Comes to Texan on
Record as R F C Chief
—An Editorial—

THE world's No. 1 financial job was placed in the hands of a Texan when Pres. Roosevelt made his logical and expected selection of Jesse H. Jones as head of the new federal credit administration.

This appointment called the Texan to a financial post more important than the head of the Bank of England, far greater than the chairman of the federal reserve system or the secretary of the treasury.

It in effect made Jesse Jones the lending official to every citizen and to every institution in the United States which shares the direct financial partnership with the government.

Mr. Jones has proven himself in his service as a member and chairman of the Reconstruction Finance corporation. He has proven his service to the nation was one of patriotism and not of politics; and if he does as well the work ahead as in the past, he will bring justice, fairness and opportunity to the humblest citizen who needs his house repaired, and to the largest of the railroads, faced with problems of meeting payrolls and keeping employed their hundreds of thousands of workers.

Above all, the billions of dollars this Texan lends on behalf the government will be lent intelligently.

It is safe to predict that the financial mind of Jesse Jones will carry on the lending division of the government at a profit to the 130 million people of the nation.

Texas legislators a few weeks ago heard an address by Mr. Jones. They heard in it a disclaimer of political aspirations; more than that, they heard a straightforward pledge of allegiance and loyalty to the aims and objectives of the democratic administration, a direct commitment to aid the democratic party bring to fruition its purposes and programs.

We believe it is correct that the skill, sagacity and wisdom of this Texan had much to do with making the RFC program a success, of gaining for it the record of both stimulating employment and animating business and at the same time making it pay its way. Thus we see the mind and statesmanship that caused to be created this tremendous new agency of government co-operation with business and the citizen entrusted with the mandate to make it work.

Texas has confidence this job, big as it is, will be carried through to the credit of its chief and to the benefit of the people.



JESSE JONES

London Bombings Hike Fear

Explosions Believed
Work of Irish
Republicans

12 HURT; AREA
IS BADLY HURT

One Suspect Taken;
Crowd Attempts
Lynching

By International News Service

LONDON, (Sunday) June 25.—Five time-bomb explosions, attributed to renewed terrorism by the outlawed Irish republican army, rocked and damaged portions of London's crowded central area during the night, injuring at least 12 persons and throwing thousands into panic.

Three men were seized by police for questioning and one of them, an Irishman, was attacked by an enraged crowd in Piccadilly and was rescued by police with extreme difficulty after being severely man-handled by the indignant people who yelled:

"Lynch him! String him to a lamp post!"

Terror Spreads
A small army of foot and mounted police and reserves established an all-night emergency patrol in London's west end where terror was spreading as a result of the bombings.

The first blast caused considerable damage near a Piccadilly circus jeweler's shop. An hour and 15 minutes later a second explosion occurred a short distance away.

The third damaged the front of the Bank of Oldway on the Strand, London's "Broadway." Nine persons were injured in this blast.

Another Bank Hit
A fourth explosion occurred in Marylebone road, but there were no injuries.

Another bank in Park lane was the object of the fifth bombing which wrought only slight damage and inflicted no casualties.

Japan, Soviet Block Sp

Japs Say 3 Air Bases
Put Up in Area
By Russia

12 MORE SHIPS
LOST BY REDS

Jap-Ruled Manchukuo
Believed Building
Up Forces

By International News Service

TOKIO, (Sunday) June 25.—Reports from the Asiatic mainland Sunday indicated that Soviet and Japanese air and land forces are concentrating and deploying for a major test of strength along the outer Mongolian-Manchukuoan frontiers.

Japanese sources, claiming a fresh victory in which 12 additional red planes were said to have been shot down Saturday, asserted that the Soviets have established three air bases in the Russian-sponsored outer Mongolian republic.

It was assumed the Japanese and the Japanese-controlled Manchukuoan forces were making similar preparations to cope with further large-scale hostilities.

Field dispatches to Tokio declared that 60 Soviet planes crossed the vaguely defined border Saturday morning and were engaged in battle by an unspecified number of Japanese aircraft, losing 12 planes. This brought to 120 the number of Soviet planes the Japanese claim to have shot down since May 28.

Saturday's air battle was staged over the Khabarovsk river, south of Amurkulan and east of lake Buir.

(Continued on page 16, col. 2)

Anglo-Soviet-French

By International News Service

LONDON.—The proposed Anglo-French-Soviet defensive alliance against European aggression came closer than ever to realization Saturday night when the British and French governments agreed to some of the Baltic nations, Latvia, Estonia and Finland—specifically as recipients of military guarantees.

After 24 months of Paris, it was French that the British specified to be the French-Soviet alliance. This rep

Townsend Group Threatens To O

Senators Attack Roosevelt's Plan On Foreign Loans

Past Defaults Cited
By Republicans In
Scorching Proposal

By the Associated Press

WASHINGTON, June 24.—Pres. Roosevelt's proposal to lend \$500,000,000 to foreign countries to promote American trade brought a blast of criticism in the senate Saturday, even before the administration's new lending legislation reached congress.

Sen. Borah (Idaho), 73-year-old senate don, told colleagues that the foreign loans would be equivalent to turning over "vast millions of the taxpayers' money for South American politicians to play with." He said that South American loans were in default of both principal and interest.

Reminding You of Texas Solons Congress Won't Decide To Quit Because of Heat

By the Associated Press
WASHINGTON, June 24.—"You can put it down in your book," said the old timer as he shivered slightly in his ten-sucker suit, "that when congress decides to go home it won't be because of the Washington heat."

The old timer's office, on the top floor of the capitol, was a little colder than usual, possibly because the engineers had given some gadget on the cooling system an extra turn.

"Shucks," he continued, "pacing reflectively out of a tightly closed window at a dripping pedestrian crossing the heat-soaked street, 'you used to be able to look at the temperature take in the paper and come pretty close to telling when congress would close up shop.'"

"But since they got air cooled offices—as well as refrigerated chambers to work in—they're liable to stay here all summer. It's cooler here than back home"

(Continued on page 12, col. 5)

Rail Body Loses Proration Plea In New Orleans

By the Associated Press

NEW ORLEANS, June 24.—The Texas railroad commission here Saturday was denied a court motion to allow it to put into effect its proration order against the Rowan and Nichols Oil company in Grege county, Texas, pending a hearing of the case on appeal.

Cardenas Bans Liquor in Many Towns, Including Tourist Spots

By International News Service

MEXICO CITY, June 24.—Pres. Lazaro Cardenas Saturday night decreed the prohibition of liquor selling in many industrial towns and areas of Mexico, including several towns on the border frequented by American visitors.

In addition, prohibition is to the government and distributed among small peasants.

The president ordered the federal labor department to close all saloons in the oil and mining regions. Towns named for similar application of his decree included

Echo of Recent Session To Sound To 1940 and 1941

House Battle To Have
Big Bearing on Next
Speakership Race

By HOWARD C. MARSHALL

Associated Press Correspondent
The sales tax and related issues raised at the session of the legislature just concluded probably will bear strongly on the next race for speaker of the house of representatives.

Although a new speaker will not be chosen until January, 1941, several candidates have entered the contest and others are being mentioned as possible entries. It is not expected that the present presiding officer of the house, Emmett Morse of Houston, will seek a second term. In the recent session, petitions endorsing Homer L. and C. McAllen, Eugene Worley of Shamrock, and J. C. Morrison of Greenville were cir-

No Rain Due For Cen-Tex Section

Slum Clearance Project in Use

15 Mexican Families In New Homes

(Continued from Page 1)

families now are actually living in the model homes and enjoying the benefits.

Through Cong. Johnson's efforts, Chmn. Nathan Straus of the United States housing authority, came to Austin to take part in ground-breaking exercises to start the nation's No. 1 slum-clearance project.

His visit gave Mr. Straus an opportunity to tell the Texas legislature of the Austin project and others in the state.

The Mexican project, located at Santa Rita and Pedernales streets, is of fireproof construction, with each apartment equipped with hot and cold water, gas, and electricity. The apartment rental, including all of the utilities, ranges from \$10.20 monthly for the smallest unit of two rooms and bath to \$11.70 a month for the largest apartment of five rooms and bath. Adjacent to the apartments is ample space for hanging laundry out to dry, for a place where the children may play and where automobiles may be parked.

Subject of Wide Praise

The 15 families moved in Saturday are the first occupants of the new low-cost housing units for which Austin has received nationwide praise. For several weeks applicants for the apartments have been interviewed by Mrs. Emil B. Kuehne, investigator for the Austin Housing authority, and by Gunnar Mykland, AHA manager.

The remaining 25 apartments will be leased to satisfactory tenants as soon as the officials can check the applications and interview the applicants, Mr. Mykland said.

Housing Units Get Tenants

Fifteen Mexican families, consisting of about 60 persons, were moving Saturday into the new Mexican low-cost housing unit, the first of the three Austin housing projects to be completed, at Santa Rita and Pedernales streets.

A ceremony which included news reel motion pictures was scheduled for 2:45 p. m.

The Mexican housing project consists of 40 apartments, ranging in size from two rooms and bath to five rooms and bath, but only the 15 new tenant families will occupy the dwellings for the present. Gunnar Mykland, manager for the Austin Housing authority, said.

The apartment rental price ranges from \$10.20 a month to \$11.70 for the units, with all utilities—electricity, water and gas—included.

Housing Officers Name Appraisers

Appointment of a five-member appraisal committee was announced Monday by the Austin housing authority.

Named to the group were Dr. J. S. Koenig, John C. Ross, John Gracy, C. S. Eidman and A. C. Bull. With the announcement the authority pointed out that the men, all outstanding in civic activities, were drafted for the work of arriving at fair valuation of property the authority seeks to acquire for construction of 186 low cost housing units.

O. C. Winston, federal housing planner, is expected to return to Austin Tuesday morning to continue work on plans and cost estimates for the projects, now estimated at \$714,000.
