



## ORAL HISTORY PROGRAM

An interview with  
Anderson "Andy" Borthwick, 1899-1982

February 28, 1979

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**Interview with:** Anderson Borthwick

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### INTERVIEWER'S NOTE

This is an interview with Anderson Borthwick who lives at 785 Bangor in Point Loma. The date is the 28th of February, 1979. My name is Robert Wright. Mr. Borthwick was born in Yonkers, New York on Christmas Day 1899, which makes him about 79 years old now. There is a lot of information on Mr. Borthwick from the [news]papers, the *Tribune* of November 17, 1956. There is another one July 1, 1966, April 25, 1968, and May 8, 1978. These are all in the [*San Diego*] *Evening Tribune*. Mr. Borthwick was very active in banking from 1915 on, on the Harbor Commission, and in many other activities that are written up in the articles.

**RW:** What is your full name, and where were you born?

**AB:** James William Anderson Borthwick, a good old Scottish name. I was born in Yonkers, New York on December 25, 1899.

**RW:** When did you come to San Diego?

**AB:** I came to San Diego in 1914, from Yonkers, New York. Yonkers had about 48,000 population, which is exactly what the county had here at that time.

**RW:** Did your parents bring you out here at that time?

**AB:** Yes, mother came out for my father's health and we spent a few weeks in Pomona, in Long Beach, and San Pedro, Los Angeles, and then came down here on one of the excursions on the boats. We left Wilmington and came down here and spent the weekend. It was a nice day in October, and mother looked at the community and said, "This is the place." She tore up the return tickets and wired for the furniture and never went back. My father died shortly after that. We didn't get to enjoy San Diego too much, but my mother lived 'till she was 89 years of age, in practically good health all her life, and really enjoyed the community as much as I did. So we were fortunate in that respect.

**RW:** I guess you were glad to get away from some of that weather back there.

**AB:** Well, I was disappointed in San Diego, as a boy. It was brown, there was no water, no green trees, no running streams and it was pretty desolate. That winter of 1915, the fountain froze over downtown at the Plaza. Then in '16 they had the flood in Mission Valley. It went bank to bank; washed everything out; took all the railroad tracks and the bridges. And the only way you could get to Los Angeles was by ship. It wasn't too promising an area to live in, except the fishing was awful good in the bay. You could live off the land for about 3 or 4 days a week. You could get some quail, rabbits, and you got ducks in the winter time and could catch fish all year long in the bay. Many of the families, and we did the same way, would get two or three meals a week off the land. So, it made a good living and a comfortable climate compared to the east, but it was a little desolate. And you'd get cold in the winter. Most of these homes in the early days weren't built with much heat. We had a little stove in the front room which we heated with paper or wood.

**RW:** What part of town did you live in?

**AB:** When we first came, we lived up on Arizona Street, then moved to Texas Street, and then out to El Cajon Boulevard. Then I moved down to 23rd Street with my mother. When I got married, we lived on Goldfinch -- no, not Goldfinch, but the street next to it [probably Hawk or Falcon.]

**RW:** Still out in east San Diego?

**AB:** No, that was up in Mission Hills. Then we moved out to Mission Cliff Gardens to the area overlooking the valley. It was very nice there. On Harvey Road, a nice three-story house; raised our family, mostly, there. Had a boy and a girl.

**RW:** I was going to ask if you had any children.

**AB:** I have two children. Marian Anderson Flood - Marian and her husband died a few years ago. And Donald Thompson Borthwick. He's got the middle name after my first wife's family name. He is an artist and lives up in northern California, up there in the redwood and pine forests. Then my second wife, Georgia Coddington Mathias had two children: Jane and John. Jane and my daughter were born in the hospital within 12 or 13 hours of each other, so they were acquainted almost from birth.

**RW:** Did you have to go to work when you were here?

**AB:** Yes, we didn't have much finances. Mother had enough to bury my father and keep us going for a year or two, I guess. I went to work in 1915, in a bank. I worked part-time at the bank, and part-time in a printing shop for a fellow by the name of Hartman who did engraved calling cards. I worked in the morning there and worked in the bank in the afternoon. Finally, Mr. F. J. Belcher, Jr., who was president of the bank, he was a cashier at that time, D. F. Garrettson was the president. Belcher's father-in-law suggested that he thought it might be a good idea for me to get a high school diploma, so he let me go back to school in the morning and work in the afternoon. I got \$10 a month for the first few months, and when Christmas came along, I got a \$20 bonus. Everything was paid in gold in those days. All the city firemen and all the city and county officials and people in the police department were all paid in gold. As far as gold would go down, there were \$2.50 gold pieces then, and the balance, of course, was in silver. Practically all of the money was in coin in those days, there was very little currency. If you saw somebody with a dollar bill in his pocket you'd know he had come from the east. Silver was used more than anything else. Then we used to exchange money, we had it in aluminum trays. It used to come in 5,000 units. If you had a credit balance with another bank, you'd have to pay them. We would go through the town carrying these gold trays-- thought nothing of it. There were no robberies or anything.

**RW:** They were pretty heavy, weren't then?

**AB:** Oh yes, they'd get pretty heavy. You get two of those trays, one in each hand, you'd have a pretty good load. They had double eagles, eagles, half eagles, and quarter eagles. Every winter, the gypsies would come in here in the early days. They were pretty flagrant, coming in here with \$500. They would say, "I want \$500 in 20's, and the teller would give him 20 dollar bills and they'd say, "I don't want bills, I want gold." When you got that back you'd have a \$20 bill slipped out. When you would get a gypsy in the bank, that bank would call all the other banks, "The gypsies are in town!" So they would just rustle them out when they came in.

**RW:** You know, I remember gypsies back in New England. I saw gypsies in Ireland, but I've not seen any out here.

**AB:** Yes, you see a lot of gypsies back in Ireland, south Ireland and north Ireland. They are the tinsmiths, the tinkerers. They ask a housewife if they can fix her pots and pans and then they get in the house, and the first thing you know you've lost your knives, forks, and just about everything else.

**RW:** I understand you went to San Diego High.

**AB:** Yes, I went to San Diego High. In 1914 I skipped because I came out in October. But the schooling back in New York was the highest grade scholastic attainment of the whole system in the United States. The grammar schools there taught algebra and Latin and High school English, so when you came out here you were one year ahead in the school system. But that has changed drastically now.

**RW:** When I came out from New England in '41 I was a year ahead. I understand that C. Arnholt Smith spent his boyhood here.

**AB:** He was going to school about the same time I was. He is a year or so older than I am. I had to stay out two or three years to kind of recoup a little bit to get a little cash balance. Army was working originally for Ellis' grocery store, which was sold to Safeway. They were just off of 5th and E. Lion Clothing Company was on the southeast corner and Ellis' store was right next to it. Then he got the job at Merchants National Bank at 5th and Broadway, and he was working up there as a teller and so forth. Then the Bank of Italy bought that and he went into the Bank of Italy system.

**RW:** Now this is C. Arnholt Smith you are talking about.

**AB:** Yes. Then later with the help of other people, his brother probably, he bought an interest into the United States National Bank. But Army and I kind of grew up together; we rowed together on different crews up and down the coast. We enjoyed swimming at different beaches around here.

**RW:** Was he an aggressive fellow then?"

**AB:** Yes, he was a good competitor. He was a good oarsman; he was aggressive in business. He had objectives in life and seemed to accomplish them from time to time. I am sorry he has gotten into the trouble he has. I don't know how that came about. I've had no business dealings with him. Our relationship was all in athletics. We never had any dealings in the banking business together and all had our own businesses; we competed against each other and developed banking along that line.

**RW:** We are still talking about 1915 to about 1920 -- did the first world war affect San Diego? Were you involved?

**AB:** About 1910 or '11, they got the idea about building a Fair, you know, the Exposition, here. So they started working on that. A group of people, the Chamber of Commerce, F. J. Belcher, Jr., my predecessor and my boss, was the treasurer of it, and G. Aubrey Davidson was the president. They had a group that went together and they put through a bond issue of 3 or 4 million dollars to build those buildings. They raised a million dollars from the citizenry to build that Laurel Street bridge and finish up the buildings. Then, in 1914, and they were going to open the Fair in 1915, in 1914 World War I started in Europe. Thirty-seven countries' exhibits were pulled out overnight. So what do you do, do you cancel or go ahead? Well, they decided to go ahead. There were about 11 banks in this city at that time, but the 11 banks couldn't loan enough for working capital -- we needed about \$250,000. So Belcher got on the train and went back to Chicago, and he got the Continental Illinois Bank to loan the Exposition organization \$250,000. We had the endorsement of John D. Spreckels, of course, which made it pretty good and they opened the Fair --went right ahead and those temporary buildings are still up there. We have had the enjoyment and use of them for all these years. And, of course, John D. Spreckels was one of the great supporters of it. I think he put in \$25,000 to begin with. They he bought that organ, he spent over \$25,000, maybe even \$50,000, in the end, for that outdoor organ, the largest in the world. He was a great supporter of everything that happened in the city. I could never understand why the *Tribune* was so vociferous and antagonistic.

**RW:** You mean the *Sun* don't you?

**AB:** No. The *San Diego Sun* is a paper here. They were absolutely antagonistic to Spreckels - he couldn't do anything right in their eyes. They were always criticizing him, but Spreckels built the San Diego Hotel, the Golden West Hotel, the Spreckels building, the Union building; he put the First National Bank and the American National Bank together -- he owned the whole thing. He owned the railway system; he owned the Coronado Hotel; he owned the transit system in Coronado. He built the San Diego and Arizona Eastern Railroad. He spent about 12 million dollars cash of his own money putting that thing in. He was a great one to help people who would help the city. Bill Kettner, who was the Congressman from here in 1918 to 1922, was a Democrat and Spreckels was a Republican, but he put \$5,000 in Kettner's campaign because he knew Kettner was doing something for the community. Probably nobody has done as much for the city in Washington than Bill Kettner. He is the fellow who got us the Naval Training Station, he got us the Marine Corps, he dredged the bay, and he did many other things. When people go across that highway to Kettner Boulevard, nobody knows who he was. He was a great benefactor. They used to cross-file in those days, you could run on both the Democratic and Republican slates, and he got elected on both sides. So he served from 1918 to 1922; he used his own money. Salaries in those days were about \$5,000 and he spent his own money, as well as his salary, in trying to promote San Diego.

**RW:** Did you ever meet Spreckels or Kettner?

**AB:** Oh, yes. Spreckels was owner of the bank. When they put it together in 1918 -- they put the American National which had absorbed the Marine National; then the First National bought the American National -- he put the money up for that, he was the principal stockholder. Of course he didn't lose any money. The stock was \$200 par in those days, then split at 10 to 1, then split it 4 for 1, then 2 for 1, then 2 for 1 with a 10 stock dividend. It

you held it long enough you'd get a good remuneration. But he didn't make much money in San Diego -- Spreckels. The fact is, I doubt if he made any because he got a very small return on his investments. When the J.D. and A. B. Spreckels Securities Company, which was the holding company for all these assets, when the two brothers died, John D. and Adolph, why the heirs wanted cash and they had to liquidate them. They had to sell them at ridiculously low prices.

**RW:** What do you think his motivation was?

**AB:** Spreckels? Well, he wanted to make the town grow. He came down here during the San Francisco earthquake in 1906. He wasn't in good health. He was preparing his yacht for a trip down to the warmer countries when this earthquake occurred so he just came down and when he got down here he remained. He thought it was a delightful place, and he used to anchor his yacht over there on the Coronado side by the ferry slips. Then he bought the Coronado Hotel and he had a big home there. He was an ardent enthusiast of organ playing. He had a big organ in his house. He had a reception one time for all the employees of the Spreckels companies at the San Diego Hotel for dinner. That place was jammed. He got up there and he stood, and stood, and never said a word; and finally Claus Spreckels, his son, had to get up and read his message. He couldn't open his mouth in the presence of an audience, he was just tongue-tied. The next day I asked Mr. Belcher, "Was Mr. Spreckels sick?" He said, "No, your brain starts growing from the day you are born, but it stops the minute you get up before an audience." He did so much for the community. They used to castigate him because he had so much wealth that they thought he ought to distribute it. Let me give you an example of the foundation of that fellow's thinking.

When the Sisters of Mercy started that hospital, the new hospital, the Mercy Hospital, they were over there on University Avenue, Old St. Joseph's, and they had to move from there. They built this new hospital and he gave them a quarter of a million dollars to start that off with. Anson Stevens gave them some land, or gave them some money for the land, and then they had this other money. After they built it, they ran a good hospital, but it wasn't big enough. They had people in the hallways. The managing Sister came down to Mr. Belcher and said, "Mr. Belcher, we are just up against it, we need a larger building here for this operation. Would you mind asking Mr. Spreckels if he could help us a little bit more?" So it happened that week, Spreckels had asked Mr. Belcher to go up to San Francisco with him on the *Benecia*, his yacht, which was just as fast as the railroad, about 20 knots. They'd leave here early in the morning and be up in San Francisco the next morning. So that night when they went to eat, Mr. Belcher approached Mr. Spreckels and told him what a fine job the Sisters were doing, but they needed more help. "Frank," he said, "you know I just got through building the railroad and I spent about 10 or 11 million dollars, so I don't have much extra cash." But that night before he went to bed, he wrote a codicil to his will, leaving them another quarter of a million dollars. And he was a 33rd Degree Mason. But his attitude was that if somebody is helping the community, we should help them. And that was about his philosophy. People don't realize that, but he offered to build a tunnel. He brought the engineers who built the New York tunnels out here to give him some estimates for building a tunnel to Coronado. He made an offer to the City of San Diego and Coronado to build the tunnel, pay for it himself and when he got his money back at three and a half percent, they would own it. And they turned it down twice.

**RW:** Probably out of jealousy.

**AB:** That's about it. He ran the polo matches; and he operated the golf course. The city had the use of that golf course, and he offered to give it to them, to the City of Coronado, two or three times, and they wouldn't take it because he was paying the taxes on it. If the city owned it there would be no tax revenue. He was a good-hearted fellow in his own way. But he was a gruff fellow to approach because he was very short in speech, he wouldn't give you too many words. When you went in there, it was, "Yes" and "No" and "Goodbye" and that was it. But when you analyze what was done in the community; the transit system and all those hotels; the Spreckels and the Union buildings, the First National Bank and other real estate which he owned around here, I have a great admiration for that fellow. A wonderful guy.

**RW:** It sounds like it might have been an inspiration, probably for you as you were growing up.

**AB:** I used to run messages back and forth from the bank to his office and I was going into the Union building there one day, and a fellow came running down the steps, going like the dickens. I thought it was kind of unusual, a fellow running at such a pace, and I watched him running across the street to the United Cigar Store, which was at 3rd and Broadway at the northwest corner. I went up there and, by golly, the fellow had shot Bill Clayton, his executive vice president. He was a disgruntled motorman. Something had happened and he shot him in the stomach. The cops came and I told the policeman, "I saw a fellow running into the United Cigar Store over there." They went over and, sure enough, they got him. Bill Clayton survived. He was a director of the bank, by the way, a very fine fellow. They lived up at 6th and Laurel for years. His daughter inherited the property and she lived there. The house was right at the entrance going into Balboa Park, on the southwest corner. Spreckels had good men around him. Neil Brown and those type of fellows who were sincere and loyal and honest. And it was unfortunate that the empire had to break up when the parents died.

**RW:** You kind of lost me -- you mean the Spreckels empire?

**AB:** Yes, the Spreckels empire: J.D. and A.B. Spreckels Securities Company, the holding company for the sugar they had, the sugar trade with Hawaii, the sugar beet area they had in Sacramento Valley, the buildings they had in San Francisco, buildings in Los Angeles, buildings here, the shipping interests they had, land in Hawaii -- all of that was centralized in the J.D. and A.B. Spreckels Securities Company. Then, when the brothers died, the heirs, rather than manage the businesses which Mr. Belcher was doing at that time as president of the company, wanted distribution so they sold off all those assets. For instance, the Union building, I think, sold for something like, if my memory serves me right, less than \$400,000. And the same thing for the Spreckels building, at about \$375,000. A little different from now, isn't it? But they wanted an estimate, and Bill Kettner, he's the fellow who got the idea of bringing the Navy here.

There is an interesting tie-in with Kettner. When he was going to Congress, and he wasn't in Congress when the Exposition opened, but MacNamara, who was Secretary of Treasury, was invited down and Spreckels gave him his private car on the railroad to come down here in from the east, and put him up at the hotel. It was in December and it was nice weather, as we get many times in December, pleasant, around 67 to 70 degrees, and he had a great time opening the Exposition in good, pleasant weather. He went up to San Francisco and he was inspecting the installations up there at Goat Island. It was foggy weather and he went into those barracks and every kid was coughing himself sick, you know. So he said, "Why don't we have a training station down in a good climate?" and Kettner capitalized on that. So when he went to Congress to get that thing, they said, "Well, if we had the land." He came back here and the people did the same thing then that they did for downtown. They went out and raised \$1,600,000 in about 90 days and bought the San Diego Country Club place where they were playing, down there at Barnett Avenue and the adjacent land and gave it to the Federal government. And that is how the Training Station got started. Then he got the Army engineers to dredge the bay and from the reclaimed land, the city gave them 400 acres for the Marine Base. Bill Kettner was the Congressman for Inyo, Mono, Orange, San Bernardino, Imperial and San Diego Counties. That was the area he served. He did something for every one of them. I have a great admiration for that fellow. He really got things going. Everybody like him. You could meet that fellow for 5 minutes and you'd think he was your brother. He just had that happy faculty of exploding his personality to you. He was a great guy. I used to wait on him as a boy, as a teller. He had an account there at the bank. He had an insurance agency, Kettner and Stafford, and then there was another member who came in, a fellow by the name of Goldsmith, who at one time was the mayor of East San Diego. Kettner, Stafford & Goldsmith, and that was all the fellow had, was the income off of that, and then he had to sell that interest when he was back in Washington. He practically spent his fortune doing something for the City of San Diego. He could have been a lot wealthier man if he had never gone to Congress. That is the reason Spreckels thought he needed help. He was one of the biggest contributors, but he did the right thing, he picked the right horse. That guy, Kettner, did something for us.

**RW:** So often you hear of people that are less than honorable and then when you hear about someone who is honorable, they kind of stand out.

**AB:** That made an awful impression on me as a boy, that time Mr. Belcher and I went to that dinner down there that night. Here was the wealthiest man that I knew, and probably was on the Pacific Coast, that couldn't address an audience. I thought to myself, "You'd better take recognition of that because you may have the same necessity yourself, some time." Of course, I had a wonderful bosses in Belcher, Pfefferkorn and Whitcomb, fellows who were in the bank, the vice presidents. As my father had died, they acted almost as parents.

**RW:** That's Belcher...

**AB:** F. J. Belcher, Jr. He was a senior, but his name was a junior. His brother and his son worked in the bank too, Frank G. (Garrettson) Belcher. Then Sheldon Belcher was his brother. Then there was M. C. Pfefferkorn. He was a Navy chief who served four years in the Navy to get his citizenship. He came out in 1906, right after the earthquake in San Francisco and went to work in the bank and was in there for over 50 years. And Walter B. Whitcomb. Then there have been successors of them. They have been benefactors of mine for they taught me. You know, as a kid 15 years old, you get into a lot of trouble if you don't have the right guidance. They were on top of me all the time.

**RW:** You just started working in the bank, you didn't realize you wanted to make a career of it?

**AB:** No. It was the first job I could get. You see, in my day, you either had to join the Navy, go fishing, or you had a chance to go to work in a bank, the gas company, or a department store like Marston's or Holzwasser's, or else go to work for the County or the City, which was very limited. You were limited. We used to export people here, just as Ireland has exported a lot of people to the rest of the work, Scotland and the British Isles the same way. We exported many boys. Take, for instance, George Champion was in school with me. He went back to Dartmouth. He never came back; he became Chairman of the Board of Chase Manhattan (a bank in New York City.) Ken Zwiener went through here; he worked in the bank with me for a while. He left and went to Chicago, because there were more opportunities away from here.

**RW:** What did Mr. Zwiener do?

**AB:** Mr. Zwiener became Chairman of the Board for the Harris Trust (Chicago) and Jimmy Rose left and went back to New York, another kind of a classmate. He became president of Electric Bond and Share Company. Charley Fletcher, he had to leave and went up to Los Angeles and went to work for the Security Bank, then came back and organized the building and loan which became the Home Federal Savings and Loan Association. There were no colleges to go to here. There was the Normal School which did the education for teachers. It was practically all women; in fact, it was all women for many years. Dr. Hardy was the principal and president of it, but the kids had to leave here and go to Stanford or California (at Berkeley), or go back east to Yale or Harvard or Dartmouth or someplace like that. So when they once got back there, the opportunities were so much greater that many of them never came back. And that was the example I had with some of my classmates. Then I met them later in banking and some of them became my closest friends.

**RW:** You went on later to college, didn't you?

**AB:** I went to college for one year. I saved enough money, I had about \$300 saved up, and then World War I was just ended and I speculated in German marks and made about \$100 one December. I used that money and went up there (UC-Berkeley) and then it ran out and I had to come back and go to work, which was all right. I don't regret not finishing college because the associations that I had in banking were better for me than any college education I could get. When you can associate with people like Spreckels and Belcher and Whitcomb and Pfefferkorn, you were mixing with the top-grade people; people that knew their business, were fundamentally sound, honorable men, and I don't regret not being able to continue college.

**RW:** You were getting lab work, not theory.

**AB:** As I say, I finished high school working and so when I got into the bank, I started the same thing myself with the other boys. We took boys out of college, who wanted make their way through college or high school, and gave them part-time work. They would work in the bank, and in doing that they got an idea of what they should be taking in school. They knew they needed some commercial law, they needed more mathematics, they knew they needed certain things that, if they were not working, they would have been taking some other courses. So it permitted them to centralize on the education that would be effectively used in business. The first twenty boys that we put through there, eighteen of them stayed with us, one of them went to Los Angeles because his family moved up there and went with the United California Bank, and the other boy wanted to go over to Imperial Valley to try his luck there on selling. He didn't like it; he came back and went to work for San Diego Federal. But twenty of them stayed in finance by getting that training. On-the-job training, you can't beat it. It is the finest way to educate an individual into business. You take him as a youth and he gets the fundamentals of it, he gets the menial work and you find out what his integrity is; what his ambitions are; and, by gosh, you can help them along. They make enough money to go to college and finish their work, it's the ideal way.

**RW:** If they look like, to you, that they are not suitable, then you can just quietly get rid of them.

**AB:** If you get a square peg for the round hole, you let them know so they won't be wasting their time and they get into a square hole someplace in another industry, if they don't like banking. But it was very interesting, the number of boys that they have hired down there, how many of them stayed in the bank. Practically all of our branch managers in the early days were all youngsters that worked after school. They were fundamentally versed in the conduct of the First National Bank; they knew its principles; they knew its methods of operation, they knew the territory, the area in which they were working; and therefore they were very successful.

**RW:** They went through all the different steps from teller...?

**AB:** As a messenger, then a bookkeeper, then a teller, then a savings teller, then a new accounts clerk, then assistant cashier, cashier, assistant vice president, then vice president, to president and chairman of the board. They moved me right along. I worked in every job.

**RW:** You know, the thing I was going to ask you was some of our deals are non-decision making work. In other words, accounting, a lot of that.

**AB:** Bookkeeping, very menial. But it was very exacting work, you couldn't make mistakes. The posting in those days was on the Burroughs machines. When I went to work in the bank, they were just going out of the hand posting, what they called the Boston ledger, where it was all done in pen and ink. You never got a job in a bank unless you were a good penman. They just stopped that and bought the first Burroughs machines that were ever used in the city of San Diego. That Burroughs machine was the workhorse. Like the DC-3 in aviation, it was the unit that put all the banks together and they all utilized that. Then from that they've gone into the IBM and the computers, you know, since that time. But the training that the boys got on that old style bookkeeping was more effective in banking because they could break the ledgers up. Originally, the ledgers were A to K, L to R, S to Z. That was about an even balance of respective business. You changed the bookkeepers about every six months; one would post A to K, then after six months, post L to R, 'til you got so you knew the whole banking system. You knew everybody so you could almost tell what their balances were. When a customer came in, you knew him by name, you knew him by signature, you knew him by what his bank balance was, you knew what he did; you had a contact with him. You don't get that with the machines today. It goes in there as a number and, bingo, you've pushed the wrong button and ten million dollars flies out.

**RW:** The thing I was looking for -- you get to a point where you have to make a decision on who you are going to loan money to, who you are going to trust --when does that come into play?

**AB:** You learn that as you go along on the various steps. When you are a teller, you learn the characteristics of the account: number one, who has overdrafts, who has a balance and who doesn't. Then you go through a system of training. It's all based on character, capacity, collateral and capability. If he doesn't have the right character, you shouldn't be doing business with him. Character: what is character? Is he honorable? Does he treat his help right? Does he run a good business? Capacity: How is he performing in his job? Is he expansive? Is he energetic? Is he capable? Is he doing well? Is he making money? That's another analysis. Capital: How much does he have in the business? Does he have enough to make himself successful? If he doesn't, then perhaps he had better have some collateral. You've got a system that works out. The fundamentals are the same today as they were 2000 years ago, the fundamentals of lending. In recent years, the new method, they've thrown in another "C", Circumstances. That's cost them more money, then violate the right, because if the circumstances are right, the economy is going up and everything and all of a sudden, it turns the other way and you have a bad loan. But basically all credit is extended on that basis: character, capacity, capital, collateral, and conditions. I said "circumstances", I mean "conditions". Circumstances is the same word in many respects. But the economic conditions might be awfully good but you can violate some of the capital requirements or the capacity for operating because many people can make money under certain conditions, but when the going is rough, that's when they weed out.

**RW:** An interesting thing -- a gal I know who works in a bank, told me this three years ago. What I will always remember is that a fellow will drive in, in a Mercedes-Benz, dressed up, coming in to borrow some money to live on. And a guy comes in, like a farmer in levis, and he can buy the bank.

**AB:** That is true. You have all types of people. You've got to be able to visualize that. You have certain methods by which you do it, and after you get to know people, you've had experience with them, and find the relationship of their payment habits and the living habits, well, then you can repeat the loans because it's been satisfactory to you. That's a peculiar thing. You get someone who negates the principles of good credit, forgets to pay and have other reasons to use the money, then they think you are prejudiced. It isn't prejudice; it's experience. They mix prejudice with experience. Somebody comes in to me and he beats me once, he is never going to beat me the second time. He's had it! That's not prejudice; that's experience with that fellow. What I mean is, they mix those two words so many times that it is irritating.

**RW:** Do you think you are a shrewd moneylender, or you've just had enough experience?

**AB:** Oh, I don't think there is any such thing as a shrewd man in lending. You are consistently analytical. If that is shrewdness, that's what it takes in credit extension, the analysis: the analysis of those four "C's". One fellow might take those "C's" and analyze them differently. The deepness into which you are going, and the thoroughness. The goal of adequate lending is, "a loan well made is half repaid." In other words, if you don't do your homework before you make the loan, you are going to have trouble in the end.

**RW:** That's the same when renting out an apartment.

**AB:** That is true. If you get the wrong tenant in there, you might do it the first time, but the next time you've got to learn something.

**RW:** OK. So, if I wanted to go make a loan somewhere, if they were smart they would have checked me out thoroughly.

**AB:** They have means of getting your background: what your paying habits were with other collectors, other collections, such as maybe your department store operations, or buying a car, or buying a home, or buying some other instrument or something. They get a record from the central agencies. Then your conduct within the bank is very important. Are you a saver? Are you a spender? Are you thrifty? Are your balances maintained properly, don't have any overdrafts? All those things add up, you know, so you get all this information before you make the loan, not after.

**RW:** That's what I really wanted to find out, that part. But can we go back to the early 20's, after the war?

**AB:** Still in Prohibition.

**RW:** Yeah, how did that affect here?

**AB:** Well, it didn't affect the economy very much. We had some of the liquor dealers that closed up, some of them changed into other businesses; others closed the place. Lawson's up there on Broadway, he had a big liquor store. The night that Prohibition went out everybody who wanted liquor went up there and bought all they could, you know, and put it away. You could own the stuff as long as you weren't buying it. It was for your own use; you couldn't dispense it to people for a price. Old D.F. Garrettson, the chairman of our board, liked a little bourbon highball at night. He used to buy his bourbon from Kentucky in a barrel and they put it in his basement. One day his wife called up and said "Tell David the house is on fire!" We went in and told David that there was a fire up at the house and he said, "Oh my God, Andy, phone her right back and say, "Don't let those firemen in the basement." They got the fire out without too much trouble. He lived at 1st and Laurel.

**RW:** I read an interesting account of the Coast Guard version of the Prohibition days. The author, I think, was a real shrewd Coast Guard commander. He said that that was the beginning of the decline of the United States because the people thought it was fun to beat the "Feds."

**AB:** I joined the Rowing Club when I was 17 years of age and we used to row every morning.

Those rum-runners were running in the bay and out in the ocean all the time, you know, and they would unload that liquor at different places along the Strand and pick it up in trucks and run it down and around. Sometimes they would take it over the Strand and put it on another boat and bring it into the bay. When you'd get a foggy morning, those guys were running up and down there all the time.. There was no way you could catch them. There was very little of the Revenue Service here at that time on the bay. The Coast Guard is the outgrowth of the Internal Revenue. But there was a lot of it going on. We used to see those shore boats running up and down the bay. And it ran for a certain period of time. I've never been addicted to liquor; I have no use for it; I serve it in the house for anybody that wants it, but I've never had a glass of beer or an ounce of hard liquor in my life. I never saw it in the house when I lived with my mother and father. She didn't believe in it; she was a strict Presbyterian. The fact is, going to communion, she wouldn't even let me take any grape juice.

**RW:** Are you still active in the Presbyterian Church?

**AB:** No. I don't go so much; my wife goes very diligently every Sunday to the services. I convene with the good Lord on the golf course. I've needed His help lots of times. We probably ask for more than we give when it comes to shooting golf.

**RW:** The '20s was sort of a growth time, wasn't it?

**AB:** Yes. It went along up to the time of about '29, San Diego was growing, there was nothing that could hold it back. It didn't have a fast growth, but it had a good climate; it had some fishing industry; the Navy was concentrating here; the tourist trade was beginning to develop; we had lemons and oranges, and then the introduction of avocados came along just about that time. Agriculture picked up in the form of chicken and turkey production and then we raised a lot of celery down at Chula Vista; and also, strawberries came into being.

**RW:** Before that, honey used to be quite a big thing.

**AB:** Yes, there was quite a production of honey here. We had the bee dealers. Wright was the honey bee dealer down on 5th Street there. That was pretty good, and then the production of eggs and poultry became very important. You know, when they dumped the culls -- they had to sort those

lemons --we used to get a top-grade fruit in those days. Oranges could have no blemish on them, lemons were perfect, and the culls that they didn't use, in those days they didn't use them for juices as they do now. They dumped them in the bay. I've seen that bay at the lower end there just yellow and orange with those things. Citrus is about half the density of saltwater, half of it floats and half of it is down. And you'd row your boats through that stuff. It was a very interesting and unique thing with that citrus. The Army engineers, when they built the entrance to that bay and put up the breaker there, the water breaker off Point Zuniga, the angle in which they placed that was very important and one of the things they did to find out what the angle flow was, they took citrus and watched it go out of the bay. It would float out and then it went a little bit south and turned a little bit north. Consequently, this bay has had the least necessity for dredging its entrance as any bay on the Pacific Coast.

**RW:** That is true, you don't see them dredging out there.

**AB:** They've had them here. The 71 feet out there at the end of Ballast Point which is the deepest and where the submarines are now located, that big bay of deep water is there and then it shoaled off down at the other end quite perceptively, but then that was because of the mud and everything that came in from the river in the wintertime down from National City, Chula Vista and Imperial Beach. And of course the salt works came in there which has been a wonderful business. That was developed by Babcock, the same fellow who built the Coronado Hotel. Then Henry Fenton bought it from the Merchants National bank. They inherited it because they couldn't make a success of it. He sold it to Henry Fenton and Fenton never had a bad year the whole time he owned it. The heirs now have it and it's good. Nature dries the water up and they get the production from the saltwater. Very good industry.

**RW:** During that period of time, you were working more in the bank, not as a messenger anymore?

**AB:** I was a messenger for a couple or three years and became a bookkeeper. Then I graduated from the bookkeeper's to the teller's cage. Then I graduated from the teller's cage to the new accounts desk.

**RW:** This was all in the '20s?

**AB:** Well, no, not all of it in the '20s. I was at the new accounts desk in 1927 when I was married for the first time.

**RW:** When did you graduate from high school?

**AB:** I graduated in 1920. I graduated from grammar school in '14, but I stayed out for two or three years, trying to get a dollar or two together so I could finish up. So I graduated from high school in February of 1920. I went to the University the following fall, say September of 1920, and stayed until April of 1921. At the University of California at Berkeley.

**RW:** Did you meet some pretty exciting people at that time, or do you recall some interesting things that happened during that time?

**AB:** Well, I had joined the Rowing Club. Of course, in those days, practically everybody who amounted to anything was in that Rowing Club; the mayors, the presidents of the banks, truck drivers, department store George Marston; all of them belonged to that Rowing Club. They were disciplined; there was no monkey business, you either rowed or swam or lay in the sun, you didn't get into any trouble because there were older people supervising you all the time.

**RW:** Did you join for health reasons or for social reasons?

**AB:** I joined for athletic use. The only other use then was the YMCA and I'd rather be outdoors than indoors. So everybody joined the Rowing Club. You go down that list and every mayor up to Johnny Butler came out of the Rowing Club; every one of them were members, and practically every councilman, and pretty nearly every supervisor -- they all belonged to the Rowing Club. They were the businessmen, they were the doers and, of course, it's gotten into bad days now, we are doing our best to save it. I hope they move it over to Mission Bay, but we'll need some money, we'll have to raise money for that. Gotta get a location for them to keep them going. We can't afford to lose it; it's too important a club for this area. This community has been a poor supporter of men's clubs. The San Diego Club went down the drain, the Cuyamaca Club had to be taken over by Army Smith and is now run as a private enterprise; the University Club has had hard going. We don't have that congealing of the industrial or business heads as they do in San Francisco. San Francisco is a great city for club.

**RW:** Do you think here the men are a little more competitive than supportive?

**AB:** No, I think it's because everything is spread out here so much. The center of population now is probably up there in Clairemont. Whereas, in the early days, when these (clubs) were so successful, the population was at 5th and Broadway. In other words, you didn't go much beyond Broadway. All the businesses were south of Broadway; all the produce businesses, the merchants in papers and stocks, the Courthouse, was on Broadway; the city offices were below Broadway. The center of town --all the streetcars came in to 5th and Broadway, and that is the reason why it was the center of the city, because you had to come down here to catch another car. So those four corners were the benchmark for assessment by the County Assessor, all four corners were assessed equal value. Say, they were around 800 and some odd thousand; it was in 1929, they had the Tax Factors, Incorporated, come in and made an appraisal of the entire county and the city, and they made the appraisals of all these values. In 1933, you could have taken those values, and they were true values as of that day, cut them right in two and that's where you were. We could have bought our corner there for \$375,000, at 5th and Broadway. When I see these values now I wonder what the end result of this is. You know there is a limit as to how high or what people can pay for things, and when you reach that, what happens then?

**RW:** That is what I was going to ask you later on in the tape, but I'll do it right now. What do you think the future of San Diego is?

**AB:** Oh, I don't think you can hold San Diego back. If we don't destroy the climate, which I don't think we will. The climate alone is going to bring people here, if we had nothing else, nothing else! We could eliminate everything here and you'd be having people come, even if we didn't have a single business. But now we are getting businesses, we are getting good types of businesses. We are getting the head offices of institutions. We've got Sony, and Burroughs, IBM, and 3M, Cubic. We got some of the finest industries in the United States, General Dynamics. Reub Fleet, when he brought them here, revolutionized the water system. They had to bring water for these people, they had to build highways to get them to their homes. Those things revolutionize your thinking.

**RW:** Do you think that the future is still a good investment in San Diego?

**AB:** At this price, that's another story. At the prices they are getting, I don't know whether it is a good investment. I'd be very hesitant to be paying \$400,000 and \$500,000 for houses built for about \$55,000. I'd look twice at that. In 1929, when I was a boy on the credit and note department (desk in the bank), handling all the credits on collateral loans, on October 13th, we had that "Black Friday" and the stock market just plummeted. Stocks like Bank of Italy that were around \$600 or so dropped to or three hundred points in the market. And everything else: General Motors got down to \$5 per share. People were killing themselves, there were suicides because they thought they were wiped out. And they were too old to go back to work. We had three or four suicides right here in San Diego over that "Black Friday." Boy! that taught me a lesson! You just don't know when you retire exactly what you need. Now we are getting the opposite: instead of the depreciated values of the stocks or investments, we are getting the inflationary costs

which reduce the purchasing power of what you have. So, people are really scared as to whether they have enough to live on for the future. That is the problem that individuals have today on retirement. To live comfortably today may not be the same tomorrow, with the costs of everything going up.

**RW:** Did you or the bank have any idea of this "Black Friday," the depression coming on?

**AB:** Some people had an anticipation of it, but I would say the reaction of the market was pretty precipitous. Very few people had liquidated before then, in my experience in looking over the books. Very few people had anticipated this enough to liquidate so as not to get caught.

Then, of course, in '33 we got into the depths of the depression when Roosevelt was President. I went down there one day in March, I've forgotten the exact date, but they used to deliver the telegrams and put them under the front door, and the first man in the bank would open the telegrams to see what they wanted right away, to get that going, that was the first priority in work. Well, there was a telegram there from the Comptroller of Currency (Federal) which said, "Under Executive Order all banks were to remain closed until further notice." I looked at that thing and I got ahold of Mr. Belcher and said, "Mr. Belcher, there is a telegram down here closing the bank." He said, "Who signed it?" and I said, "The Comptroller of Currency." He was the boss, he was the one who controlled the national banks. I said, "We've got plenty of money, we're not going to close, are we?" "Andy," he said, "if you don't obey that order either the President or the cashier will be going to jail and I'm not going to jail. Don't open the bank!" So then we had that to contend with. They let us pay \$10, every three days I think it was, to the families so they could get bread and butter and then we cleared the drafts on the perishables, like butter and eggs and so-forth. They we put all the assets together, all the banks of the city, to issue script. Because when the banks close, what do you expect? We knew there would be a run on the banks. Well, then, you are not going to have any money, you can't get money that fast from the Fed, so they put all these assets together and worked night and day for over four or five days, putting these assets together and appraising each other's submissions, like we'd appraise the Bank of Italy's submission and they'd appraise ours. The San Diego Trust would appraise Citizen's and so forth. So they had this all there and then we had this script printed up and had to send up a convoy to bring it down. The night before, we'd been working all night and we had some cops down there, so you worked 'til you got fatigued, you'd get a little rest and start over again. Belcher had gone back to Chicago and he came in to me and said, "Andy, what are you doing up here?" And I said, "Well, we are putting all this collateral together here to issue script," and he said, "Why?" I said, "I don't know, I've been told to do it." He said, "People will never use it." And I thought, "Ye Gods, never use it!" You know, we opened up in about two days. In the stores, people had bought stuff, like groceries and other things, and they had to pay cash and left some checks, and they had so much money in stock it was more than their insurance covered. Gosh, the stuff just poured in and we had to work all night, keeping up with the books. I often thought in a situation like that, maybe, occurs once in a man's lifetime and here was all these other bankers who said we had better get this script out and Belcher said, "We'll never use it!" There was one guy who went against the grain and he was right. That, to me, made an awful impression on me as to the ability of F. J. Belcher, Jr. I got fairly close to him during the years. He wasn't an effervescent type of man. He was very reserved, but, boy, he was a thinker!

**RW:** He is the one you visited week after week, all those years?

**AB:** No. Pfefferkorn, when he was sick. He was the one who hired me.

**RW:** Excuse me, but I don't want to lose this. You say that people would go to a store and they would pay cash, or write a check. Were the checks any good?

**AB:** Oh, yes, they would have bank balances, you know, with the banks.

**RW:** But the banks were closed. You were the bad guys!

**AB:** They had balances, we weren't just paying them any money. We were closed. And you thought there was going to be a run on the bank. Individuals came in and a lot of them took money, but the businesses had to continue to operate. They may have had to run their balances down somewhat but never closed them out. Then Ferris & Ferris, and Whitney, and Marston, and Holzwasser, Lion Clothing Company, they had so much money in those places and it ran over their liability with their insurance. It filled their safes, they had to get it out of there.

**RW:** Do you think people were panic-buying then?

**AB:** No. It was mostly necessity. You know, just because you can't get money from the bank doesn't mean that you are not going to eat. You have to eat, you have to clothe yourself, you needed utensils to repair things, and things like that. So life went on, but people began to wonder, because when that depression occurred a lot of people were out of work, it got up to 20 percent, you know, of unemployment. I can remember to this day that some people had to take a reduction in salary and I was very fortunate, I never got a salary reduction, which was the same as getting a raise because everything went down in price. If you had the same amount of money you could save \$5 or \$10 a month more. I was very fortunate, my salary wasn't reduced. But some of the officers had to reduce theirs. The lower levels, they didn't touch them, like the bookkeepers, tellers and the assistant cashiers just went along. But that was quite a lesson. I think I got some of that script. I'll show it to you before you leave, it is very interesting.

**RW:** That's another thing, one thing we would like, if you ever have anything of historical value that you would like to have in the Research Library...

**AB:** I've got a copy of that script and I think I will give you some for the museum up there.

**RW:** And a copy of this, too.

**AB:** Yeah, you can take that and make a copy and give it back to me. I've got another more recent one that I ought to get -- I don't know where it is. I know that I had it the other day.

**RW:** That's one thing we do, anything that you have will go into the Research Library to be retained and used.

**AB:** Do you have enough room for all your depository?

**RW:** Well, we are hopefully going to get a new area up at the park. It is all slated to go in there.

**AB:** They are having a few problems up there today to see if they want to move that money around a little bit. I am interested in the Hall of Champions and they are figuring on getting that 15,000 feet in there, you know. Now if that isn't built, we've got a mess.

The '20s were an exciting time. We had Prohibition, we had the cessation of war in 1918, and we had the collapse of the economy in the '30s. And then she started going up and then the war came, World War II. It put a cramp on everybody, but it soon passed. Then the Korean conflict came in, then Vietnam. Seems like it has just been a continuous series of wars and conflicts.

**RW:** Were you involved with this "geraniums", this "smokestack" business?

**AB:** That was going on. Louis J. Wilde was running against George Marston for mayor of the town and it was on a basis of smokestacks against geraniums. They had a replica of a locomotive going up and down Broadway. "Smokestacks instead of geraniums - Louis J. Wilde." He had that house up there at 23rd and Broadway. He was one of the originators of the United States National Bank, and he is the one who got the money, or gave

the money, for that water display there at Horton Plaza. He beat Marston. I think Marston would have made a good mayor. I have a lot of respect for George Marston and Arthur Marston, because they were people who were sound and beneficial to the city. They did many things for us.

I have an experience with George Marston. He was a member of the San Diego Country Club and, in the depression, the membership went down and down and down. It went from 400 down to about 170 people. They owed the bank about \$32,000; they hadn't paid the interest for about four years, or the taxes for four or five. They owed the trade creditors about \$3500 and the membership was going down. They had 50 permanent membership, fellows who had put \$1000 up which was supposed to give them a permanent membership in the club without any further payment of dues. So this thing kept going down and it finally ended up with these 50 guys who were not paying any dues, what do you do? They made me president of the club when they were in this trouble. They owed the bank and they figured the vice president of the bank couldn't very well foreclose. So we got hold of Dempster McKee and he put the whole thing into the Federal District Court here to determine what the equity was of the respective members. So the Court decided that these permanent members would have to defend their position, either to pay the mortgage off and the debts, or they should become the same as any other member. They had that preference. So they gave me the job of talking to these fellows. I remember going to George Marston and I told him what our problem was. He said, "You know, Andy, I gave the club \$1000 and I have a contract written on that thing where I am a lifetime member without dues." I said, "You are absolutely right, Mr. Marston, that is exactly what it says. But the time has come where you've got to protect your interests. Do you want to pay the bank's mortgage of \$32,000 and the taxes of about \$5000 or \$6000, and the trade creditors?" "No," he said, "I don't intend to. Give me the other membership." Once we had him, we got the thing going. Boy, the way that thing worked out! But he was a very logical man and he wanted the thing right, but he said, "I've got this contract" and I said, "You are absolutely right, you've got the contract."

**RW:** But you were shrewd enough to present it that way, though.

**AB:** Well, that was just common sense, I guess. You know, he taught me a lesson. You better be right when you went to him. I couldn't deny he didn't have a contract, because it was written right in the thing. There was no use negating that. So I said, "Sure you have, but now do you want to protect that interest that you have, you've got this interest in the club, but you owe the bank \$32,000 if you are going to do that, \$3500 to trade creditors, and you haven't paid the taxes for nearly five years." So I gave him the names of the other memberships. It worked out, we saved the club.

When they gave that land to the Federal Government for the Naval Training Station, F.J. Belcher, Jr. was the selector for a new location. The club should have gone north of the river out there in Mission Valley, but there was no water there. That's the reason that land was selling from \$10 to \$100 an acre. You could buy anything you wanted up there for \$100 an acre on the other side of the valley where Mira Mesa, Linda Vista and all those places, there was no water there. The wells they drilled were dry. There is no well water there, very little, and consequently they went down south. In those days, in the '20s, why everybody used to leave and go down to get a drink in Tijuana, so Chula Vista was right on the road. Belcher bought that 140 acres there for about \$33,000, 140, and a fraction, acres. We organized about 400 members and they bought that under the name of the Chula Vista Land and Improvement Company. It was a holding company; you had to have an interest in that in order to be a member of the club, and then you had a membership in the club. Then we finally consolidated the two, the Chula Vista Land and Improvement Company and the San Diego Country Club became one. One was the holding company for the land and the other was the membership in the club. Belcher was one of the life-bloods in saving that thing. He did so many things. He was treasurer of the money organized to get the land to give to the Government. He was treasurer of the fund that was organized to build that little harborette over at Coronado when the bay wasn't deep enough for the dreadnaughts to come in, and they wanted landing space for the shore boats to come in from the roadsteads. He was a great guy, Belcher.

**RW:** That was something I was going to ask you, people whom you don't normally hear about. Like, everybody hears about Marston, Spreckels; but Belcher is a name I never heard about. That's great, I'm glad you mentioned him.

**AB:** He always kind of kept in the background, but an important part of it.

**RW:** I find that in things I've been involved with, I kind of like to stay in the background so as to make things happen. It's more fun that way.

**AB:** And Kettner. I talk with people today and all they know is a street down there named "Kettner." There used to be a fireboat named *Bill Kettner*. Old Chief Almgren (Louis) used to be a great friend of his. He named the first fireboat we had the *Bill Kettner*. It would only go about six knots, the fire was all out by the time it got down the bay. Yes, those were great people: Chief Almgren of the Fire Department; and take the mayors of those times. My closest crony was Harley Knox, who, I think, was one of the great guys in our local politics. I don't think there is anyone who has had a better record of doing something for the community than Harley.

**RW:** He was mayor when I came here in '41.

**AB:** Was he? Then you know him. He and I grew up together, raised our families about the same time. He was in the dairy business and I went into the bank and we used to row together every morning. We went around the world together; we rowed up and down the coast. Absolutely one of the finest men that God every invented to live on this planet. Just honorable and energetic, capable, very capable. He got those two barrels for us, you know, from the Navy to bring the water in. We wouldn't have had a city without it. He took the chances at the right time. He got things going; he had everybody with him. The growth of the city was stirring then and of course World War II came along.

**RW:** You are talking about 1935, '36, '37?

**AB:** And into the '40s at the beginning of the war, '41 and '42. But I can't say enough for the ability of Harley Knox as far as doing something for the community. He was successful in his dairy operation; he was a wonderful father to three wonderful daughters, had a wonderful wife. He had the happy faculty of just being able to get things done by getting the cooperation of the people.

**RW:** Especially the Council.

**AB:** Yes. No man can do these things by himself. He has to have the ability to bring others in. And Harley had that faculty.

**RW:** I understand that some of the mayors before him were less than honorable.

**AB:** Well, we didn't have too much, we had a little trouble, but you go back -- Percy Benbough was a high grade guy. Harley took his place, you know, when he died of cancer. His first term was a part term of Benbough's, before he was elected again. Benbough did a lot of good in this town in his own way. He distributed a lot of money around to the poor, turkeys and stuff at Thanksgiving and Christmas, which nobody knew about. He would go out in his car and deliver the stuff himself. A pretty high grade guy. We had one mayor that used to have trouble with drinking. He cracked up the "Black Maria" that they had there, about every other week or so. But, on the whole, San Diego has been blessed with fairly good government. I think that is one of the reasons for its success. Not a hundred percent, I don't think any city has over its terminology or time, but basically we've had honest people; not too astute, some of them, but if they are honest you are better off than having a shrewd guy who is a bit dishonest.

**RW:** Didn't you bump heads with Dail, though?

**AB:** Charley Dail? Yeah. I was on the Harbor Commission and I resigned there when I found out that I didn't know what they were doing with the airport. They told us on Tuesday to go ahead with the development of Lindbergh Field, and on Thursday when we came in, they said "This doesn't

go," after we made the contract. I said, "Wait a minute, did you know this Tuesday?" And he wouldn't answer the question. So I said, "You need a new Commissioner in my place. You've got to have the cards above the table as far as I am concerned."

**RW:** Why didn't you stay and fight?

**AB:** Well, because you don't know whom you are fighting. They have the power of appointment and rejection, you know. You don't get elected to that thing, you get appointed. He'd have the right to pull me off of there if he wanted, by his submission to the Council. I was on there 14 years and that was enough. When I found that their word was being violated, in that particular situation, I said, "There is no man who is smart enough to stay under conditions like that."

**RW:** Did you know a Carl Reupsch?

**AB:** Carl Reupsch, he was the Business Manager when I was there, a very intelligent man.

**RW:** I did an interview with him over Christmas and naturally I know some things about the harbor and some of the people. He couldn't speak highly enough about John Bate, but he couldn't say too much for Joe Brennan.

**AB:** Well, he wasn't there too long with Brennan.

**RW:** Yes, I know, but he picked up the pieces.

**AB:** Yeah, that's right. Well, Joe ran the thing in his own way. He had great attributes of being able to get along with people and do things with very little money. And if the law said, well, you shouldn't do this, and if it looked like it needed to be done, it happened. Carl was a very competent man. I like Carl, he was a good man; his wife, too, a fine wife.

**RW:** They just got back from China.

**AB:** They go all over, every year they take another trip. Carl saved his money and bought some real estate and then he has his pension and his wife was a nurse. I think they were frugal and, in doing that, they are able to make these trips now; and more power to them as long as they've got their health. I wish them the best.

**RW:** You know, I'm gaining, out of these interviews, because I look at you fellows and I say, "These are things they've done and there is no reason why I can't do it."

**AB:** That's right. There is a lot of common sense to it. It's not really great intelligence, it's a matter of fundamentals. You know, I look back at some of these people and they all had to struggle, things didn't come easy here. The Campbell boys on the waterfront; and Wiley Ambrose of Westgate. They had problems with the fishermen, they had problems with the help, they had problems with the Government. It's the same now, but they systematically answered them and accomplished those results regardless of them. Old "Cap" Hall, I have great admiration for old "Cap" Oakley Hall. He was a young fellow, he may be a graduate from grammar school, I don't know, but I don't think he graduated from high school. He is one of the most astute men that I have ever seen in real estate. He could analyze real estate. I'll never forget one time when we wanted to put a branch down there at Rosecrans and Midway. There wasn't much down there at that time, we were pioneering a little bit. So the board, as a general run of the mill, wasn't too much in favor of it. He asked me, "Andy," he said, "what's your cost on this?" "Well," I said, "we can't buy it, but we can get a 50-year lease and it

will cost us \$330 a month." He turned to the board and said, "If the board doesn't want this, I'll take it." They all voted for it right away. If Hall would take it there was nothing wrong with it. Oh, he was a great friend of mine, "Cap" Hall.

**RW:** I knew his son, Bud Hall.

**AB:** Bud, yes. They've sold the marina down there, he and his brother. I had to laugh at Oakley Hall. He did most of the things in his office, he didn't let those boys do enough. He had two good, capable boys and they could do anything in that business that he could do, but, just like any father, you always think that you do it better than they do. He was in business with Ralph Chandler. Those businesses down there with the building, the oil business and the tugs and the seining marina: there were fifty partners and when they got about 80 years of age, he said, "Ralph, we ought to divide this business some day. We are getting old, and if they have to do it in the estate, we might as well do it while we are alive." So Ralph said, "All right, you work out a deal there and see how it goes." "Cap" Hall came to me and said, "I can't get that fellow to make up his mind." And I said, "Well, what did he tell you?" He said, "He wants me to divide the business but he can't make up his mind what he would like to have." So I said, "Why don't you do this, "Cap", why don't you divide it in two and give him first choice." So he said, "That's a good idea." So he divided the businesses in two and said, "Now, Ralph, take your pick." He couldn't make up his mind what he wanted and "Cap" Hall got his pick. He wanted the ship repair because he had his yacht and he wanted a place to take it for repair. So they both ended up with equal distribution, but he couldn't get Ralph to make up his mind as to what he wanted, so they did that and it came out all right.

**RW:** But he knew how the other guy would react to that?

**AB:** Well, if one person divides a deal and says, "Now, you take your choice." You can't do anything more fair than that. If there is an inequality there you are giving it to him. If it is an equal thing, you are both equal. If there is something that you'd rather have, you take it. It's an honest way to divide a common interest.. You divide it in two in equal values from the appraisals and the income, net worths and so forth. "So there it is, Ralph, now you take your choice, you take whatever you want." He didn't know what he wanted, so he said, "Cap" you take what you want." It's a very interesting system.

But, fundamentally, the fishing industry was good. The tuna men came up the hard way. There was one 2-man boat and gradually they worked in 10 or 12. Now they've got these five and six million dollar clippers, you know. We have always found those fellows, the fishermen, they are like agriculturalists, like the farmer. A person who is close to nature is usually a very honest man. He has to compete with climate; got to compete with weather, to make a living and he knows if he don't do it right, it is going to catch up with him. We've financed probably sixty to seventy percent of that fleet and never lost a nickel on a tuna boat loan and never had one paid on time, they never paid one on time. Because when they would go out fishing they never knew when they were going to get back. But I knew as long as they were on the paper, we'd never have to worry about it being paid. We never lost a nickel on a boat and we financed a lot of them, all sizes, from the small boats right up to the big one.

**RW:** That sounds like, for you, it was another example of judgmental thinking based on previous experiences.

**AB:** Well, what happened with some of that tuna trade, there were a lot of people who were not acquainted with the trade, like doctors or dentists or other business people who were getting into the business. You know when you go into a business that you don't know anything about, there are a lot of problems in those businesses, you don't know how to answer it, don't know what to do. But these people who grew up at the sea like the Medinas and Joe Marsh, the Soares and Modestas, all those people they grew up barefooted on those boats. They knew how to fish and they knew how to run the boats. We never had any trouble with them, as long as we had a real fisherman on that boat as Captain, that's all you needed. They grew up the hard way. But when you have a bunch of people who think there is a big profit, they'd have to take a weak sister as a skipper and you can't have a

weak skipper, not on a tuna boat. You've got to have a strong man. So it worked out very successfully. We were very fortunate in there and I've still got some wonderful friends in the tuna business. I see them every once in a while, have lunch with them occasionally. Joe Marsh, Manuel Medina, Soares, all good people, and they've all done well.

**RW:** Well, they worked hard at it, they paid their dues.

**AB:** The harder they worked, the luckier they got.

**RW:** Isn't that amazing, I wish a lot of people would find that out. I own an apartment house and the guys at work kid me about it, and I say, "Yeah, but I'm in debt and I'm working harder than I ever did. So I'm lucky?"

**AB:** They'll think you are lucky when you get it all paid off and then say, "Gee, aren't you lucky." But you really had to go through a period there of acquisition and development.

San Diego has been awfully good to the people here. Take the family operations, all have been successful. When I say "family" I mean people like the Jessops, like the Marston family, like the Fox family, like the Streicher family. When they all work in the business they never fail. Yes, the Anthony Ghios is another one, a wonderful example; the Gildred brothers. When a family works at a deal you never have a failure because they can work overtime, don't have to worry about paying somebody, they take the responsibilities and it works out. If any family came in for money, I'd give it to them what they wanted, for I knew they'd never let you down. And some of the families, the old Jewish custom of helping each other in another business and all taking a part of the business. So, if one failed, they had something else to start with. That's a pretty fundamental way of doing things. You get a lot of families in which the boys would go out, maybe one fellow would go into one business and another would go into another, but they would all have a little interest in each other's business. So if anyone failed for any reason, they've got something to start with.

**RW:** Well, that brings up somebody that was strange to town. Who is this guy, Reuben Fleet, who comes popping in here?

**AB:** Reuben Fleet was the president of the Fleet Aircraft Company in Rochester, and then on Long Island, New York. He was a flyer in World War I.

**RW:** Excuse me, when I said it that way, I know who Fleet is and there is a book out on him, but I'm just presenting it like: here comes Fleet to San Diego and you are a banker and you are used to dealing with people you know.

**AB:** We get the history of him from the other banks. In other words, we knew what his capacity was back there from his conduct there. We knew what his balance sheets were. He was a top grade guy. He was influential in a lot of changes here. There were 40,000 people working for that Consolidated (Vultee Corporation) you know, a great aircraft. He was a very forceful man. I have a lot of respect for him. He asked me one time if I would like to go to work for him as treasurer of the concern. He went to my boss, Belcher, to ask if he would have any objection, but Belcher told him "No," as he wanted me to stay in the bank. I didn't know that until after he got turned down by Belcher. I might have gone, you can't tell.

**RW:** O.K., then it still falls back on good sound banking principles, doesn't it?

**AB:** Oh yes, the fundamentals of banking, as I say, they are over 2000 years old and if you never forget those fundamentals, you are not going to be one hundred percent, but you are going to be 95 percent. So you don't have too much exposure. You have to learn the game from the bottom up. Nowadays, they are trying to train these boys who come out of college and they will give them maybe six or eight months on a desk, in a training program, and turn them into a loan officer. Well, you don't learn loans in a year, I'll tell you that. I tell you when you go through a depression, we had

to collect eggs to pay off notes, we had to sell fishing rods, hunting dogs, old wrecks, everything imaginable, from people who owned pianos. You know when they are out of work, they can't pay. They'd say, "Well, I've got these chickens and we'd have somebody pick up the eggs and sell the eggs and apply it on the note., One account we had out there in Lakeside, our collector out there would pick up 10 or 12 dozen eggs every Friday, bring them in and sell them to the bank employees. Got the note whittled down though.

**RW:** How about the Chinese Community?

**AB:** They were limited, very limited, but they were very unified and some of them were great gamblers. They always had a numbers game going. One of the games that they had was clearing house numbers. You buy tickets and the tickets with the last 5 numbers of the clearing house total would be the winner. Whoever had the greatest number of those. We'd clear at 11:00 and about 11:30 we would have the figures and they'd get that figure. You see, that's a figure put together by something that nobody would have any control on. We were the clearing house secretarial division of the clearing house at the First National Bank, so we did all the work there. Those fellows would pick this thing up and that would be the numbers they would have on their ticket sales. They would pay if you had 5 numbers equal, you got so much, 3 numbers, 2 numbers, and so forth.

**RW:** As businessmen, were they pretty sharp? Honest?

**AB:** In the first place, a Chinaman doesn't need as much to live on as the average individual. His diet is different, his clothes requirement is different, his rental requirement is different. He lives at a different station of life than the rest of the people. Therefore, all things being equal, he can put more money away. Many of them come here with ties in China and they used to remit every month to their wives back there, or had relatives back there and they'd send money back. And we had a lot of that going. Some of those Chinamen would get the gold pieces and they would put them in a gunnysack and stand over a basin and jiggle these sacks all day and abrade the coin and maybe wash it out and bring the coins back. We'd ship them up to the Federal Reserve, and in \$5000 we'd probably be \$20 short. When the coins came in they used to weigh them, you know. When we had a surplus, we always had a surplus of money, in a growing community you have a surplus of cash coming in that you have to dispose of; put in the Federal Reserve. We sent these gold pieces up; these eagles, double eagles, half eagles, and quarter eagles; then you'd always be getting a bill back for abrasion. Of course it wears out with use, as gold is soft, it wears faster than some of the other metals. But they used to jiggle these things, you know, and we used to lose a few dollars once in awhile that way. They're smart. But they had some nice little stores down there, some merchandise stores. And some trouble with the Tongs. We didn't have the real tong wars here. They had an occasion or two there, but not like in San Francisco. I used to walk through that Chinatown every night going to the Rowing Club, down 5th Street.

The center of town was 5th and Market, originally. Market Street was the widest street we had and that's where the Union Depot was going to go for the railroad. Spreckels came in and bought the land on Broadway all down that lower part, so they moved the station. I know my father-in-law bought the corner of 1st and Market. He paid \$35,000 for it and when he died in the late '30s, it wasn't worth that much; it was worth less, as the town moved up. Once the station went up on Broadway and the County Courthouse, and the City went there, all the business moved up that way, and Market Street lost its precedence as an area for further development. The Dobson boys there were farriers, they used to shoe horses there. I used to go down and collect the rent from them and the two boys would stop work. They owed \$35 per month and they would each take out \$17.50 from their pockets and pay the bill. That's the way they kept the thing going all day long. Any bill that came in, they each paid half. It was very interesting. Some of the old-time people who really knew their business. Of course, they went into welding later. The farriering became a minor job. There are a lot of horses here, but they are all out in the back country, so they went into welding and repairs.

Yes, there were some good old families here. The Hellers were a good responsible family, S.J. Wines Coffee Company was a local; Wiley Ambrose of Westgate Seafood Produces Company.

**RW:** You are going to tell a story about the Star of India?

**AB:** Yes. There was a General Douglas C. McDougal, one of the first commanding officers of the Marine Recruit Depot here. That auditorium is named after him, the McDougal Auditorium, and he was one of the few men that served in every service in the United States. He was in the Internal Revenue Service, the Cutter service originally; he was a soldier, he was a sailor, and he was a marine. Before that he served on that Star of India, made a trip on it as a boy. When I went down there with him he showed me where his billet was on that thing. He went around the Horn. He had a picture; he said it was very unusual to get clear weather to get any picture down there, it's usually foggy and cloudy and everything else. He had served time on that thing and he knew the ship forwards and backwards. We had lunch one time and we went down. He was a great guy. He had a boy in the Marine Corps who was killed, either the day of the Armistice or the day before. That really shook him up. But a really great guy; a typical Marine, a great stalwart, he had a little moustache. Just the type of guy that, if you got in an argument, you'd like to have on your side. I had great respect for him. He served in every service of the United States: the Internal Revenue Service which was the forerunner of the Coast Guard and the Marines and the Army and the Navy. They didn't have any Air Force at that time.

The Air Force was the Signal Corps at North Island. I joined the reserves over there right after the war when I was a boy, I guess it must have been about '19 or '20. I flew over there with them. They had old "Jenny's", de Havlland's. Captain Arnold, who became General "Hap" Arnold, was in command at that time. But they had a lot of awfully good aviators over there; fellows that really made history. When you look at the experiences there at North Island: first refueling flight, first seaplane landing, first landing on the old *Langley* [an aircraft carrier], and the Fleet crew was there too, they had some of us training there. You see, when [Reuben] Fleet came out I asked him "Why did you come to San Diego?" "Well," he said, "Andy, there were about two places we could come. We didn't want to go to Florida, but we could have ended up at Santa Monica or down here. But I wanted certain things when I put a factory up: I wanted a good climate where people would like to live. I wanted a climate that wouldn't interfere with my construction, like Buffalo [New York]; in the wintertime you can't get to work. I wanted a public airport because I couldn't afford to put my own airport in. And I wanted one near water because we were going to make water planes. I wanted an area that would be receptive to our coming. Where would we find all that? San Diego!"

**RW:** He did his homework!

**AB:** Boy, did he do his homework! He never did anything without doing his homework. He was pretty thorough, that fellow. I have to laugh, I can't find anybody that didn't take credit for getting him here; whereas, in reality, everything was in the wind to bring him here. He made up his own mind. You go down that roster of the Chamber of Commerce, everybody had something to do with bringing Fleet here. Yes, I have his book. It is very informative. There is one thing wrong in that book. When they put this sewer system through here, I went to him and told him I was against it, so he went and hired an engineer; had a bunch of papers and he told me, "Here, you read this, the guy says it's all right." He writes in the book that after I read this, I became convinced that it was all right. But I never did. I knew it was no use of me arguing with him any more. He'd made up his mind. Well, I'd made up mine, so we might as well quit because we would become enemies if we had stayed with it long enough. But in the book he says that I was convinced and I wasn't convinced. The thing should have gone down towards the Tijuana area. That's where the flow was on the old pipeline.

**RW:** I know it comes across the bay, then under Point Loma and crosses...

**AB:** Yeah, right down Scott Street and then out to the bay there and right to the point there on the civilian side of the line between the military.

**RW:** And you objected to it because of where the outfall was?

**AB:** I didn't believe it belonged there and I didn't want a pumping plant right in the middle of town, when they already had the lines all flowing south. And you've got to pick up some of that from Chula Vista and National City, which had a higher density of population than the parties up north. Then they were going to take on the Tijuana sewage. So they should have taken the whole thing down there. And the reason they didn't, they would have had to go out three miles to get depth for the outfall, whereas, here they had to go out only about a mile to get depth. Down there, if they had gone out three more miles, we wouldn't have had that stuff here; they would have had clearer water. I can smell it once in a while when I go up there and you can certainly smell this around here once in a while on the roadway going into town.

**RW:** During the '40s it was just a boom town, wasn't it?

**AB:** Well, it was military and construction of airplanes. And you needed housing. You had to have houses for the people to live in. Convair went to 40,000 people (employees) so you had to have water, you had to have roads, and you had to have houses. You had to have all the things that make civilization. And the services came with it: cleaning establishments, and food, and everything else as there were people here to sell it to. Consequently, we had boom expansion. But the prices didn't get out of line, like they are today. You would have thought that if there was any time you would put an imperfection on values, [that would have been the time], but, boy, there was nothing like this today.

**RW:** You could get a milkshake for 10 cents instead of \$1.10 as it is now.

**AB:** Right, that is absolutely right. The finest confectionery store in the city as next door to the bank down at 5th and Broadway -- I've forgotten the name for the moment, it will come back. Malted milk [was] 10 cents, 15 cents with cream; ice cream and cream, you could make a lunch out of it. Their best chocolates, Ingersoll's was the name, I think, were 35 cents a pound. Suit of clothes was \$10, walk up a flight and save \$5, with Foreman & Clark. I graduated in short pants from high school and the first long pants suit that I ever bought, for \$12.50, I got a suit of clothes, a pair of shoes, and some socks and a hat.

**RW:** You mentioned water. Did Ed Fletcher have a big say about that?

**AB:** Fletcher was the smartest man in water of anybody in the county or city. He knew where every basin was, he knew where every stream was. He rode that thing in a buckboard, or walked it, or rode a bicycle in the back country. He knew every spot. The city would have done better hiring that guy than any other engineer we had. Because he knew where the locations were, and he acquired some of them, so they had to pay him off to buy them. In my opinion, they were wrong in bucking Fletcher, which some of the City Managers did. I think the reason they bucked him was because he knew more about it than they did. But if the city had hired that fellow as a consultant, they would have been ahead of the game. He was pretty knowledgeable.

**RW:**

I heard he was a pretty shrewd guy; you wouldn't want to do business with him.

**AB:** He was a good businessman. He was a landowner; he was an acquirer of land. He was busted during the depression. He had land without any income, and he had to struggle through, but he struggled through with the gall and the energy to make the thing go. He had to compromise here and there. For instance, we had one piece of property we had to take back. It was the property where Miramar is now, the Miramar Station. There were 90 acres in there, where the dirigible base was. We used to have dirigible here. I forget how much it was; anyhow, we thought it was worth about \$13,000; the Government thought it was worth about \$8,000. They paid us \$11,000 for the 90 acres, which is the central part of Miramar.

But Fletcher was a great operator and a great salesman. He was Senator, too, you know, for the State. He knew his highways and he knew his waterways and he raised a fine family, every one of them. They were all alive when he passed on. One of the boys, "Dutch", who was a contemporary of mine, died. He was in the District Attorney's office in Oakland, Alameda County. But they've all been successful and all good families. It is a great tribute to him and his wife, Mary C. Batchelder Fletcher.

**RW:** I've often wanted to find out something. I heard that the City was offered Miramar right after the second World War and they didn't want to take it?

**AB:** Harley Knox was the Mayor then and he made a deal whereby we could use that for civilian aircraft. The aircraft transportation companies, Western, American and other carriers, weren't keen for it but they had that option. When they didn't exercise it, then the Federal Government of the Navy closed it off and they used it for, and I think they still do, in case of an emergency we can still get a plane in there. You have to, under the law, just like on the law of the sea. But in case of an emergency they can go in there. I've landed there when San Diego was fogbound. I don't know whether they will let them do that now or not. But basically, we were going to have joint use. Joint use occurs in the rest of the world. You take a look at Berlin, joint use; London, joint use; Aden in Saudi Arabia is joint use; Nairobi is joint use. Joint use of airports around the world.

**RW:** You mean, it's like Heathrow [London] is used for military planes as well as civilian?

**AB:** The military planes have their own air force too, but they still can put their military in; and the same way at Berlin, etc.

**RW:** I've been to Berlin, but I've never flown into there. You know, in talking to Carl Reupsch, he said that this is the way fields should be done. Instead of going to Brown Field, joint use Miramar. He says there is no reason why it can't be done. And they can do the carrier landings over at San Clemente.

**AB:** San Clemente or over in Imperial Valley. Well, you've got to convince the Navy. The Navy doesn't like joint use of anything, for two reasons: in the first place, it usurps their command in many cases. They could have accidents, and the uses are, they are both aviation, but they are singular in that they have faster equipped planes, and they are in and out, landings and everything that goes with it. I can see how they would avoid it. It's just like that Marine Base. If the Marines move out of that, the Navy has the next choice. They are not going to let it go, they can use it. Good quarters are there, good grounds and everything. They could expand their training program there, and gosh, if I was running that Navy there, I'd rather train those boys out here than I would at Great Lakes [Chicago], where the weather is such that in the wintertime you can't get them out.

**RW:** But I thought it would be better for them to be at Pendleton.

**AB:** Yes, but if they go, the Navy has a choice there and then it goes to the educational establishments, so the city doesn't get that until about four or five people have preference in there. Which means they could be losing it. I think they have a law of succession, successive ownership, in lands that are given up by the Government. Certain people have a preference in there. One of them is educational institutions. But the military has first. One section of the military gives up, another section has the right to come in. Who knows, maybe the Navy would like to get in there. If you get the Marines out of there, you may still have the Navy there.

**RW:** How do you feel about the airport being here?

**AB:** I don't worry about the airport. I think it is a very centralized airport. You've got to put up with noise, there is no way you are going to avoid it. Except in the future we will find some way to silence the motors to some extent. It is the most centralized airport in a major city in the United States,

if not the world. Kansas City had a proximity that was very good, but it is not as good, or better, not as good as San Diego. Nairobi has an airport that is very good, but they are out about 20 or more miles from the city by the time you come in. You are going to have to put up with the noise, and if you don't have the noise at Point Loma, you are going to have it at Palomar or some other place, or down at Brown Field and Chula Vista. It's just who gets the noise. I'd like to have North Island out of here, but gosh, if you lose North Island, you're liable to have the hammer and sickle flying on your masthead instead of the Stars and Stripes. You've got to put up with some things here for your own defense. Just like these nuclear submarines. People are kicking about that. Well, hell, we've got to have them and who am I to say somebody else should be stuck with them. I'm a citizen, same as they are, and if this is where it should be, I have to accept it. The same way with North Island. Most of those people came in there after the airport was built. They moved in there. Personally, I think they are right, going ahead with that development myself. My daughter lives there and sometimes going down to see her, I have to stop talking because there is so much noise with those planes going in or out. They come in at night when the wind is down below 5 and go out in the morning, you get a lot of noise and everything, but in some cases it isn't as loud as some of the rock and roll music we have to put up with. My granddaughters used to be studying down there and when they had that rock and roll going it wasn't much different than the airplanes.

**RW:** In the '50s you took over the presidency of the bank?

**AB:** I forget when it was. I think it was in '52, yeah, [looking at the records] January 25, 1950.

**RW:** Were you overawed by the appointment, or did you accept it as another step up?"

**AB:** No, it was interesting. You see, George H. Schmidt was the president, but he died very unexpectedly. He had arterial disorders; he had hardening of the arteries where there was no elasticity left. They would break inside his body, they'd fix that and it would break in some other place. So he'd be healthy and then all of a sudden this thing would break. So when the time came as he went on, Mr. Belcher was still chairman of the board, but he was also president of the J.D. & A.B. Spreckels Securities Co. in San Francisco and he lived up there. He used to come down three days a week for the board meetings. When this happened they called me and asked me if I would take charge.

What they did was keep Belcher as president and me as executive vice president. Then they said, "What's your objective here on this thing?" and I said, "Well, my objectives would be to follow the policies of my predecessors; I don't see anything wrong with that. They are an independent bank; they've kept their independence; they've grown with San Diego and the idea is to serve the community that you get in to; make some money for your stockholders, and we've certainly been doing that." I said, "It would be my idea to expand locally and get the branches in the areas as the area matured." They said, "And what do you think your salary would be?" I said, "I don't think my salary ought to be anything more than it is now. I'd better find out whether I can do the job and I'll leave it up to you fellows when we get this thing, in about a year from now, see if you are satisfied." Old Cap Hall came to me and asked me, "I never heard about anybody doing that before; they all think they are underpaid." I said, "That is true and I may be, but these days I think that is the best way, because I don't want you fellows to wonder." So that is the way it worked out. It worked out satisfactorily, both from my standpoint and, I think, from theirs.

I went along with it and they adjusted my pay accordingly, which was satisfactory. I saved some money and made a few investments through the Trust Department which we had organized to a very high degree of efficiency and investment quality. I think it was one of the best in the United States, as far as that's concerned, because we did most of the business in the city in there. We had good people running it and good analysts, and everybody that went in there made some money that turned their money over to them. So with that development, Belcher finally said, "There is no use of me coming down here anymore. Borthwick can run this thing all right." And that's the way it went. So I was happy again to have had that association with

Belcher. He was a great friend of mine at that time. He saw me through some of the problems that we had and I think I helped him too. It was a mutual deal.

**RW:** Did you relieve....

**AB:** He was 73 years of age. He used to like baseball. He was catcher at Fordham during his college days. Then when he would come down, if baseball was on during the spring and summer, why we had a box down there, so I used to take him down and have dinner at the Cuyamaca Club and then go to the ball game, if it was a Saturday afternoon. One Saturday afternoon, one morning he called up and said, "What about the ball game?" And I said, "Well, I was going to play golf this afternoon, but Georgia wants to go to the ball game. She'll pick you up, have lunch down at the Cuyamaca Club and go on down. I'll pick you up at night and take you down to the plane." "Oh," he said, "that is fine." So we did that and I went down and picked him up when I came back from golf. On the way over he said, "Andy, what's wrong with the banking business?" And I said, "What do you mean, 'what's wrong with the banking business?'" "Well," he said, "all these fellows are dying; there's George Schmidt and Russ Easterman and Jack Miller and Morrison, they are all dying with their boots on." I said, "Well, I don't know about that. I hadn't thought about that." He said, "You know, when my time comes, I hope I just go to sleep." When I put him on the plane that night he wasn't feeling too well, and he got up and called the doctor. The doctor sent him a prescription which never got to him. The next morning he was dead; he died in his sleep.

Isn't that remarkable! That a man got his wish like that, he was 73 [years old.] He had his ups and downs. He had a bad time in the depression with his own finances. He had a big investment in the bank and the bank stock went down just like everybody else's, but he stomached it through and he just made the most of the problem; made the best of it, and then had his wish that way. It is one of those things where you can't deny a man death when it comes under the circumstances in which he would like. Can you imagine that! That very night! He had mentioned that to me, he said, "I hope when my time comes I go to sleep and don't wake up." And he went up there and by gosh he went to sleep and he was dead the next morning. He lived at the Pacific Union Club up there across the street from the Mark Hopkins Hotel up on top of Nob Hill.

**RW:** How do you feel about all that, you personally"

**AB:** About what, his life"

**RW:** No, your life, and as far as your future.

**AB:** I figure I've had my day. When you get around 80 years of age, you are fortunate if you have fairly good health. I've been through a cancer operation which I think I've overcome. I, at least, have had no recurrence of it, no symptoms of it in the examinations, so I think maybe I'm good for another year or two. So I can play a little golf once in a while. I like to travel; we go over to Honolulu a couple of times a year, go over to Britain, my old home country. I like to go over there and gad around the British Isles a little bit. We've been around the world, we've been to Africa four or five times. I've been over there on some of the Zoo's Safaris. We bought some animals over there for them and went over when they captured some rhinos.

Another man that I got associated with a little later in life, about the last twenty years, was Charlie Schroeder, Director of the Zoo. There is one of the great guys in the City of San Diego, one of the great ones. He was a man devoted, fully competent to run the Zoo, More competent than probably anybody else I ever saw or knew. He did a job in a wonderful manner; had a very modest income; he was dedicated to that Zoo. He is the father, the originator of the idea, of the Wild Animal Park. No matter what the rest of us have done, I have helped him in the financing, etc. I was president for four years of the Zoological Society. We went through some rough times in the building of it, getting some money and everything without which he probably couldn't have done it. But he and Charley Faust and Hal, the engineer up there; those fellows thought that thing out. They designed it and then they brought in an architect to do the engineering, and I can't say enough about those fellows, their dedication.

I think it is the greatest exhibition of animal life of its type in the world. And it is going to get better; there is only one way. Its fame will be just as famous as the Zoo itself. In my opinion, there will be more people attending that in the future, if the accommodations are developed so that you can handle the people, than it is here. We've got parking places up there where you can put 20,000 cars; on land that is available. There are 1800 acres in there. That train ride is the finest viewing of animals that I know of, and I've seen all the major zoos and animal parks in the world from here to Nairobi and down in South America, Australia, New Zealand and all through Britain and Europe. We started that thing although he was knocked down by the directors for about fifteen years. Nobody would take it on, we just didn't want to specialize. But he just kept on it and kept on it 'til it was like a drop of water on a rock. Finally he cracked it and got enough in his favor. He is just the type of fellow. If you only gave him \$1 a month, it would never have bothered him if he could live. He just wanted to develop that Zoo and the Park. You should get his story some time on the Zoo, because he followed Belle Benchley. It was Wegeforth who was the great man, because he started it and got it going. And Benchley operated under his direction. But the thing really started taking bloom when Dr. Schroeder got hold of it. And then he got the idea of the Wild Animal Park. I thrill every time I go up there and look at the layout because it was done so systematically and so thoughtfully that there is very little that you could change today. Going back to redo that thing, I don't know what you would change. That's good planning!

**RW:** Does it look like Africa to you, does it really look like that?

**AB:** Yes, that's the way. It is really closer to that than anything I've seen. Actually, Ian Player, who is the brother of Gary Player [the golf pro] was in charge of all the reserves in South Africa. He was the one we bought the rhinos from, which were the first animals we thought would give an insignia, to get something that would be impressive. The rhino is one of the biggest animals alive, one of the ugliest, but a long lifer and a healthy animal. They eat two to three hundred pounds a day of alfalfa hay and so forth. You look at those things and you wonder why the Good Lord let them take that appearance. You know, they are just fascinating to me. I can look at that rhino, and I say, "Why is that designed that way, why did it come out that way?" You have to visualize what went on. That was the hinge that we got. We got twenty of them from him, Ian. He came into the Zoo one day. We were sitting down and having breakfast. He used to come up and see us once in a while from South Africa, and we'd say, "What are you doing over here?" And he'd say, "I've got some rhinos to sell." We had paid \$49,000 for that Indian rhino, a bull. It's up there where they've got that female who had those three youngsters, one of which is alive now. The rhino is a disappearing animal, you know, it's on the downgrade, so I didn't know how much they were worth and I thought, "Gee, for \$49,000!" I said, "How many have you got to sell?" "A hundred," he said. I looked at the guy in amazement, 100 rhinos, I didn't know there were that many over there. So I said, "Excuse us," and I took Charley outside and I said, "Say, Charley, I don't know how much this guy wants for these things, but you know that would make a wonderful thing to tie that Park into, with that rhino; it's such an unusual animal." "Yeah," he said, "but we don't have any money." We'd been using every cent we could get to build that thing. So I went back and I said, "Ian how much do you want for those rhinos?" He said, "I want 2000 rand FOB Durban, in crate, and I will provide all the fodder and have all your medicines and everything there for them. And I'll send my man over, or you can send your man over." A rand was \$1.40, that's \$2800. So I said, "How much do you think it will cost to ship them?" He said, "I think you will spend just about that amount shipping them." I said, "How often do those ships sail?" [He replied,] "Not very often, only about every 60 or 90 days." So I said, "We'll take twenty." And Charley said, "Oh my God, we don't have any money like that, you've got 20 of those, that's \$56,000 and it is going to cost another \$56,000 to get them over here." "Well," I said, "Charley, I'm the curator today, that's your problem."

So, we bought them and they shipped them over, sent a man over. I went over when they were capturing them, with the wife, and we watched him capture them and left it up to him as to what age and sex we would get. I think they got six males and fourteen females. They came in and the day they left Durban they had a storm at sea. When they got into Galveston it was just lousy weather. That ship's crew pitched in and helped our man, helped him because you know when you've got a rolling sea, you have to wash these things down every day and feed them and watch them for infections and hitting against the wood in that carrier, they could be damaged. But when they got them over here, the Public Health Service treated them so severely that the skins came off like a snake and we lost two on account of that treatment. They died. When Ian Player heard about that, he

went to his board and said, "These people lost two of those rhinos. It wasn't our fault, they were in good shape when they left here. But I think we ought to give them two." And Texas lost one, they had a shipment of two at the same time. One of theirs died en route. So they gave us two more, but we had to pay to bring them over, but they gave them to us for nothing.

In the course of this purchase, when Ian went back he wrote and told us that he would rather have some equipment, he wanted a truck and a trailer so he could transport these [animals] to other parts of Africa to get them going. He took seventy white rhinos and developed up to 1100 during the time he had there. So we awarded him our gold medal for conservation. We got these rhinos there and put them in. He wanted some equipment so I said, "Charley," I said, "we've got a problem. They have that apartheid situation there and our State Department won't let you give them anything." "Well," he said, "it is doing something to preserve the natural attributes out there and I think we can get an exemption." So we went to the State Department and got a release. We bought him a truck and a trailer from the Solar people here, they manufacture the trucks back east, the International Harvester Corporation, and we put them on a ship in Wilmington and we had pictures of it taken, batten down the hatches. When the ship got to Durban we got a wire back, "Ship's arrived; equipment's not here!" "Charley," I said, "at how many ports do they stop?" He said they only stop at one port between North and South America. We checked back with the company. We didn't understand it; it must be there. The next day we got a telegram saying that what they were looking for was a lorry, and it was labeled on the inventory as a tractor. They were looking for a lorry, and it was on the dock all the time. Here the equipment on the dock and I thought, "Gosh, we had lost \$50,000 or \$60,000 like that!" But he has been an awfully good friend of ours ever since.

**RW:** You know, in looking through your list here, I've often wondered, how did you like working with people in a non-profit organization like most of these are? To coordinate and get over their ego trips, selfishness, and get something done, which you always run into. And you also run into somebody who is negative, or in the opposite direction. How did you always handle this?

**AB:** Well, you know, usually in those non-profit situations there are people dedicated to the cause, and if you get on the right side of the ones who are really dedicated to the objectives of those organizations you've got half of your troubles wiped out. Because if you've got the people that are really dedicated, they will go to work if there is somebody on the wrong side of the ledger and just stay with it. The majority overrules the minority and eventually if the minority isn't right, well, they usually drop out or change. Lots of times I've been wrong on some of the submissions and I find out that after you've been into the thing for a while, some of the other people have the right idea and you have to switch with them. But that's what you've got to do in business: make certain objectives and if you can't accomplish them you have to change the stream a little bit. If they go against you, you go sideways and make a tack. Actually, in some of these organizations, you have to put in more time than you do in your own business; you have more problems. You've got the objectives in view and you want to accomplish it.

I remember when they came down to me to head up the bond drive for the schools, I forget what year it was, quite a long time ago. I said to myself, "Why are they coming down for me?" I said, "Why do you approach me for this, there are a lot of people who have more time?" They said, "We don't want people who have time, we want the busiest guy in town." "Well," I said, "I may not be the busiest but I've got my hands full. Why do you pick me?" They said, "We are picking you for two or three reasons. In the first place, you are a graduate of San Diego High School system. In the second place, you've got a responsible job in the City. And in the third place, you fellows usually know more about the people with money than anybody else in town." "Well," I said, your analyses are pretty good so far." So I headed it up and I think we only put through bonds of \$8,000 or \$12,000, maybe even \$6,000, I've forgotten the exact amounts, they weren't anything like what they are today with 100 million or 85 million, or something like that. But they went over pretty nearly 90 because the people were sold on education. For water, the harbor and education never had a bit of trouble in San Diego for eighty years.

Now they are beginning to get trouble. The lack of discipline in the schools is one of the reasons. If you look back at those old annuals that come out of the high school, you'll see every boy and girl, every boy had a suit of clothes and a tie on, and you couldn't go to school without it. You had to go up there just like you were a business man, and the girls were the same. When the girls overdressed, they made them wear those middies. They didn't like that and they revolted and they finally had to reduce that and let them go back. But you go up there now, they are in dungarees, they are in corduroys and the lousiest looking stuff you could imagine. Well, Gould and Wise, who ran the high school in my day; and Dr. Hardy was the first principal before he took on the Normal School; they used to take those kids into the library, they had no reading hall, only the library. Then the meeting hall was the stadium, we used to meet in the stadium when the weather was fair. They finally built that auditorium, but it wasn't in my day. He made a statement that impressed me all my life. He said, "I want to tell you people something. You are boys and girls, growing into men and women, and there are two things I want you to do, and you are going to have to do them. You've got to act the part and dress the part, and if there is anybody here who cannot afford a suit of clothes, I want to know about it." He would go downtown and get George Marston or Sam Fox or the other fellow, I've forgotten his name, who had the other department store; and they'd get a suit of clothes. And you came there dressed every day, just like you were going to business. And that discipline, I think, is what they are missing today. If you go up there looking like a bum, you are going to act like a bum; long hair, beards, dirty clothes. I can't stomach that; I don't go for it. What kind of an army would you have if everybody wore what they wanted? Gosh, you'd have no discipline at all!

**RW:** I've been getting quite an education this last year because I've been dating a school teacher. I was talking to her tonight and she was practically in tears because of the parents. She says the kids who don't give her problems are the ones with the parents she can talk to. The parents come to the school. The kids she has problems with are the ones whose parents don't come to the school, they don't care. The kids come to school dirty, hungry, frustrated.

**AB:** You know, they talk about these "poor people." I don't know what they mean by "poor people," because the wage level today is so high that, if people adjust their affairs properly, there is no reason not to provide food and clothes for themselves. I never ate one meal in that cafeteria in my life. My mother prepared sandwiches for me every day and I ate the sandwich and bought a 5 cent carton of milk, and maybe I had another nickel for an ice cream bar. If I didn't need that hot food, why in the hell do these people need it? They are too lazy to make up a lunch for the kids. Too lazy, I think, in many cases. You can't tell me that they don't have the money. When you are talking about the scale averaging somewhere around \$7,800 or \$8,000 a year, they ought to be able to buy some food some place along the line, and properly dress them. I am not sympathetic with this preparation of food in the schools. I think it is wrong; I think it is a waste of money! It would be better used some other way. That cafeteria had the least attendance. The greatest percentage of the girls and boys were just like me. Harley Knox, Arny Smith, all the rest of them, we always brought our lunch and we'd trade sandwiches once in a while when you got tired of a fig jelly sandwich. But, you'd probably trade for a grape with somebody you know, or probably trade for an orange or an apple. If you got the same type of sandwich too often, everybody in my association did the same thing. As far as I was concerned, they didn't need the cafeteria. All they needed was that little cupola out there where they had the milk, the ice cream, and the candy bars. Now they won't let them have candy bars, they think it is junk food. It makes you laugh, doesn't it?

**RW:** You know, what you are saying is true, because it's just taking over the parenthood. The trouble is with these parents, they aren't doing the job. And then they wonder why their kids are in trouble later on. They act as though they didn't have anything to do with it. You're going to get me on a soapbox!

**AB:** It's the second generation, the generation that hasn't had the discipline, the parents haven't had the discipline, so the kids don't get it. Old man Gould and Wise, hey, they ran that thing; you had to be there on time. And I couldn't go to high school because I had to go to work, so finally Belcher told me, "You better finish high school." So I went up there and I told them what my problem was and they said, "Andy, we'll fix it so you can get all your classes before 12 o'clock. So I went there at a quarter to eight, and got out at a quarter to twelve, and I got to the bank at twelve. I had no

recreation period, I got that after work down at the Rowing Club. I rowed and swam and got more exercise than if I had been in a class. I took all my classes, one after the other. My major classes were English, history, mathematics and science, general science and physics. Mathematics up to geometry, a little commercial law, the things I needed in the bank as much as anything. I was always appreciative of how both Mr. Gould and Mr. Wise gave me the opportunity to rearrange my program so I could get there and get out. It showed that they were interested in students.

**RW:** I don't know if the administration of these schools is still that way.

**AB:** Well, I've seen some awfully good people in that school system that are just like you mentioned, that lady friend of yours. They almost get despondent because they can't control them. You know, when you are in business if you can't get control you fire them. But what do you do with the school kids, it's pretty hard to fire them!

**RW:** She says the problem is the Civil Rights law, it's one of the biggest mistakes. You can't touch them.

**AB:** It's pitiful that you can't. Now here is an interesting thing. I have a friend who is the head man at the New York Military Academy at Cornwall. He is a retired general, out of the Army. He went out young, in his fifties, and he didn't want to quit work so he took on the responsibility of directing that military academy. They have too many applicants. I asked him, "Why is it that you have no trouble?" He said, "It's discipline. The boys and girls want it and certainly the parents do, and we give it to them." And he said, "The colleges that are getting more discipline are getting the people." I think there is some merit to that. I think people are going to wake up because the lack of discipline is bad.

**RW:** You know, I agree with you, because I can sense in my growing up, when I got out of line, something happened, and I backed down. One thing she pointed out to me was that there was an open house, she is teaching at McKinley in East San Diego, and they had the photographs of the graduating classes going way back to the beginning, up to the present. And, like you say, back in the '30s they had similar clothes, then they would line up and have their picture taken. They were all very sober expressions. She said now if you were to do that, the kids are all smiling, laughing and carrying on. They seem to be more happy. Now whether this is good or not, I don't know, but I think what Mr. Gould was saying is true. As you grow up you need a discipline in order to acquire things. Some people want what you've got without working for it.

**AB:** Well, he was a disciplinarian; he ran a strict school. Pretty near all these boys who I mentioned who were contemporaries of mine, like Zweiner, Champion, and Rose, they were all appreciative of the discipline and training they got in high school. I mean, it's funny, they mentioned, "Boy, we had to toe the mark in that high school." And I thought to myself, there were times when we used to resent it, but it was a good thing. You see, that football team they had up there in '16 went up to the University of California at Berkley and they took up pretty near half of the team: Brick Muller, O. Cortis, Cort Majors, Sampson, "Pesky" Sprout and one or two others and they never lost a game for four years. "Nibs" Price was the coach, California hired him, so he got these boys to go up there, and they never lost a game for four years.

And there wasn't a scholarship among them, they all had to make their own way. I know, because I was there too. Here is what they used to do. They would play football on Saturday afternoon and they would leave and go over to the docks and work as stevedores. They had to go over in a gang because, if they went over singly, the longshoremen would have killed them. But they would go over there and work for 50 cents an hour. Then Sampson, one of the fellows, when he would come back to Oakland, the ferry used to land down at the foot of Broadway in Oakland, the coal outfit was down there. All the sorority and fraternity houses burned coal in those days, so he had an old Model T Ford in that yard, and he would take and deliver the coal. He got 10 cents a sack for delivering the coal. And "Pesky" became the bookkeeper in the Adjutant's office of ROTC, which everybody had to go into, and he got \$30 a month. And then they turned over the ships' stores to him, that is, the laundry and everything, and he made \$5 or \$10 a month on that. And that's how those kids got through college. No scholarships or anything, and never lost a game for four years! They

beat Ohio State; they tied Washington and Jefferson; they were in the Rose Bowl football games twice, which is all they could go in. They won the Pacific Coast PAC 8 for the four years, never lost a game!

They hung together, those boys, they helped each other even after college. "Pesky" was probably the greatest halfback they ever had up there, in my opinion. And he was in Olympic games too, in the quarter-mile. He got a bronze medal. And "Brick" Muller, of course, was a high jumper. "Pesky" when he came out, went to work for one of the bond houses that was up there. He made a lot of money. He was making about \$20,000, which in those days was almost like making \$700,000 or \$800,000 now, because \$3,000 would have been good wages. But he got to drinking; he got bad; and he got so bad he would have to borrow a half dollar to get home on. And by gosh, those fellows got hold of him and they straightened him out. Got him another job, he quit drinking, he got deaf. In order to make some extra money he used to go down to Tracy [California]. These freight cars would get lost and if you could find them you'd get \$10. He would have these numbers and go through all the yards and find these missing cars. And, by gosh, they were moving some of those cars one day and he didn't know it. He couldn't hear on account of his deafness, and he got killed. But that is how that crowd stuck together, they'd bail each other out. They all stayed up there in that bay area, "Pesky" and Cort Majors and Sampson. "Brick" went into surgery, he became a surgeon, practiced down at Fresno. He is dead. Cort Majors is still alive. Oh, and the other one was Stan Barnes. The man was in the U.S. Attorney's office in Washington, then became a Federal Judge in Los Angeles. "Stu" Barnes, we used to call him, "S-t-u." A great friend of George Champion's and Zweiner's.

**RW:** They were all graduates of the 1920 class, then?

**AB:** No, they were the graduates of a class previous, they were older. They called them the "'16 crew," that was in 1916, so they went up there about '16, so they graduated in 1919. But you know, they had a wonderful record, those fellows. Brick played end and Pesky, halfback; Cort Majors on the line, and Sampson was on the line and in the backfield, Stu Barnes was a guard and tackle. They had a wonderful record and they ought to commemorate them up at the high school. Then, since that time, they've had some good ones: Bert Ritchie, a colored boy, one of the top backfield men, broke the color line pretty much for USC; and Cotton Warburton. They've had some great athletes out of that high school and should have a nice bas relief depicting the activities, football and baseball, they had national championship baseball teams, too. They've had a good record.

**RW:** To get back, more into San Diego, did you know Armisted Carter?

**AB:** Oh yes, I've known "Army" since World War I. He was a clerk-teller over there at the Southern Commerce Bank at 4th and Broadway in the Grant Hotel building. Then he went into the Army and when he came back, he went back in there. Then he left and went with Blythe & Co., selling securities and he was fairly successful. He had done all right, has bought real estate and so forth. I've known Army, we are very good friends.

**RW:** The reason why I bring it up, we were talking about the depression earlier. When the depression came along he said he was something like \$40,000 in debt. I said, "Didn't it bother you?" And he said, "No, all the other guys were the same way."

**AB:** It bothered him. You look back and you got out of it, you don't have the problem now. He used to sell some securities to my father-in-law, Mr. Thompson, and when all this thing broke, he went up to Mr. Thompson and he said, "I'm awfully sorry, Mr. Thompson, that this market has gone this way and I am sorry I sold you this stuff." He [Mr. Thompson] said, "Look here, Carter, you didn't sell that stuff to me, I bought it. I'm free, white and twenty-one and whatever happened is my fault, not yours." Carter says that this is the only man that he ever sold to that had that attitude. He was a great guy, Mr. Thompson. He was a pioneer of Montana. He went in there when the carcasses of the buffalo were still lying around. He had a general store at a little town at the end of the line, and was in business with Arthur Miles, whose father was one of Custer's men at the Little Big Horn. Great people, they really were hardy. They came up the hard way with no luxuries of life.

**RW:** Are you fairly up-to-date with what San Diego business is doing?

**AB:** Well, I'm not. I haven't gone down and looked at the plans. I read the papers and some of the things amaze me. If they can accomplish what they set out to do, there are going to do a wonderful thing. The downtown development, I mean.

**RW:** What I am leading up to is another question along the same line. Do you see the same quality of men now that you dealt with coming up?

**AB:** The whole plane of thinking is entirely different. Today, the average man who is in that thing has never been through a depression. There is nothing more salutary than to go through a depression. My mother told me that during the [President] Cleveland administration she never had more than \$35 a month for us to live on and she said it was a struggle. The same was in the '30s. I was fortunate, I was working and getting about \$110 a month. I didn't get any reduction, so I didn't feel it, but when you take a man getting \$400 a month and gets \$75 cut off of that, it begins to pinch him. Then you've got people out of work and you had a 20% unemployed situation. You know, they talk about this five and six percent, what would they do if they had twenty percent? I think you'd have insurrection, I don't think people would stand it.

**RW:** So you are saying that the people who seem to have control of the city now...

**AB:** They are energetic, they are capable, but most of them have never been through a depression and that's a very important thing. It's a one-way street so far, everything has been going up.

**RW:** So they don't have that conservative attitude?

**AB:** That's right, they don't have the conservatism that a depression will give you.

**RW:** I remember reading a Frank Rhodes column one time about ten years ago. He said one of the best things that could happen would be a little depression.

**AB:** Pretty nearly every economist will tell you that. In fact, many of them say that the only way you can correct this is with a depression, because you can pass all the laws you want, but when the economics gets to the point where the supply and demand is changed, and they don't have the demand for the production, it starts to slough off and they let people off and you've got to get down to the nubbins. Instead of two cars you only need one, or maybe with one car you take the streetcar. I can remember when people changed residences in order to avoid the ten cent fare on the car. The ten cent fare started at Laurel Street on 5th Avenue and at 25th Street on the Broadway line. People were changing rentals in order to avoid that five cent per day cost, or getting closer into town where they could walk to work. I was lucky, I lived on 23rd Street and I walked to work every day.

**RW:** But you could take that nickel and buy a loaf of bread. I pay ninety-five cents for a loaf today.

**AB:** My father had a grocery store in Yonkers and boy, I worked in there; ground the coffee, the old hand-grinders. I can remember them buying a whole barrel of Baldwin apples and it cost \$4.50. It was shipped down from northern New York on the freight barges. Less than \$5 for a barrel of Baldwin apples! Cheese was about 10 cents or 12 cents per pound; eggs 13 or 14 cents a dozen; butter 15 cents; coffee anywhere from 12 to 18 cents per pound, any grind that you wanted: medium, fine or coarse. I did it all by hand-grinding.

**RW:** Of course, we are dealing with a lot more people now, too.

**AB:** I don't think the people would take a depression, do you"

**RW:** I think they would have to, what alternatives do they have?

**AB:** Insurrection. They'd raid the stores, or they would go to the government and make them pass [laws] where they would get into an inflationary condition by issuing some money. I don't know whether people would stand it today.

**RW:** The people are not tough any more. Look what happened in Baltimore last weekend when they had that big snowstorm. They raided the stores.

**AB:** Yes, they knew the proprietors couldn't get in so they went in and broke the windows and took the liquor and stuff out. There you saw them running down the street with the stuff in their hands.

**RW:** Would that have happened in the '20s or '30s?

**AB:** No, they had the marches on Washington and they had the people selling apples, you know. I went back to the school sculls with the crews in 1932, trying out for the Olympics, and we stayed at the Penn A.C. [Pennsylvania Athletic Club]. When we would come out of the Penn A.C., in one block there would be a half dozen people asking for a dime. They were people who had good clothes, maybe not as well kept as they should be because it was the only suit they had left, but they were people who were dressed fairly well, but didn't have enough money to eat on. Now, I don't know whether people would do that today. I doubt it. I think there would be insurrection. Your house wouldn't be safe, the stores wouldn't be safe. And you've got these districts now which you didn't have so much then. You didn't have so many foreign people other than Anglo-Saxons. There is a difference in the method of living in the Anglo-Saxon law, and I don't know whether the people would take it. I hope we don't get it, but most of the economists say that just as sure as the sun rises and sets, that you've got to have these fluctuations. When you look back...I had a book that I loaned to Tom Sefton "Two Thousand Years of Interest". And this is just a repetition, a wave, all the way through.

**RW:** That would be a good investment then?

**AB:** Well, you've got to diversify. For instance, right today I doubt if anybody in their portfolio or their inventory have done any better than they had in real estate. Right now the bond income, the government bonds are the highest yields I've ever seen. You can get 10% on one-and-a-half to two years maturities today. On commercial paper you can get 11 or 12 percent. That's the highest I've ever seen government bonds. The CDs [Certificates of Deposit], two years ago were up to 12 percent. Now they are around ten and a half or eleven, with the chance of them going higher. The rates on bonds today are double what they were forty years ago all the way through: industrial, municipal, state and nationals are higher. But you can't tell. In real estate, if the political situation goes, as they try to make their way on real estate by taxing real estate, it may not be so good. We are fortunate, we've got this reduction on 13 [Proposition 13] which has alleviated some of the problems but hasn't answered the thing entirely, because they are going to pick up the differences some place along the line with other taxation, or with money from the state level. When that runs out they, in turn, have got to start increasing the income tax, or something. There is no way you are going to get rid of the problem of cost of government. But when you look back at what people have done in the past, you've gotta diversify. They should have some bonds, they should have some stocks, they should have some real estate, and maybe some materials; gold, silver, copper, something like that. The ones who have put all their eggs in one basket come out pretty good in some cases, if they have the right basket. But if they don't, they are wiped out.

**RW:** The reason I asked that question, and what I want to put on tape now, is the fact that most of these interviews deal strictly with San Diego history. But you, as a banker, have been through the bad and the good. You know, and I would like this to be on tape, sort of as a prediction type of

thing. Because who know, ten years from now, somebody is going to hear this tape and he'll say, "Gee, that guy was right, or that guy was wrong. But he is right based on what he knows, or he's wrong based on what he knows."

**AB:** The people who have made the money in real estate haven't been the old timers, except those who had acquired some land for their businesses. In many cases, the local businesses have made more money in real estate than they have made in the business. The business gave them a living, but they saved some money off of it and bought land downtown: Jessops, Lion, Foxes and so forth. The land has done as much for them as the business.

But my experience is one of the worst that could have happened to a boy if he had any desire to buy real estate, because I saw more money lost in real estate than was ever made. I saw people wiped out where they couldn't pay their mortgages on their house. So I'm gun-shy. I've owned very little real estate. I've owned an apartment house, I own this house and I own another house, but that is about it. The people that come in here, and a lot of the foreigners; the Arabs and the Japs, they've bought acreages and that's where the money has been made. When they made that condominium down there on the bay front, Le Rondelet, why some people bought four or five of those at a crack. I don't know what came into them; they can't rent them, they can't get their money out; they can't rent them for the amount to pay for the cost of them. My gosh, they bailed out and doubled their money. I'd be the worst one [to advise] for that. I didn't see that [coming]. I was ignorant about the possibility of real estate accumulating to that amount. But I am not ignorant of the fact that it can change. It could go down as well as up, you know.

**RW:** The thing I was thinking about, too, is when you took over the head of the bank in the early '50s, that was before the development of Mission Valley and North County.

**AB:** We were against that. We were against the development of Mission Valley for two reasons: in the first place, we'd seen that river run bank to bank three different times and we know it's coming again because when they had the big flood, there was enough water that came down to fill El Capitan [dam] three times. So all you have to do is fill it once and then you've got the overflow and that thing will be running down there. The floods were 1916, 1933, and then another, later one.

**RW:** Wasn't that before some of the dams were constructed?

**AB:** Well, Sutherland was up there, the El Capitan came later, but what I am saying is that Shelley Higgins, who was the City Attorney, who had to defend the city against Hatfield's [the Rainmaker] claim about delivering the water to the city and they had the dam burst. He had to have all of the facts of what had happened and his analysis: there is enough water that comes through that El Capitan area to fill it three times. You fill it once and that's all you need and you've got problems. Now you say the dam wasn't there then, but if enough water comes down to more than fill it, it will come down. If you look back at the history that the Copley people put out, Dick Pourade, this last book he put out, on the recent development of San Diego, you'll find that there are certain people, one was Art Jessop, who went down there and appealed to the Council not to hurry the zoning. His name appears in there, but there were others of us who went down. I went to some of the councilmen myself and I said, to leave that for the green belt, leave it for recreation and for farming and let the two exceptions stay in there, with the gravel for they needed the gravel for the construction of homes and everything, but don't make any more variances, leave it that way. Well, the pressure got on those guys with the campaigns coming and the money came in for them and the first thing you know they threw it open for that. We put our highways in the cheapest land that we can find, which is the riverbed. We went through 11th Street canyon [Cabrillo Freeway or Highway 163] for a main artery, we went through Mission Valley [Highway 8] with that main highway because it was the cheapest land, the least desirable. People didn't live down there and it was cheaper to acquire. Well, the minute you put the transportation in there you draw people. Then they want to put the businesses in there, because there is the public. That is exactly what happened.

**RW:** You know, when you spoke of the green belt, I immediately visualized it without Fashion Valley or Mission Valley, or the Stadium, or anything else. That would have been a garden area.

**AB:** It would have spread the population out, which is what you want. You don't want them all close together. If you went over to Britain, you'd see how they get out of those cities, you got all the farmland there, then another village, and sometimes they have industry and they all live around the industry. So they walk to work, or ride a bicycle, and they pack their lunch or go home for lunch. So they have a reduced cost of living.

Down there [Mission Valley] with all that trouble [flooding], the Federal Government is going to have to help them, but who is the Federal Government? You and I. And the same way with the County and the City, what they do, who is that? You and I. They don't have enough policemen. We've got to put money down to repair that road every year, the money is going to run out.

**RW:** Have you read about the new development they are planning east of [Highway] 805 or through the stadium area? There is a whole complex of huge concrete channels going in there and there is going to be more businesses, more housing, recreation...

**AB:** I'd hate to see that come. No, I'm not acquainted with that plan. I've kind of given up on it because we made our appeal to the Council in direct opposition to changing the zoning. They used to have dairies there, they had farms, they had that golf course, that was enough. They could have had two or three more golf courses in the center of town. They'd get wonderful play, it would have carried its weight. There is plenty of water down there. We used to get the City of San Diego's water out of that river. When I came here as a boy, that was the source of our reservoir and then, of course, when the farms came in there and the fertilization and everything, the water got foul and they wouldn't use it. So they started developing the dams more in the back country. But there still is a good source of water there that is good enough for the agriculture. You can get water there three or four feet deep anyplace. Otherwise, they wouldn't have those gravel pits in there. I'm sorry that they've [the businesses] gone there. And it's getting to be quite a venture. You know, there are millions of dollars in that valley, millions! Those hotels and motels, eating houses and the automobile places.

**RW:** Every time I drive through there I see a new building. I don't care if I go two months later, there is a new building.

**AB:** That's right. I have to look at a map to find my way. I had to go out to that National University the other night and I found the best way for me to go would be to go up to Fairmount Avenue and double back in order to get there. And that was the easiest way for me to reach it. Golly, I'd gotten lost on that other roadway. I used to hunt ducks and quail down in that valley. Right across the valley on 6th Street there was an olive orchard and the quail used to roost in there at night. And you'd go over there in the morning, you could knock those quail out and get them flying and get a mess of quail. And then there were ducks down there in the valley and rabbits, a lot of rabbit. I lived right on Arizona Street, up above the valley.

**RW:** We used to go gigging for frogs down there where Howard Johnson's place [the restaurant] is now.

**AB:** And the old Adobe Falls, we used to walk up to the Falls. But Shelley Higgins wrote a little book. I was trying to locate that, but I couldn't find it in my bookcase here. He had to analyze the whole system on account of the Hatfield suit. He was the City Attorney and he had to have all the facts. They had the flow of the water, the volume of it, the amount that came down, the number of days that it ran: they had everything. And what caused the trouble with those floods was the high tides. The high tides would come in and the water couldn't get out; it would back up like a lake. Then when it would go out, it went out with a rush and took everything with it.

**RW:** I thought that it was pretty well determined, or maybe it was just a ploy, that it was a banner year for rain anyway. Hatfield really didn't have anything to do with it.

**AB:** In 1916. That's right. The average rainfall, the funny part of it is that it wasn't too heavy. I've forgotten what the inches were, but it wasn't so much. But what happened was the rains like we had in November and December [of this year], we had rains that wet the ground down and then in January, for the first part of February, when we got two or three inches, everything was saturated and it ran off. And it just came down from the Cuyamacas and all those areas. And some of these areas, they haven't learned a lesson yet. Pauma Valley golf course is built in a riverbed, the water is running there now. Stardust [in Mission Valley], they built that thing, but it floods every winter and they take their lickings every year.

**RW:** From reading the articles in the papers about you, you really believe, and you've proven it, that physical exercise is one of the best things that a person can do.

**AB:** I was brought up where industry didn't owe you anything, except a wage if you performed work. But today it's a paternalistic system. When I say, "paternalistic," industry today provides the wage, vacations with pay, hospitalization, medical attention, profit sharing and a pension. That which we had to do for ourselves is now done by the Corporation, and in my opinion without that we might have Communism. The industries are doing that which Communism does in Russia. They take care of the people, medical, they give them their holidays, they give them a pension and sick pay. We do the same thing, only through industry.

**AB:** But what does the individual owe to industry? I was talking to these kids out there last night, I don't know if I got the message over to them or not. But I said it behooves the individual to present himself in good physical condition to do the work to which he is going to be assigned. He should appear in the clothing that is common for that type of work. He should be prepared to do the work in an industrious way, not only through practical experience but also by self-learning. That your education is as much at home as it is in the business and you should act the part that they require you to. If they don't want you to go to Tijuana, you don't go to Tijuana. If you need a suit of clothes, you come in a suit of clothes. What I think today is that the individual doesn't know what his responsibility to the corporation is. He knows what he wants of the corporation: he knows how much wage he wants, he wants to know about that hospitalization, about the life insurance, about his vacation, about what the pension is going to be, what the profit sharing is going to be; but he doesn't think about what he owes the corporation. And the guy that does, makes a success. 'The guy who visualizes what his responsibility is in the corporation is usually the top guy.

So, why do I say athletics? You have to keep in condition. It's not the job of industry to put you in shape, it's up to you. When I hired, if I had my choice between two people, one who was athletic and one who wasn't, I'd take the guy who was the athlete every time, because I figured he had an ambition to keep healthy and keep himself sturdy. I am not saying we didn't have some bookworms who were awful good and I've had illustrations where guys that never played a game of baseball in their life have lived longer than the guys who have. There are exceptions in very case, but you've got to take the average when you are dealing with people. I think that is the thing they are not teaching these youngsters in school.

I was talking to this National University group up there and they were in all kinds of attire, but they can't go there and take that course unless they've had four years business experience, which means that they want to benefit themselves. Otherwise, they wouldn't be there after working four years. One of the men asked me what I would look at in a corporation for a job. I told him, in my way of thinking, I'd go to a corporation that has a succession of successes, number one. One that has been in business for a period of time and is a necessity; industry or business or whatever it is. That is the reason I stayed with banking; because I knew it was a necessity. You can't get along without money. Every business has to have money. But I said the first thing that I learned was that I used to copy the boss. If he had a salt and pepper suit, by gosh, the next time I bought one, I tried to get one. I wanted to look like the top guy. I see girls down there in these Levis. Why, they couldn't come in the door when I was there. The people that we would have in charge would say, "You can't come in that way." Now a boy is well dressed if he has a blue coat and grey pants. We had to have matching suits in my day; you had to look the part. Clean shirt and tie and everything else, shoes shined and ready to go. But they come in now in great combinations. I've seen them sitting at their desks now with just a shirt; no coat on. We never permitted that. No matter how hot it was, you had

to wear a coat. And we didn't have any air conditioning, The front office that I had used to get to 110°. The sun would come in there, the perspiration would just run down. I'd have to get up once in a while and go back and cool off. But it added something to the business. They took pride in it that they wanted to be known that they were the Yankees of the trade. And I think that is a good way to look at it.

**RW:** Did you see where Jim Mills, up there in the Assembly [Sacramento] was trying to get the younger members...

**AB:** I'm for him. I don't agree with everything Mills does and he is on the other side of the fence as far as my policies are concerned, but I am for him on that. I think that if the legislators are going to be [dressed] in wide open shirts, hairy chest, uncombed hair, beard, they do not represent me and he shouldn't be representing the State of California.

**RW:** You know their argument is it isn't the clothes, it's the character.

**AB:** The clothes to some extent determine the character of the individual. They may not think so, but they do. The first lesson I got, "You've got to dress the part, and act the part." -- I think that is one of the requisites of business.

**RW:** I've noticed myself, if I put a suit on I feel differently, I act differently.

**AB:** That's right, you are part of the progress of the country. I feel so strongly, I think that is part of the trouble in the schools. I talk to these teachers and they say, "Well, we can't force them to do it." How did I get forced to do it? I had to go there, I didn't have as much money as these kids.

**RW:** That's true, but your mother would have beat the daylights out of you if you did something less than the best, wouldn't she?

**AB:** If I ever came home with a report from a school teacher, I was afraid to show it to my mother. It's a funny thing, you look back at life and you wonder what you'd like to change. I don't know much that I would want to change. As a boy I grew up in Yonkers, New York, on the Hudson River. I learned to swim in the Hudson River. It was cold, we used to go in there in April and the ice was still there. I worked on a farm in the summer and I saw the old country under the clan system.

You know, the clan system of Scotland has one of the greatest methods of teaching youngsters that you could possibly imagine. In the clan system, they exchange children in the families. For instance, say your father was Chief McTavish and my folks may send me over to your father's family and send you over to my family. The necessity of being on your p's and q's in a strange family is there and you've got to do everything right, because they want to know how you are getting along and so forth. So you've got to be on time for the meals, you've got to do your duty of bringing in the coal, digging the potatoes, or milking the cow and whatever goes with it. And it's a matter of discipline that goes with it. I was sent over there for three years before I was 14. When I was 8 years old I was sent away on a farm up in Brockton, Massachusetts. Just before I came out here, the summer before, I worked on a farm in Wappingers Falls for a fellow by the name of Ephram Miller, who was the superintendent of DeLaval Works in Poughkeepsie, New York [Shepherd Works]. I used to drive a team up every morning to get the skim milk from the superintendent to mix with the bran for the hogs. It was quite an influence [on me], because I had to pick, say, 10 to 25 dozen ears of corn, Country Gentleman and Golden Bantam, and that was the pin money for the housewife. Ten cents for the one and 12 cents for the other, a dozen. And I peddled those off on the way in. Then you come back and get this milk.

I was in the bank one day, just before we moved from 5th Street, and a fellow came in. My secretary, Veronica, came over to me and said, "There is a gentleman out here who wants to see you, but he won't tell me his name." And I said, "Well, send him in." So this fellow comes in, takes off his hat, throws it on the floor and says, "You know who I am?" And I said, "Well, you're from the east." "Yeah," he said. I said, "You from New England?" He

said "You are pretty close.," I said, "Are you from upper New York?" He said "No," "I said, "You from lower New York?" "No." I said, "Your name is Ephram Miller and I worked on your farm when I was a boy about 13 or 14 years old at Wappingers Falls." He said, "You're right!" I only knew two people in Poughkeepsie: one was the president of the First National Bank of Poughkeepsie and this guy, and he was on the board, though I didn't know it at the time. He had come out here to visit me. He hadn't seen me, but he heard from somebody that I was in a bank. I think it must have been the president of the bank there in Poughkeepsie - I had met him down in Greenbrier. He said he had met a man and I said I used to work on a farm in Poughkeepsie and when I said Wappingers Falls, he knew it in a minute. I took him up to the zoo and we had lunch.

**RW:** You know, we started off the tape and had to erase it about the Civic Center downtown. You were partly responsible for the construction of it.

**AB:** The old Civic Center, the one down on Harbor Drive. No, that one went in , in the '30s. No, the one uptown. You see, they put on that Cedar Street mall voting and it was defeated. Cap Hall was against it and he put money into it and - what's his name at the Chamber of Commerce - put up so much money against it and they never got that through. Then they defeated the Courthouse remodeling once, because they were going to move it. So my theory was - I was on the Chamber of Commerce at the time - so I said, "Listen, the thing to do is to go back (that Courthouse today they wouldn't be able to take it out as it would be a Monument) and put a bond issue back on with the building being put back on the same property, because then you are not taking anything off the tax rolls. People would say, "Sure, it's inadequate, it's too small and everything, it's old and it's inflammable, but you will get it if you don't take more property off the tax rolls." They put it on and people voted it. Well, when they got that, they wanted to take the City [offices] out of the County's building down there [on Pacific Highway/Harbor Drive] because they were getting jammed. They could both be in it today, but they get so - Wilson has got some 20-odd help in his office. Harley Knox ran that town with half a secretary for the first two or three years, and then finally he got a full secretary. Yes, the town's bigger, but the problems are just the same.

Well, anyhow, Fletcher said, "We can put this over without a vote of the people, because we can get this money out of the pension systems, but we are short about a million six." So he came to Ewart Goodwin, Guilford Whitney, Al Sutherland, George Sears, Phil Gildred and myself, and said, "If we can get a million six we could put this whole complex together." So we got busy, I forget who was the chairman for that. Anyhow, I wanted George (Sears, he was my right-hand man) in there because I was going to have to go away for a time, back east and different places, so they got busy. They came to me first and said, "We think if the First National Bank was to act as bellwether on this we can get the money." "Well," I said, "what are you talking about?" "What do you think about \$100,000?" I said, "That's pretty steep for one small bank, to be putting up \$100,000." "Well, if you do that we think the Security Bank will come in and the other banks will follow." I told Guilford, "It doesn't work that way: they won't follow us, you'll be lucky if you get half of it." I said, "I'll go to my Board and get \$100,000." Of course, Gildred was on the Board too, and Joe Jessop, so we voted \$100,000 to start them off. Well, that helped. Gildred put in \$25,000 or \$30,000 and Jessop put in some money, and they got the thing started. But the other banks, instead of coming in with \$100,000 or \$50,000, some of them came in with \$25,000. But nevertheless, within about 90 days they had this money. Fletcher, there it is! Now go ahead! And that thing got developed. And one of the things that irritates the hell out of me - they had this parking garage there that was supposed to be maintained at a low level of cost for public parking. Hell, it's just as expensive today as it is in the lots. They get 45 cents I think for a half-hour and they charge 50 cents next door. And here they got the thing for nothing! We give them the money and they have no taxes and they charge as much as private enterprise. There is something wrong with that. The money is going to the City. But it just shows you: they talk about businesses extracting, they're worse. They got the building given to them; they have only one man running the thing, they have no taxes and they charge as much as private enterprise. Isn't that funny! It burns me up. I don't go in there now, I'd rather pay the extra 5 cents and go into the one in the Security Bank for there is always a place to park there. And there always isn't a place at the other. I told Ray Blair, "This thing irritates me more. You let Evan Jones run this thing, and he gets this thing up so he won't have to lose trade with the other places." That is exactly what he is doing. They charge 45 cents a half-hour and it's only 50 cents next door in the basement, out of the sun. But that is how that thing got in. That is the way that the Naval Training Station began. Bill Kettner said you give that land to the Government, and we'll get you the Naval Station.

**RW:** Because he knew the money would be coming in afterwards.

**AB:** He knew that if we got them the land, that they could get the appropriation, because he had dredged the bay. He got the appropriation for the Army Engineers to dredge the bay, and when he got that he knew the Navy would have more activity here. Then, when they created the other fill - you know, they took out the best bait place in the whole damn bay - we used to get all our bait there where the Marine Base is - the worms and the little fish were in these small sloughs, you know. Then they cleaned it out, we lost that, we lost the golf course; they gave it to the Government. Hell, what more can the City do for the Government? No much.

**RW:** We are running out of tape and time and I want, on behalf of the Historical Society, to thank you very, very much.

**AB:** I'm glad to talk with you. Did you say you had talked with Joe Jessop?

**RW:** I never have; I wonder if I should.

**AB:** Yeah. Somebody has been talking with him, he has been taping some stuff, I thought it was you.

**RW:** No. I wonder who it was. I've often thought about it for I've run into him on the ship.

**AB:** He is very active on that ship. Joe is an old timer. He is a contemporary of mine. He went to Coronado High School and I went to San Diego High. We both went to college together for one year. That's all, both of us. He was in the [fraternity] house next door to me. His house bought the old Model T fire department piece of equipment from Berkeley, and they used to use it as a taxi to go from the house over to the college campus. They used to have a sign on it, "Please do not park here" and when they left at noon they would stick this sign on the parking place so they would have a place to park when they came back. Golly, I used to laugh at that. Joe's all right, a very good friend. Harley Knox was the same age. Dick's brother [refers to Jessop] is 92-1/2, going on 93 years of age.

**RW:** Is there anybody else you can think of who should be interviewed?

**AB:** Take Joe Jessop and did you take Johnny Bates for the waterfront? Johnny's getting kind of in is dotage a little bit, but his memory is not bad. George Sears is dead. Ewart Goodwin is dead; Harley is dead. Phil Klauber would have a good connection on account of his father. He's got the background of what his father told him, though he is reaching 65, so he's not a sprout. Joe Jessop, be sure to get Joe. I thought he would be a natural for the Historical Society. Is there anybody else who does this besides you?

**RW:** Yes, there are a couple of other people, but I don't think they have Joe. I'll find out.

**AB:** He told me he had to make an interview, probably it was for something else. Let's see, who else. You got Carl Reupsch, so you would know the waterfront pretty well. Oh, another fellow who could give you some background on aviation is a fellow who used to be the attorney for Ryan and Teledyne. He was an attorney at one time for the Harbor Department. No, not Donnelley, he was at one time. This is - Carl Reupsch would remember his name. And Claude Ryan.

**RW:** There is a whole book on him.

**AB:** Bea Evenson. [An interview was taken on Mrs. Evenson by Lee McCumber on 12/01/1977].

**RW:** Yes, I talked to her one day about something else. I don't know about doing an interview. She is quite a gal.

**AB:** Yes, she is. Bea is all right. I get a kick out of her. They are very much interested in the restoration of that building that burned down, you know [the electric building in Balboa Park] because they want that façade finished there. At one time, I told her, "You know, Bea, what that Park needs is parking...."

***RAN OUT OF TAPE. END OF INTERVIEW***

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