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## Maurice E. Zetterholm

Maurice E. Zetterholm '15  
*Illinois Wesleyan University*

Lee Short '44  
*Illinois Wesleyan University*

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Oral History Interview  
Col. Maurice E. Zetterholm, Class of 1915  
Sheridan Hotel, Chicago, IL February 27, 1971

Jerry Bidle Bidle: This is an oral history interview, first interview with Colonel Maurice E. Zetterholm, and we're visiting with him in his hotel room in Chicago at the Chicago Sheridan Hotel on a Saturday morning, February the 27<sup>th</sup>, 1971. Colonel, you are a central Illinois product, you were born in Galesburg, Knox County. Tell me something about your early memories there in Knox County and your high school education.

Maurice Zetterholm: Well I think the early life in Knox County and in particular Galesburg, Illinois, was a life that was in those days common to any youngster who had not determined what he wished to make of himself exactly, and who carried the papers and sold papers and did all of those things when I was in the grade school, and that time I decided that what I really wanted to do before I left high school was to sort of pattern my life after the military. In fact, I had the first ordainment appointment to West Point, and a companion of mine by the name of Earl Chambers, who was an orphan, had the first appointment. And we took the examinations, and he passed them, and I passed them as the first ordainment but since he had passed them why I didn't go to the academy—

Jerry Bidle Bidle: I see.

Zetterholm: —or [chuckles] I would've gone to the academy. So that stopped that early.

Jerry Bidle Bidle: [chuckles] Well now, did you come from—was your father a military man?

Zetterholm: No, no, I—my military background I don't know, I just cropped out.

Jerry Bidle Bidle: I see.

Zetterholm: And I always had it in my mind—and I guess that's why eventually I did have quite a military career. My point then was that since that was out, my father had a very close friend by the name of C.C. Craig, and he took an interest in me, and I used to go to his office occasionally, and he sold me on the idea of studying law, but—by having an academic background, more in the humanities, that that would be a good foundation, and I remember our discussion about that. So I went to the University of Illinois after graduating from high school, and I took two years of work in the AB subjects. Then, I decided that the thing to do was to get into the law school as soon as I could, and a three years' study in the humanities or the arts was required before you could get into the law school, but I managed to overcome that by putting in some of the other subjects of the College of Arts in with my law work. In the meantime, I had worked on the Republican Register newspaper in Galesburg, Illinois as a reporter while I was in high school, and when I came back from the university on vacations I had my work there as—on police beat, which was a very interesting thing. And then, when I went back for my freshman year in the law school, which was my third year at the university, I got myself a job on the Champaign Daily Gazette as a police reporter. My father was a very practical man, and he gave me a very substantial allowance. I never told him what I'd done, and I deposited the allowance in the bank.

[Zetterholm and Jerry Bidle chuckle]

Zetterholm: That's pretty good! So [clears throat] the fraternity situation in those days was rather acute on the campus. Now don't put this in the record.

Jerry Bidle Bidle: Alright.

[Audio cuts off in original tape.]

Zetterholm: In addition to—taking my AB work, such as necessary to get the credits which were required, and having the police beat for the paper, Champaign Daily Gazette, and my fraternity activities, I was pretty busy, all the time I was there. And while I was in college, I was one of the editors of the Annual Illio in the class of 1915! And then, I realized that I couldn't follow the theory of some of my professors, who even at that time had been failures in practicing law, but who were extremely interesting to me from the standpoint of their theories, which were ahead of our times, and in particular one man in contracts by the name of Professor Decker. And he and I clashed because I was for the businessman drawing the tough, tight contracts, and he figured that you shouldn't do those things, that you should be a gentleman about them rather than to drive a shylock bargain. Well, naturally we didn't get along together. And finally, I was home for Christmas vacation, and discussing the thing with Judge Craig, and in fact he wanted me to come in to his office when I graduated and passed the bar. I said well, [alright, good] I said, "Judge where is the best school to really get the practical side of things?" and then he told me, he said "Well, he said go to Illinois Wesleyan University, there's a man there by the name of Benjamin." And he said he can oblige you what to do, so I feel this way: that the change in my career, so to speak, took place when I went to Illinois Wesleyan.

Lee Short: What year was that now?

Zetterholm: That was 1914, I think it was, because I graduated in the class of—no, it was in the middle of 1913, second semester. Because I was there at Wesleyan a year and a half, taking all the cram courses I could and boning up for the bar examination. Judge Stone, who went on the Illinois Supreme Bench, was teaching there. The men that I gained a great deal from, I would say, was Dean Benjamin himself, Judge Stone...and I'm trying to think of the man's name now who was with Horace Pratt in that law firm...well there was a man by the name of Leach who taught criminal law, and he was an excellent teacher. But in each instance their application was not theory, it is what is the law, that's all I was interested in, I was not interested in no theory at all. And I must admit that I clashed with your president Mr. Dean—err, Kemp—but we became good friends, so. When I graduated, I went back home, and went in the office with Judge Craig, who was in on the Supreme Court Bench, and I was there for about ten years. During that time I was—served a term as the—two terms as the civic attorney and corporation council for the city, and I had a two year experience in the state's attorney's office—not elected to the first trial attorney for the state's attorney office—and got connected with the banking business because the judge's brother who ran the banks died, and I had to take that on and additional other things. And I stayed there till...19...guess it was...25...oh let's see it was...24 or 25, when I had an opportunity to become identified with General Motors Corporation.

Jerry Bidle Bidle: Excuse me sir, before we get into that phase of your life, there are some questions that I would like to ask—

Zetterholm: Alright.

Jerry Bidle Bidle: —going back a little bit to what you've been telling us. [Clears throat] Judge Craig, that you mentioned who was influential to—first, and you becoming interested in law, and then directing you to Illinois Wesleyan—was he a member of the Supreme Court at—when you first knew him there?

Zetterholm: Oh I knew him as a boy.

Jerry Bidle Bidle: Oh, I see.

Zetterholm: When I was in knee pants, I knew him.

Jerry Bidle Bidle: I see.

Zetterholm: Yeah, he was quite a bit older than I am. Great.

Jerry Bidle Bidle: He was—when you first knew him, he was an attorney in Galesburg?

Zetterholm: Well I'll tell you his father was a chief justice of the Illinois Supreme Court before him!

Jerry Bidle Bidle: Oh.

Zetterholm: Comes from an old family back there. And they had extensive farming interests and banking interests. We did not have branch banking in the state of Illinois at any time and never have had, and they had the controlling interests in a number of banks. For example in the small town of Knoxville, Illinois, they had the Knox County state bank and my first connection with banking was the judge wanted me to go on that board of directors. They're having trouble over there, and I did, I went on it. Represented the bank, so my banking was really...legal banking. The things that had to be done to comply with the state law and to be sure that the bank was making enough money so that—wouldn't have a run on it.

Jerry Bidle Bidle: Is the—

[Zetterholm chuckles]

Jerry Bidle Bidle: Is the Craig family still in Galesburg, do you know?

Zetterholm: They are all deceased.

Jerry Bidle Bidle: They are.

Zetterholm: Yeah. The old home is still there, I was back there three years ago just passing through and I stopped and take—took a look around and the judge had been dead oh I guess about two years but the home was still there. But he left no children, and there's no one there. And I don't know who owns the home, I didn't inquire.

Jerry Bidle Bidle: Thought comes to me too; I suppose Galesburg's most famous son is Carl Sandburg.

Zetterholm: That's right, I suppose so.

Jerry Bidle Bidle: Do you—what recollections do you have—or observations?

Zetterholm: I have none whatsoever.

Jerry Bidle Bidle: None at all.

Zetterholm: Never saw the man.

Jerry Bidle Bidle: I see. Well you mentioned too that you worked on the newspaper in Galesburg?

Zetterholm: Yeah.

Jerry Bidle Bidle: You doing police reporting then? Or just—

Zetterholm: Yes, yeah.

Jerry Bidle Bidle: Did that—was that just an assignment they handed you or was that part of the reporting business that you thought would be interesting?

Zetterholm: No—

Jerry Bidle Bidle: —Might be helpful to you later? Or—

Zetterholm: No. But it just so happened that the police reporter—we had quite a reportorial staff there. And that—because I was going to law school, I covered all of the courts, and that took me into sheriff's office—

Jerry Bidle Bidle: Yes, yes.

Zetterholm: —and that took me to the civic police department.

Jerry Bidle Bidle: Okay.

Zetterholm: And where other fellows were hunting up persons and things—[laughs]

Jerry Bidle Bidle: So there was a purpose, then.

Zetterholm: That's what happened.

Jerry Bidle Bidle: Yes, okay. [Both are laughing] That's what I wanted to find out.

Zetterholm: Motive was there.

Jerry Bidle Bidle: Yes, okay. But, you went to the University of Illinois, and—was there any decision to be made where you would go to school, or—?

Zetterholm: My father—

Jerry Bidle: —at that time—

Zetterholm: —my father let me run my affairs myself.

Jerry Bidle: I see. So you chose—

Zetterholm: I made the decisions. He said—

Jerry Bidle: You chose—

Zetterholm: —so long as I didn't violate any moral or legal obligations, he didn't care.

Jerry Bidle: Yes. But Knox College didn't have what you were interested in—

Zetterholm: No, no, they didn't have it.

Jerry Bidle: I see, okay. And so the University of Illinois—you entered the university as—what year?

Zetterholm: A freshman. Ooh I guess it was 1912, right there. The school year—September 1912, I think it was, something like that.

Jerry Bidle: What was Judge Craig's introduction to Wesleyan that—was he a—acquaintance?

Zetterholm: He was a student!

Jerry Bidle: He was a graduate of—

Zetterholm: Yeah!

Jerry Bidle: Okay, that was the reason, alright. I wanted to get that connection—

Zetterholm: Yeah that's it. Get this article that Brick Young has, I've read it.

Jerry Bidle: Yes.

Zetterholm: He sent it to me to read. He said he thought I might want to read it and I sent it back to him.

Lee Short: It's in the archives.

[Mumbling]

Jerry Bidle: Alright, and you mentioned men at Wesleyan who were most helpful to you, one was Dean Benjamin—

Zetterholm: Yeah.

Jerry Bidle: —dean of the university, was—

Zetterholm: No, law school.

Jerry Bidle: Law school—dean of the law school. Benjamin was his last name—

Zetterholm: That's right.

Jerry Bidle: But it was Dean what? Benjamin—do you recall his first name?

Zetterholm: I don't recall it. You can have it there, some of the old timers down there remember it. Very distinguished, small old gentleman at the time that I was there, but very, very smart.

Lee Short: Judge Yoder.

Zetterholm: The olders sure will know.

Lee Short: I've heard the name mentioned, about Judge Yoder...

Jerry Bidle: Did he also have some teaching duties?

Zetterholm: Yes sir. He taught contracts.

Jerry Bidle: And...was he the one who, well, you mentioned that the University of Illinois that you clashed with one of the professors because you liked a good, hard, outlined contract type business. Did Dean Benjamin—do you agree with him?

Zetterholm: I agree with him, that you're to learn the law if you're going to practice it.

Jerry Bidle: Yes.

Zetterholm: And don't try to theorize.

Jerry Bidle: What's the law, and find out what it is, and apply.

Zetterholm: That's it. I like to hear the theorem, I think it's good, but you got to progress and have it. But I don't want to be told that that is the law, when it isn't.

Jerry Bidle: Yes, yes.

Lee Short: It's in the past.

Zetterholm: Yeah, yeah. There was a—at the time that I was at the University of Illinois, the dean of the law school was a man by the name of Harker, who was a practicing lawyer, and who was the last dean the law school had. He was a practicing lawyer after that time; they all became Princeton, Harvard, and Yale. And of course it was a different climate that I didn't like, for one thing.

Jerry Bidle: What was Wesleyan like at that time? What building did you have classes in?

Zetterholm: Well, you'll be surprised, an old main in the basement.

Jerry Bidle: The basement of old main.

[Zetterholm laughs]

Lee Short: You've seen those pictures that he has put together. Was that—was the only—

Jerry Bidle: Yeah.

Lee Short: —that and old North were the only—

[Zetterholm laughs]

Jerry Bidle: Yeah.

Lee Short: Well, Kemp Hall was there.

Jerry Bidle: Yes, that's right, that's right, yup. Where did you live while you were a student there? They didn't—

Zetterholm: What did I tell you? I found the house when I was down there, but I didn't live on the campus because they didn't permit fraternities there. Now the law fraternity, Phi Alpha Delta, had a house there, and I lived there.

Lee Short: Phi Delts, what was the other fraternity?

Zetterholm: It wasn't Sigma, maybe. There was the Phi Delts, and...

Lee Short: It was quite a rivalry between the two...

Zetterholm: Yeah, that's right. Oh June what was that it's so...

Lee Short: Well—

Zetterholm: I can't tell you but I—no, I can't remember the others, there's three of them, as I remember. Wait a minute. Phi Gamms, Phi Delts, and Phi Alpha—no, wasn't that was it, come around, and then...

Jerry Bidle: Alright, so then you graduated in 1915, and went back to Galesburg to the firm of Judge Craig—

Zetterholm: That's right.

Jerry Bidle: —and were there for about ten years.

**Zetterholm: You see—this don't need to go in the record—the judge could not practice law at all, being on the bench.**

Jerry Bidle: Yes, yes.

Zetterholm: So I filled that gap in his firm—see, that's what I did—

Jerry Bidle: Okay.

Zetterholm: —because I had it all the bank business and those things and it came up with connections, and a good deal of it.

Jerry Bidle: [clears throat] and your introduction then into the—into finance was when you went back and your association with the bank at Knoxville, and—

Zetterholm: Yup

Jerry Bidle: —Handling affairs—

Zetterholm: And interning for the bank at Galesburg, which was a good sized bank in those days, and did all of that work, so it took me to the finance rather than becoming a prosecutor or defense council.

Jerry Bidle: Did you know as you were in school what direction you might take? Had you—did you plan to be a—what would it be, corporate—not corporate lawyer, would it be?

Zetterholm: Well like a—

Jerry Bidle: Not a...as you say, a prosecutor.

Zetterholm: No, I'd have to do criminal law.

Jerry Bidle: Yes.

Zetterholm: Well I think it's pretty well planned. I intended that I would eventually become in a corporate structure of some kind, I didn't know what it would be, but it was pointing up that way.

Lee Short: One question, Colonel, that—a comment we hear from today's youth—a number of them get very disillusioned when they're in college, because the courses aren't relevant, and you hear this so many times, which—when you were talking about your history here, it related a little bit to what some of these people are saying today in reality. They wanted it more practical, they wanted more reason why I should study this course and that course. But a lot of them get really disillusioned and discouraged because they say I don't—I really don't know what I want to be, and I think this is what Jerry Bidle was leading to. Is it really that necessary to know what you want to be when you're, you know, a junior, sophomore, a junior in high—in college, let's say? Isn't there something in education that you ought to get just for education itself?

Zetterholm: I think there is, definitely. But I don't think that the arts as such—unless that is your aim in life—should be so dominant as the arts are today, as a prerequisite to the practical application of a man that says I'm going to be president of the corporation. Now the man who says I'm going to teach music, I say God bless you, I enjoy music. But I didn't want to be a musician! [chuckles]

Lee Short: Well what I was trying to get at, if you recall, when we met before—

Zetterholm: [chuckles] Yeah.

Lee Short: —you were asking me about the humanities.

Zetterholm: Yes, that's right.

Lee Short: You were under the impression that Wesleyan was heavily—

Zetterholm: Yeah.

Lee Short: —weighted in the humanities, and I explained to you—

Zetterholm: That's right.

Lee Short: —at that time that it was only one of four—

Zetterholm: Yeah.

Lee Short:—divisions.

Zetterholm: Yes, that's right.

Lee Short: And you have to have it in the education—

Zetterholm: Absolutely.

Lee Short: But I think so many young people get somewhat discouraged because maybe—just what you're talking about. Maybe they're getting so much of so many different things they can't really—

Zetterholm: They can't assimilate it. They can't assimilate it and separate it. Now if they can throw out the part that they don't want and say I don't want that credit in my course, I—in other words we had in the fraternity over at the University of Illinois senior advisers—this was many years ago, they was taking freshmen. And they were his adviser—a senior adviser might have maybe three or four students—and I know one man in particular by the name of Brittin. There were two brothers in the law school. The older brother leaned more to the ideology of the law and what it should be, and he went out to San Francisco and went into the law firm and was a failure. His younger brother became general council of household finance, became extremely wealthy, right here in the city of Chicago. And their offices and their suites are up in the Palmolive Building. He took the practical application. The older brother went back to the University of Illinois and taught at the law school. He couldn't face the reality of the world.

Lee Short: Well, you would endorse this approach we're taking with our business courses—

Zetterholm: Yes, yes I do! That's the thing that appealed to immediately when you and I were having this discussion, that here was a small school that was approaching this thing from what I call the practical application of it. Not you've got to take and study Ovid or Aeneid or any of these things, if you don't want it. I don't want to—the past is a prologue to the future!

Jerry Bidle: Right. But if there had been a program when you were at Wesleyan, similar to what we call the interns in industry—

Zetterholm: Mhm.

Jerry Bidle: —you would've probably been the first one in line to—

Zetterholm: That's probably right.

Jerry Bidle: [chuckles] —take advantage of that.

Zetterholm: [chuckles] that's probably right.

Jerry Bidle: Yes. I don't—at the moment I don't recall that anybody is—it's not—we don't have a law firm involved in the thing, but we have very many businesses, some of them have been in the program for a number of years, and some of them, they got a couple of new ones in this year, I guess.

Lee Short: We got banking, very much—

Jerry Bidle: We've got banking involved.

Lee Short: —we've got four banks—

Jerry Bidle: Yes.

Lee Short: —that—we're one of the first ones to get into this. Learn a lot from them.

Jerry Bidle: And one of the things that I learned at this year's roundup, as they call it, at the end of the month, when they get the students and the businessmen and the supervisors together—that one of the supervisors, at General Electric, had gone through the program at Wesleyan, and so he was looking at it from the other side again and he realized the benefit it had for him, and was there for passing along his experience to the student that he was working with, which I thought was—said something for the program too—that, you go through it, but you're willing to continue with the program, and to make it better if you can. Okay, we've gotten you back to Knox County after college and you've had ten years' law practice and you were starting to tell us about your introduction into the General Motors firm, and that part—will you continue there, please?

Zetterholm: Well, General Motors at that time was going through a reorganization upheaval, and the man who was responsible for my going there had been with the Dodge Corporation and his name was Matthewson. He had the idea that the big future and the automobile industry was going to lay in the course of business development for dealers because there were alley garages and all of those kinds of things. When he went to GM, and I'd had some experiences with the dealer's financing not even that far back, he was instrumental in bringing me into the corporation, and I agreed to it on the basis entirely that I was not a bobcat—go in to it from the standpoint of working with dealers particularly—but from the application of business principles, which he wanted to bring in and which he did, and while I knew nothing about the automobile business as such—the Pontiac division was having trouble, and I covered the entire United States in a few months, calling on dealers who were breaking up—they were engaged in breaking up these great, big, several-state distributorships. That was where it came down to a basis of direct dealers. I remember you had a Cadillac dealer in Bloomington—I can't recall his name now—who had a terrific amount of territory, and he didn't do anything for the public nor for the associate dealers and those things, and the idea was to have strong county seat dealerships, then that's where it

started, was this man Matthewson did that. Finally after I had got acquainted with the—what we call the productive area of the United States—that was the corn belt—and in the east, and a big, terrific failure in New York City, about a six million dollar failure, and at that time that was quite a failure—the distributor failed for that amount, and developed—somebody was going to operate the thing and I was picked out to do it, while I was there for about four years, I guess it was, in New York City liquidating that thing. I came out of it expecting a total loss, and came out of it with a profit of \$6,000! [Chuckles] So that socked me back into Detroit, and I was responsible for the development of what we call the dealer accounting systems. For every dealer, whether he liked it or not, could not have a franchise in General Motors unless he conformed to our profit and laws theory that a dealer had to make a profit or he was no good to himself or us, and that was what became known as General Motors' accounting corporation. And then we got into the dealer accounting. General Motors accounting was the overall picture, the supervision of the thing, but dealer accounting went to every division, all of the manufacturers in the corporation. And I lived in Detroit then, commuted to New York, and we decided this was the time that television was just beginning to be on the horizon, and one of the things that I had assigned to me was some—I believe it was one of those—well it was the big head of the business development is what it was. Now this man who was responsible for that was the fellow who was with the DuPont Corporation, and who came over to the Pontiac division by the name of Albert Lancy, and not being very [unintelligible] he took me under his wing and I sort of became his right hand man for the development of many of these things. And then the other man who came from the outside of DuPont Corporation having acquired 29 percent of General Motors was a man by the name of Rascow, who you've probably heard of, and I became I guess you'd call it his protégé. And for years and years, between Mr. Lancy and Mr. Rascow, the man was on good terms with Mr. Sloan, was this idea of Motor Holding Corporation—Motor Accounting Corporation, the enlargement of the general acceptance corporation providing for home sale and retail. All of that—I was mixed up in all of that thing and then finally we decided that what we would do is take a look at this new advertising media, which was—you had voice, you had radio, but you still did not have television. And the world's fair was on—in Chicago, at that time. And they had television on a four by five screen where at one end of the fair, little programs was put on, and on the other you couldn't peer and look at the screen. It was that far and that small—yes, '33.

Jerry Bidle: Excuse me, I did want to make note that we're talking about the mid 30's period—

Zetterholm: Yup.

Jerry Bidle: —1933 and '34. And we're very near the end of this side of this cassette so let's stop now and turn it over and continue here.

Zetterholm: Alright.

[Cuts off]

Zetterholm: The only thing where you could get tacked on the buying public in connection with motion pictures was in the theater, the motion picture theaters. And there was a company known as Alexander Film Company, which were pioneers in that industry, and General Motors acquired quite a number of screens in the country, and ran what we called minute movies. They were about three minutes long. Oh, advertising skits. They had a background and a plot and things like that, were right in the middle of here in Chicago in the Belbin and Cat circuit, and got on the Paramount circuit, and they finally said to me that you better head that thing up, and general theater screen advertising was ordered—was organized. And at one time, it was a separate

corporation; GM really controlled it. We had about 9,000 theaters that were running these things, and it really was going to town, but all the time television was developing and developing and developing. So finally, there was an outfit in England brought over—what'd they call—what did they call that—it was Magna film, that was it. And GM didn't want to get involved in that, because some of the theaters were complaining about that they weren't getting enough revenue in it and we didn't want to go overboard because Mr. Rascow had figured that this was something that was in a transition period. Well, I had to always maintain my commission in the army and the reserve, so lo and behold, it was about 1940, I got called to active duty, and I didn't get back again till...that was about...1947 I came back. Yeah, 1947, and I made up my mind I'd had all I wanted of it, didn't want to live in Detroit or Chicago or anyplace but in the banking business in Arizona above an interest in the bank there. That's how I parted.

Jerry Bidle: You had become acquainted with Arizona through the military?

Zetterholm: Through the military. And also I used to go out there in the winters, and—

Jerry Bidle: I see.

Zetterholm: Like that's where I used to meet with Otto Bike, he came out every winter.

Jerry Bidle: Yeah.

Zetterholm: That was the way things are.

Lee Short: How did this lead into the western bank corporation?

Zetterholm: Well, that's very interesting, it's—in 1954 I think it was, yes, 1954, I had enough means to retire then if I wanted to, and I decided that what I'd do is—I had married in the meantime, and Mrs. Zetterholm and I decided we'd go to Europe for a while, and we decided to take physicals, and she turned up with cancer. So there was no use of going to Europe of course, and in GM we had a lot of bank contacts, naturally. So I decided the thing to do was to sell my interests and just sort of see how she got along, and in the meantime the Bank of America had got involved with the government and had to spin off some of its banks and I knew the executive vice president and the Giannini family, so they asked me if I would help them put together what is now Western Bank Corporation. It was Transamerica Corporation then. And with a very fine gentleman by the name of Frank Belgrano who was the man of the—Giannini's right hand man, we did the ground work and put these banks together from eleven banks to where today we have 634 banks.

Lee Short: Wow.

Jerry Bidle: It's now headquartered in Los Angeles.

Zetterholm: Yes, it used to be in San Francisco.

Jerry Bidle: Ah, in those formative years—

Zetterholm: —In San Francisco—

[Jerry Bidle coughs]

Zetterholm: —you see, the breakup of the banking chain was hastened by the Federal Reserve System and the law of politics. Some of the states were opposed to it, but the Depression endorsed branch banking because Nevada came along and it did not have a single bank in the state. Idaho and several of these western states had no banks at all, and the governor of Nevada came along and prevailed upon Mr. Belgrano to help them out, and he did, through Transamerica. He got together branch banking in Nevada from county to statewide, and came in and put in the present banking system in the state of Nevada which saved it from total state bankruptcy!

Lee Short: Huh.

Zetterholm: And of course, that's ancient history, but that is what actually happened, and out of that, he decided that since they'd had this divorce decreed by the federal government and the banking authorities, that we would expand and try and acquire control of the eleven western states, which now make up Western Bank Corporation. You see the spinoff was known as Transamerica. Transamerica owned Occidental Life Insurance Company and a number of other companies. Then, when Transamerica had acquired this group, then the government comes along again and says you cannot have a big insurance company and banking and all of these things together. Under the law you've got to either be a straight banking organization or you've got to be an industrial corporation and we said alright, we'll split it. And then Transamerica changed its business to the insurance business and the investment business and all the things that it has today, including budget taxicabs and all of that kind of stuff, and First America Corporation was the banking group. Now then that name was changed to the Western Bank Corporation, strictly banking, Western Bank Corporation, which has the 634 banks in the eleven western states. That's how you got that separate— divorce and separation. And of course I stayed with the banking end of it.

Lee Short: And what was your position in this company?

Zetterholm: Which one?

Lee Short: Well, in the Western—

Zetterholm: Western Bank Corp? Well—

Lee Short: Were you in the—

Zetterholm: Well I'll tell you how I did on that thing. Again, I was—I got my own way with it, I don't why, but I did. They wanted me to come to California and live, and the office had been made to Los Angeles—changed to Los Angeles. Mr. Belgrano was living there. And I told him, I said Frank, I will not come over to California, and he sat and had a visit one afternoon and I said I'm not going to do it. I don't need the money, and I'm not coming. 'Alright,' he said, 'Zet. What will you do?' They had no banks then in Colorado. We had no banks in Wyoming.

Lee Short: What year is this, excuse me?

Zetterholm: This is 1955. And their banking system in Arizona consisted of one good sized bank. Well he said 'Alright, you won't come over.' He said 'Will you stay, then, in Phoenix? And help me put together these other states.' I said 'Sure, I will.' Well I said 'No boss, you asked me to do it, and leave me alone.' And of course we were very close friends, he said 'Take it, it's yours.'

So out of that, we expanded the first national bank. At that time it was a bank of about oh I guess 250 million something. Today it's over one billion.

Lee Short: Is this in Colorado?

Zetterholm: This is in Phoenix, Arizona.

Lee Short: Phoenix, Arizona.

Zetterholm: First National Bank. And we acquired a number of other banks. Then, this New Mexican situation looked as though that would be another Arizona. So I, from the first of July, 1955, till the first day of January 1956, I spent my time between New Mexico—living in Phoenix all the time, to New Mexico—and Colorado and Wyoming. Well we got three good banks in Wyoming, we picked them up. We acquired them at American National Bank in Denver, and two other banks. We had a weak bank president in Denver and that, to this day, hasn't gone the way it should go, but it's on the right track now. And then in New Mexico, we had nothing whatsoever. So I acquired the Bank of New Mexico, which at that time had 18 million dollars only in assets but it was the third bank in the state. Now, we've expanded that to where we have eight—24 banks in New Mexico. And when we put the whole thing together, we have five main leading banks in the state, each separate corporations because you do not have statewide branch banking. You have county branch banking.

Lee Short: Hm.

Zetterholm: And today, the Bernalillo county which is the city of Albuquerque, that bank has grown—where I've made my headquarters, has grown from an eighteen million dollar bank to about 100...129 or thirty million. And if we put all 24 banks together, we then will be at about 294 million.

Jerry Bidle: [Pause] What growth, yes.

Lee Short: That's right, yeah.

Zetterholm: Got a lot of independent bankers that hate my guts, but—

Lee Short: Yeah.

Zetterholm: —that was it. And they had the same opportunity, but it'd be just like some bank at Morton, Illinois.

Lee Short: Mhm.

Zetterholm: Some banker there that has the leading business of the town, holds it down, and has it all in his pockets. Somebody come in there and say independent, for example the rate when I came in there was ten percent in New Mexico, and I cut it to eight percent the first day I was there. And at the stockholder's meeting, when we took over, in January 1956, I announced to the newspaper I'd cut the rates to 6 percent, and you think those country bangers weren't wild.

Lee Short: Colonel, for the—assuming that we've got some young financiers and people who have—fancy themselves going into banking, and have some questions on this—could you be a

little more basic maybe in explaining what you mean when you say I came in and took over this bank or our association took over this bank?

Zetterholm: We bought 51 percent or more of the stock—[clears throat]—excuse me, starting stock.

Lee Short: Well that eighteen million dollar bank meant that you bought over nine million of it.

Zetterholm: No, don't go on that basis. I mean, you adjust that on the equity capital. That was total assets.

Lee Short: Okay, okay. So your—when you say 51 percent you're not talking about—

Zetterholm: Deposits.

Lee Short: Right.

Zetterholm: You're talking about capital structure.

Lee Short: And what would this be? How do you—okay, is there some way you could identify—

Zetterholm: Identify? But I had the financial statements here of 1956. I would just take fifty percent of the capital surplus and then divide it by profits, and that's what we paid for it. [Pause] If it was making money we had to pay a little more. We had to pay a premium.

Lee Short: Right.

Zetterholm: If it wasn't making money, we bought it at a discount.

Lee Short: Right.

Zetterholm: And we'd look for the discounts.

Jerry Bidle: And this rate that you were talking about that you reduced when you took over is—what specifically is that?

Zetterholm: When you say rate, you mean now, the rate that I—this eight, six percent?

Jerry Bidle: Yes.

Zetterholm: That is what the bankers were charging for on—

[Jerry Bidle clears throat]

Zetterholm: —loans.

Jerry Bidle: Okay, okay.

Zetterholm: For example, at the Bank of—

[Jerry Bidle clears throat]

Zetterholm: — New Mexico I paid 63 dollars a share for the 91 percent interest in it. And today, you can't get it for 250 dollars a share. We have 92,000 shares in that bank, and it's earning about fifteen dollars a share. When I got the thing—when I acquired it, it was in the red!

Lee Short: My God.

Zetterholm: But the position was just right. It was just one of those situations where you had a royal flush. If you ever fooled around with cards you just couldn't lose.

Jerry Bidle: And then you used a couple of times the description of some of these states saying they didn't— there wasn't a bank there. And you're talking about the 1950's?

Zetterholm: Yes sir.

Jerry Bidle: And no banks in the state?

Zetterholm: This was Nevada.

Jerry Bidle: Yes.

Zetterholm: That's Nevada. There was no banks in that state.

Jerry Bidle: The banks that had—

Zetterholm: They were—

Jerry Bidle: They were on the older keys—

Zetterholm: Yeah—

Jerry Bidle: There were banks but—

Zetterholm: —but they went under.

Jerry Bidle: They'd gone kaput.

Zetterholm: Yup.

Jerry Bidle: Went kaput. Mm. That's sad. I wasn't aware that there was a situation like that that recent.

Zetterholm: That's right, yeah. Well, now wait a minute, I see what you're getting at. That was not 1950—it was 1950 when we put this Western Bank Corporation thing together—

Jerry Bidle: Okay, well I—

Zetterholm: —but this—Belgrano going over there and bringing the banks there—

Jerry Bidle: Mhm.

Zetterholm: I think that was in 1937, like that, '37 or '8. It was the tail end of the...Depression.

Zetterholm: And not a bank in the place. It was before Reno and Las Vegas had even—they were frontier towns and were plenty of gambling going on yet—

Jerry Bidle: Mhm.

Zetterholm: —but not the kind it is today.

Jerry Bidle: Well, of course, it was so sparsely populated—

Zetterholm: That's right too.

Jerry Bidle: —so I suppose those people—if they had to do banking, they maybe I suppose went into California or something.

Zetterholm: I would think they would.

Jerry Bidle: Mhm. I would want to ask also—you were talking a little bit earlier about the advertising and the general screen advertising, and you talked about all of these theaters that were carrying these—

Zetterholm: Yeah.

Jerry Bidle: —little three minute—

Zetterholm: That's right.

Jerry Bidle: —minute films, whatever. I wanted to ask what effect that had on General Motors sales.

Zetterholm: Well, it was the first direct advertising where you could catch the element prospect where you couldn't run away from it. You had to take it, whether you liked the medicine or not. And the dealers that had it—[clears throat] we had it—I'm trying to think of the motion picture house that had it here. We had it here in Bloomington, and we had it in Peoria—we picked these county seat towns where we put it in. Was there a Castle Theater here?

Lee Short: Yes, still is.

Zetterholm: Yes, that's the name that comes into my mind.

Jerry Bidle: I can't remember the street it was on; maybe it was a Castle Theater.

Lee Short: You do remember the old opera house there.

Jerry Bidle: Yes, yes.

Lee Short: It's just a block down from where the old opera house is.

Jerry Bidle: So now we've brought you to the mid to late fifties, and it was 1959, according to information that we have on you, that you went into retirement, a mandatory retirement.

Zetterholm: That's right.

Jerry Bidle: And I think you mentioned earlier this morning that retirement, for you, hasn't really meant what it may mean to others!

[Zetterholm chuckles]

Jerry Bidle: Yeah—are as active, or more active—busier, now, than you were before.

Zetterholm: Well, I guess that's true. See [clears throat] when I started putting the—another man at the helm, I had two presidents that I—that the corporation asked me to break in. And one of them lasted...oh, just maybe fifteen months, and I had said that this man will never make it, and I let him go. So I was Chairman of the Board, what I was looking for was an executive! And then I got the second man, and he lasted...well I guess it was just a year, a little over a year, and I had to let him go. So I went out to California and I had a meeting with Western Bank Corporation executives that were supposed to be—know what they were doing. And I went out with the resignation of every one of my directors in my pocket. I told the board that—and executives out there, that we were not any longer going to accept anybody that they sent to us. We were going to pick our own president. And it was quite a corporate meeting. [Snickering] So it was just like a poker hand when you had the hand and the cards you could call them I said well I pulled out this envelope and I put it on the desk and I said okay, there is a—you don't have an organization. There's a resignation of everybody that's there. We're not going to be dictated to by you or from out here because you all are interested only in one thing! And that's the United California Bank, from which all of you came! And we're not interested in that. Well Frank King, who built the Continental Bank of Chicago and one of the Booners of that, he was a cold blooded fish. Now I'll never forget, he looked at me for a minute and he looked at those envelopes, says 'Zet, you go back and run that goddamn thing.' [Zetterholm and Jerry Bidle laugh] So I've been at the helm ever since, together with all my other activities! If I don't want to come down to there if I'm going someplace else like I've been on some other work in Washington, that's my affair. And the bank has grown now to where it leads all the banks in the whole system and profit wise. So that's it.

Jerry Bidle: Now, we have—

Lee Short: Have you found an executive yet?

Zetterholm: Yes sir. And got him, too. Brought him in from the Royal Bank of Canada.

Lee Short: Canada.

Zetterholm: I'm paying him forty thousand dollars a year.

Lee Short: How long has he been with you?

Zetterholm: 1964. Started him in right out in the branch banks, and of course he hadn't had a responsible position at the Royal Bank of Canada. And he was farmed out by Royal Bank of

Canada to straighten out United States leasing, which is a big corporation in Canada, and he took that whole thing over and Canada is the treasurer and controller. Then I had trouble with United States leasing on the west coast and he came on down there, and straightened it out, went back to Canada, and decided he wanted to come in to States and I'd met him and I decided that was the man, that—he's made it.

Lee Short: Colonel, for students who are anticipating maybe a career in banking or in business, what courses do you think are the most beneficial? You got to have accounting, we know that, and you ought to have some economics—what's—what was the—what do you feel is the best academic preparation, let's say, for a practical career in business or in banking?

Zetterholm: Well I think basically a course in good English—English, grammar, instruction, and being able to dictate letters and make them short and concise and cover things so that you do not have ambiguities in it is the basis of everything in banking because it is so technical. No mistakes go.

Lee Short: We have a course called Business Letter Writing. [Jerry Bidle and Zetterholm chuckle] Very basic and again, this—the business department at Wesleyan is the one that got this started. This is a whole document twelve, thirteen years ago I guess, just as basic as it possibly can be, but I'm glad to hear you say that because we've had—first we used to have kids required to take this and, you know, it was so basic you didn't have to—we've had English for twelve years you know, before, but now, it's probably one of the more, you know—it gets passed on from fraternity brother to fraternity brother. It's along to where they're—it's probably one of the most popular courses in our business area. It's a good thing to know, is there any other course that you would—

Zetterholm: Well I think economics or—economics and political science and some business history are absolutely necessary. You don't need any chemistry or any of that, any of those things. But you do—the mathematics of the situation isn't quite the same today since you have computers and everything else, but basically the principle has been—is the same but it's been put on a tape.

Jerry Bidle: Mm. [clears throat]

Zetterholm: So you had a hell today with incompetent operators. We had it, I stayed off the computer until this year, this—well, yes, we transferred over on December 31<sup>st</sup> from our straight outlying bookkeeping accounting—orthodox methods—and we—we let 33 people go out of the bookkeeping department. We said that well, these are the ones that are going to go when we've got thirty days to locate one thing and another, and we just had plain hell in the months of January, and I understand that it's the same for February since I've been gone, and every time it gets back to the fact that—what we thought of the bookkeepers that were competent, we kept all of those but they didn't like it. One girl was—who was married, was having family, was having trouble at home and hell, she punched a lot of wrong keys and—[chuckles]

Jerry Bidle: 'Course life, in general, now, is much more complex than it was twenty, thirty, forty years ago.

Zetterholm: Yeah.

Jerry Bidle: How well prepared do you see the graduate of today's universities to get in to the business life—that the young men that you have contact with in the Southwest.

Zetterholm: I don't quite understand your question.

Jerry Bidle: Well, I—my question is, has society, or has business become so complex that they can't be adequately prepared in four years of college.

Zetterholm: Alright, I'll say this, that there's nothing takes place of the human equation. Now the human equation has got to be both mentally and physically adjusted to the mechanization of living today, and if you cannot adjust yourself to that, then you're an outcast. You might—we're a robot people, now. I don't see how you're going to get away from it. But the fellow who can adjust himself to that, and who has a certain amount of business acumen, and a certain amount of salesmanship—I don't mean high pressure—can go very far at it, providing he has a supporting foundation, which may be purely mechanical, because it's going to—you're going to solve your equations. You're accounting equations of interest spreads, of all of those things by punch in a key. But you got to know how you got that answer so you get back to the rudiment.

Lee Short: You can't get out more any than you put into it.

Jerry Bidle: Right, the computers only serve what you can give or take.

Zetterholm: That's right, that's right. So you've got to go back to basics.

Lee Short: Well we have put in a course. For instance, well, a couple of them. Again nowadays, it's a requirement of people in the business field and we think in many other areas—it's called Introduction to Computer Programming Concepts and Business Data Processing and you know, you have to learn these different languages, almost, of the—of the computer—

Zetterholm: That's right.

Lee Short: —because of—it's almost like a basic English course anymore. If you don't understand two or three of those more popular languages, the—you just can't communicate in business anymore. So, we're trying to keep from—well, one thing, spending a lot of money on computers you know, you can spend a lot more money in a college or university, which we don't have. So we have a station—a turn-on, so to speak. We work in cooperation with General Electric in our science building. I don't know if you saw that when you were there—

Zetterholm: Yes, I did see that. Didn't go through it, I saw the building.

Lee Short: It's minimal, and I think one of the things Jerry Bidle was alluding to here—we've hesitated going too far in that area. I think, we get into the language, and the basic fundamentals if they can get the rest of this because it's different with every business that a boy goes to work for, I would assume.

Zetterholm: Well, a programmer is the key man to the situation, and as you say, every business has a different formula for their accounting but that result is am I in the black or the red?

Jerry Bidle: Our young people will be talking and do talk each year with representatives of business, especially of course when they get to be in their senior year. I don't know that they

talked with anybody from the Southwest. Could you give us some sort of outline on maybe a training program that you have out there that—for young people, or getting into the field? Do you have any particular program for them? Or—

Zetterholm: You mean in the bank?

Lee Short: Mhm.

Jerry Bidle: Yes.

Zetterholm: [Pause] Well...no. I'd say we don't have any particular thing because generally speaking, banking is the same throughout the United States. [Coughs] Basic principles of debit and credit and that's all there is to it!

Jerry Bidle: I see.

Zetterholm: That's the accounting end of it, and of course when you get into the loan field, then you've got all kinds of things involved. You can't train a person to that, really, because some people have a natural gift after they've been in banking oh maybe five or six years of getting the groundwork laid. They've seen enough papers, enough loans come through, they should have a certain amount of legal training to know a good contract when they see it and when to get a lawyer and when to tell a lawyer 'I don't need you.' Now, taking a—for example, we're doing a great deal of interim financing and condominiums, things like that. And you have to know what the Securities and Exchange Commission—we have real estate trust—in other words, with bankers it has got to be a jack of many trades and he's got to be a master of every one of them, today. Unless he's going to just sit in one place as an appraiser and do something like that but if he's going to run a bank, he's going to run a financial institution, he's got to be a salesman, he's got to be advertising, he's got to be everything that you want.

Lee Short: It's not as departmentalized as—

Zetterholm: I was just thinking, right? Maybe I've got one copy left here.

[Cuts off to b side]

Lee Short: —Service to their country. You have been in what, three wars?

Zetterholm: Yeah, I guess you'd call it that.

Lee Short: And—

Zetterholm: I claim credit only for the second one because I was in it deep. Of course I was in World War One, but of course I didn't get mired down there. Korean War I was on my way over when it was over, so I came back. [chuckles]

Lee Short: Mhm.

Zetterholm: My real army career was the Second World War which was—well I was in it for almost five years before I got out.

Jerry Bidle: I'd like to really start back at the time of a alternate appointment. I guess those have always been Congressional appointments—

Zetterholm: That's right.

Jerry Bidle: who was the Congressman—

Zetterholm: George Prince.

Jerry Bidle: And—

Zetterholm: 22 years chairman of the military affairs committee and next door neighbor in my family. [Chuckles]

Jerry Bidle: And the boy who got the original appointment—

Zetterholm: Yeah, his name was Earl Chambers. He graduated, became a brigadier general, and was killed in an automobile accident after the war was over.

Jerry Bidle: That's too bad for him, yeah.

Zetterholm: In New Galas, Mexico.

Jerry Bidle: Now this was, of course it was an appointment to West Point.

Zetterholm: That's right.

Jerry Bidle: When you were a youngster, and thought about the military. Did you think about the army?

Zetterholm: Sure.

Jerry Bidle: Or had you thought about the navy? Or—

Zetterholm: I thought about the army.

Jerry Bidle: The army.

Zetterholm: Yeah. Because I was offered Annapolis and I wouldn't take it and I didn't want to go see it. I didn't like the ocean.

Jerry Bidle: Well, sorry that you and I disagree then.

[All laugh]

Zetterholm: I didn't like how there's waves.

[Jerry Bidle laughs]

Zetterholm: My answer to that was there's no place you could run to.

Jerry Bidle: That's true, that's true. But—

Lee Short: Let me ask you a question. Were you in the navy?

Jerry Bidle: Yes.

Lee Short: In World War Two?

Jerry Bidle: Yes.

Lee Short: What were you on?

Jerry Bidle: Well I was—I was on probably one of the smallest that they had, and the first ship or vessel was a sub chaser, which is the next size larger than a PT boat. And we were—

[Zetterholm chuckles]

Lee Short: Pretty small.

Jerry Bidle: Yes, we were, in the Pacific, in Pearl Harbor bright and early.

Zetterholm: I went over to Africa in the Billy Mitchell. We sailed out by ourselves. She was an auxiliary cruiser, it was one of these big transports, you know—

Lee Short: Uh huh.

Zetterholm: —that was rigged up to fight if she had to. God. Got off of the heating source and there were subs around us, and they had six thousand troops aboard, and what we did—we—Gripsholm was there, and he sailed—oh—right opposite us—right. And if the Germans had wanted to they could've sunk us. But one German sub came up and surfaced and looked at us. And there was a grip swing right over their fire. That was just how decent they were. [chuckles] So I feel this way about it. There are a lot of things about the Germans that we accuse them of that are—maybe they're right but I think they were the SSers and not the Vermach.

Jerry Bidle: But they—you were involved with the military in World War One.

Zetterholm: Yeah but I wouldn't—it's—it was infinitesimal, like in comparison to this one.

Jerry Bidle: Was that—here in the States you didn't go overseas?

Zetterholm: Not at that time, I went over a while afterwards but it was all over with.

Jerry Bidle: And did I understand you in our earlier conversation to say that about 1940 you were just called to active service?

Zetterholm: Yeah, called back.

Jerry Bidle: Recalled.

Zetterholm: Yeah. My original commission, I was never released completely. In 1920, we had what we called a—oh that was the peel back, when Congress passed all of the laws that men that were in the service would have to go back so many grades. And those who passed the examinations of the examining board were put on what was known as the regular army retired list...and I was called back in 1940.

Jerry Bidle: And what was your first duty then, when they called you back? Because that was—

Zetterholm: I don't—yeah

Jerry Bidle: —before our—

Zetterholm: Well that's how they were. We had what were known as the—

[Jerry Bidle clears throat]

Zetterholm: —maneuvers, which were going on—they had maneuvers in '37. '36, '37 those maneuvers were field maneuvers. Part of them were in the east, the first army was New England and then it was split up to another second army, and then in 1940 we had the big maneuvers which were clear across the United States. Maybe civilians never heard of it, but we knew that there was going to be war. And the—what we call their recalls to active duty were made up then. I was a captain at the time, and when I was called and signed to active duty I retained my original rank you see, and went along on the file, while I was a major, and I came back for active duty. I was in the infantry.

Lee Short: That time was—remember the song they made popular, “Goodbye Dear, I'll Be Back In A Year”?

Zetterholm: [giggles] No, I don't remember.

Lee Short: First drafting—

Zetterholm: Oh.

Lee Short: —men.

Zetterholm: Yeah.

Lee Short: And some of them got back in a year but then the war broke out—

Zetterholm: Yeah.

Lee Short: —of course in '41, and changed everything.

Zetterholm: You see, the National Guard really went into training in 1940. And going back to Judge Craig, he was the fellow that was responsible for me going into the National Guard end of it and then that switched over to the regular army.

Jerry Bidle: So where, say in December 7th of '41—where were you stationed?

Zetterholm: Washington D.C.

Jerry Bidle: And—alright. And then you went overseas at what time?

Zetterholm: I went over in February 19—well I was over once at Casablanca and came back. I was in the infantry and I was transferred to the Inspector General's department...and was on the combat end of it in what was known as preparation for movement overseas. Now that was all the training that went on. And the desert training center there's where I was with the second armored force for a while, and Patton was training, and then I was back in Washington, and then I was back at the desert training center for the fourth armored forces training. And then I caught several of the divisions, and they were having trouble with the air force, and I was assigned over there—I was on the staff of the Inspector General, plus General Marshall. Just a—taking for example the tenth mountain division which was going to land at Norway. I was assigned to it, and we decided that we would not have that movement from every church that wanted to go up there. Then he changed his mind to—wanted to go with the soft belly as he called it, underneath—that was Italy. So I guess it's a good deal like I am now, I had regiment infantry for a while, mechanized infantry, and every once in a while when things gotten in a jam why, the Inspector General would call me back and here I was.

Jerry Bidle: Who was the inspector general?

Zetterholm: General Virgil Peterson. From Chicago.

Lee Short: Didn't you mention to me one time—was it the foreign legion?

Zetterholm: Why yes I was at the foreign legion for a while.

Lee Short: Uh—

Zetterholm: City of al-Abass, Africa.

Lee Short: Yes, you told me a rather interesting story about a riding crop or—

Zetterholm: Yeah. That was given to me by the sergeants when I left the legion. And the legion—and that deal on that thing was that—see the legion never surrendered. The legion was about 93 percent vermach. Commanded by German officers, except the brigadier commanding it was a Frenchman. [Pauses, then laughs]

Jerry Bidle: How did you—how did you get involved there in the foreign legion?

Zetterholm: Well, because the vermach refused to fight. And it's rather a peculiar story. They had no objections to fighting the gestapo, the SS troops, and they were aching for that fight. So it was decided that we would integrate them as a separate unit. They said no, we're going to fight as a group. And when I got done with them, I was there for about two months down there with the legion, and took them all across the Monte Cassino. And that's where they really showed what they could do.

Lee Short: Were they as good as their reputation—?

Zetterholm: Oh, they were better. [Laughs]

Lee Short: Better?

Zetterholm: They hated those kids—SS troops—

[All laugh]

Zetterholm: God, they were wonderful soldiers.

Lee Short: Well now when you went from Cassino—was this shortly after that? I believe you told me once you were then assigned to the—was it the Guard? In the...

Zetterholm: You mean a guest to the king?

Lee Short: Yes!

Zetterholm: Well the war was over then, but we were having lots of trouble. We had—the armistice was assigned and of course Umberto's father had abdicated and I was responsible for the—his safety. At that time I was the acting inspector general of the British and the English—err the British and the American army, the eighth army and the fifth army. And you were having lots of riots breaking out, and there's—well, just chaos in Italy. So the governor of Rome was a brigadier general by the name of Brown. He commanded the troops of the thing but I was made responsible for the safety of the royal family and as such commanded the guard around in the palace, and was responsible for all of that. Now on the twentieth day of September, 1946, that was the day that the red shirts marched on Rome. They were going to storm the castle, or the palace. Well they didn't do it. They came down the twentieth of September, they called the avenue, but I had a—well I had about a—let's see I had about a whole company there at that time, plus the Swiss guards that were stationed there that—before they hit the palace. And the Swiss guards went out and confronted them and my own men fired the first volley. I didn't fire to kill anybody and we didn't but they turned around and they just melded. That was the only incident that really happened. After that things calmed down, but the obligation of protection of the government as represented by the kingdom was in the American government branch of our services, you know, I forget what they called that thing American government—military government! That was it. And we were responsible for it.

Jerry Bidle: Okay so the troops at your command, they were American troops.

Zetterholm: Yes.

Jerry Bidle: And then I was—well, I have no cheer that...for one, I guess that's where this rain comes into play.

Zetterholm: Well, that—no, that's about the same thing. I'll briefly tell you how this came about. On December 7<sup>th</sup>, 1940...not 4, '45, '45, no '44, we had got down to the point of where the Battle of the Bulge was on in ETO, and we were confronted with a breakthrough in the North opposite Livorno, that's Leghorn. I was up there then on Tucor. [Clears throat] And we found out that we were reduced to about seven rounds of ammunition per gun, per field piece. Well then the Hermann Göring Panzer division struck, and they got within gun range of Livorno when they were called back, because then—of course, we didn't follow them.

Jerry Bidle: Mhm.

Zetterholm: We moved up forward but there was no activity then and I got a call to come back to Rome. I went back and I found out that we were in pretty bad condition. Didn't know what to do. In the meantime, we'd—well we went into Rome and pulled past the twelfth, had a big formal reception, and the staff of the fifth army was invited to attend that. And I was a little late in attending and I did not have a chance to clean up or anything, so when I reported from my position in the middle of the line, I wasn't all slicked up like the rest of them. And His Holiness talked to us and then he came down the walk that he took, presented his royal hand with a ring on it to be kissed, bend your knee, there's no Catholic here. Are you Catholic?

Jerry Bidle: My family is.

Zetterholm: Okay, so—alright.

Jerry Bidle: That's alright.

Zetterholm: When he came to me I said, 'If your Holiness will forgive me, I don't believe in the hierarchy of the church.'

Jerry Bidle: So what was his reaction?

Zetterholm: [Laughs] So. He changes his expression. 'Course I suppose I was dirty, I didn't look like the rest of them. [Chuckles]

Lee Short: Wonder how this guy got in here.

[All laugh]

Zetterholm: So he went to the end of the line and he came right back and he stopped in front of me, and he said 'Colonel, he said any time that you want to see me, you will have an audience. I'll see you.' That's the way he left, I think. Saw no more of him.

Jerry Bidle: He spoke English?

Zetterholm: Very good—

Jerry Bidle: Yeah.

Zetterholm: —very good. [Pause] So then I got the roll when I'd been ordered back—that was about the 23<sup>rd</sup>—23<sup>rd</sup>, yes, 23<sup>rd</sup> day of December. I was completely exhausted, gosh I was in bad shape, but I went into the—have you been in Rome?

Jerry Bidle: No, sir.

Zetterholm: Well I went into the hotel where Billet was, I had to get shaved—I hadn't shaved for several days—and get my hair sort of cleaned up, and I fell asleep in the barber's chair. My driver—I'd told him I said 'Before we go on,' I said 'I want to go out to St. Peters, I just want to see the sunset on that dome out there I've heard so much about.' [Laughing] Now this—now this now, on the 23<sup>rd</sup> I came in, and there was a beautiful day. God it was a beautiful day. And when I

got out to—my driver awakened me at the barber, time's just four o' clock. When I got out to St. Peters they were tearing the barbed wire down, so I was the first fellow through and I went right straight to St. Peters too because I wanted to see that thing with the sun on it! It was a beautiful sight. And I was standing there looking at it and I heard a noise back up me and I turned around quick and it was a monsignor. And then he spoke to me, just like I remember it like it was yesterday, he said 'Colonel he said is there anything I can do for you?' Very apologetically, I suppose I was going to hear a confession or something—

[Jerry Bidle laughs]

Zetterholm: And I—[chuckles]—I said yes, there is! And I said 'Will you tell his Holiness that the Colonel, who doesn't believe in the hierarchy of the church, is waiting at St. Peters too and would like an audience?' And the guy thought I was crazy! [All laugh] And then he looked at me for a minute, and he turned quick, and he went out through a little doorway and went up to the Pope's quarters. Among the things which I've always wanted to see in my life was some of Gianlorenzo Bernini's artwork that the church had. So down he came, just clatter clatter clatter, I could hear him coming, he said 'His Holiness will receive you immediately.' So I went up—and you've seen the balcony where he comes out—

Lee Short: Yes.

Zetterholm: —and there's his secretary up and everything is right back that and we sat there and visited for a while. And he asked me what brought me to Rome at this time of year, and I told him I said I was going back to headquarters. And he said what mission or something like that and I said I don't know. And he said is there anything else I can do for you and I said yes, I'd like to see the candlesticks that Gianlorenzo Bernini made for the church. [Giggles] I don't know why I did it, but—[Jerry Bidle laughs]—I wanted to see it! And he looked at me again, says 'you shall see them.' And we sat there and visited and talked about the economy and different things and all of a sudden the monsignor appears and he said they're—they're ready. Now they'd gone and opened a vault.

Jerry Bidle: Ah... [Mumbles]

Zetterholm: Was gorgeous, eh about so big, like that.

Lee Short: Mhm.

Zetterholm: Gold, and silver, just gorgeous. So, that, I thought, was the end of that. When I got to Caserta, I found out that we were in trouble. [Pause] The inspector general of the army was a man who I'd known for a number of years, and I guess I'm responsible for his being alive because, well, I hauled him out of a terrible situation one time when he was under fire. And...I had to go to the war conference that General Clark was holding. And that was on the 24<sup>th</sup>, the day of, it was Christmas afternoon, no not afternoon, the day before Christmas, Christmas Eve. I found out at this conference—it was full of a lot of stars and colonels—I found out that we were in a very precarious position, that we did not have the necessary ammunition, that our gun barrels were smooth, tracks on the tanks were smooth. So, I got to thinking about the thing the—John Clark went down the list of officers and asked them for suggestions, and our—most of our ordinance companies, maintenance companies, had gone, either forward or up for the Battle of the Bulge and were repairing ordinance there. The third division, the 45<sup>th</sup> division had all been pulled out and all we had was a skillet in the fourth practor, a holding but it wasn't hardly

holding for us. When it had come to me, the big problem was how are we going to get our equipment in shape for an offensive when our ordinance is shot? That was the question. Taking that thing down on me.

[All laughing]

Jerry Bidle: I want you to—

Zetterholm: I had only one idea and I don't know how it come to me. I said 'now how you going to do it?' He said 'yes, how you going to do it.' And I said 'why don't you call up on the church for assistance.' I said 'they got lots of mechanics around and I saw Faccini Barilla and their rubber company and Lanchet Corporation,' I said 'they got them all over the place. Bring them into Florence, where we have a big depot with nobody to operate it.' He just looked at me for a minute; he says 'that's your assignment.'

Jerry Bidle: Get the mechanics.

Zetterholm: Put the thing together. Because after all, that's the purpose of the inspector general's department, is to fit in and get these things done and if you fight, you fight, and if you don't, you don't and it's the same thing. So, I went right back to Rome. And I laid the whole plan to the Pope, and he said 'if you will agree to pay the mechanics and the people that you want the same price you're paying the servants that you have, the church will help you,' but he said 'the money will go to the parishes where the people live and the priest will administer it. The men will receive enough money for some spending to back on things that they need, but the church will help you.' And that's what happened. So I had a speaking basis with the Pope. Among the things which happened just before I left was a joint decoration from the church and the state by Umberto and the Pope. I was made a knight of the order of St. Maurice and St. Lazarus which is the order of nobility of the House of Savoy. I was made Colonel of the Household Cavalry of the House of Savoy. And that's evidenced by this, right, plus the other decorations that go with it.

Lee Short: Are you writing a biography?

[Cuts off]

Zetterholm: The last one.

Lee Short: Under both Umberto and the Pope.

Zetterholm: That's right. [Pause] Well now don't put this on here, what I'm going to tell you.

Jerry Bidle: Alright.

[Cuts off]

Zetterholm: We've had this.

Lee Short: Yes.

Zetterholm: It was in Rome. The order had an office there in one of the monasteries, but where it is right now I couldn't tell you because you know the—when the reds came in on the present form of government, they did away with all orders of nobility.

Lee Short: Uh-huh.

Zetterholm: And the order went to Africa that one time at Umberto's palace. I suppose that I could write Umberto, we were planning on going abroad this coming summer and I intended to go see the king and I suppose that he's got it because representing the government, he is the Order. The same as the church is the Order. Now you have the knights of Malta but that's—that don't rank with this.