

One hundred and fifty years after gold nuggets were found in a mill race in the California foothills, historians as well as the general public are celebrating that discovery and taking stock of its impact on American life. The discovery of gold occurred when the United States was in the early stages of an industrial age. If farming was the primary occupation of most Americans, mining of precious metals was a negligible part of the nation's economy.

The idea that one could achieve instant wealth by sheer good luck and by getting to California first seemed incredible. Still, there was plenty of incentive to try. Americans had always taken good luck for granted. It was part of the national spirit of optimism that came with being a new country, a republican country that rejected European aristocracy and its values. The old nations of Europe and Asia, Americans held, would have to give way. The United States, they believed, was the great nation of the future. They saw themselves as a people with boundless energy and limitless opportunity, ready to take advantage of every opportunity. Louisiana was purchased for a song when Napoleon was down on his luck. No one knew just how rich California would be at the start of the Mexican War, but Americans wanted it. That it had gold was a pleasant surprise. But after all, Americans have always expected pleasant surprises.



The Huntington Library, San Marino, California

The Legacy of the Gold Rush

by Martin Ridge

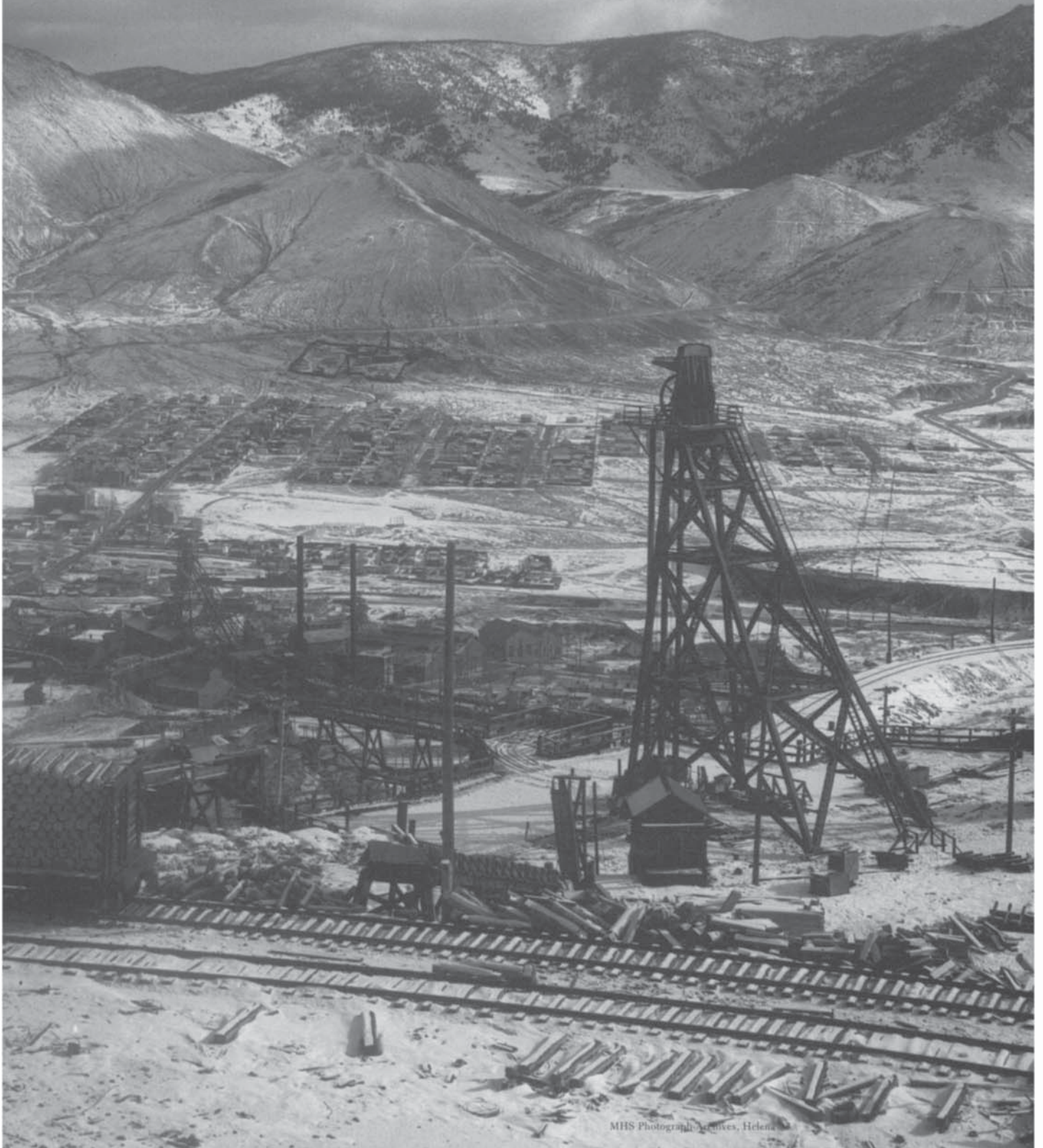
NO ONE AT THE TIME OF THE CALIFORNIA GOLD RUSH COULD HAVE ANTICIPATED WHAT THE NATIONAL OR INTERNATIONAL CONSEQUENCES OF THIS GOLD STRIKE WOULD BE, NOR COULD THEY HAVE IMAGINED WHAT THE ECONOMIC, DEMOGRAPHIC, AND SOCIAL OUTCOME OF LARGE-SCALE MINING OF GOLD AND MANY OTHER KINDS OF ORE IN THE MOUNTAIN WEST WOULD BE. ONLY IN RETROSPECT HAVE AMERICANS COME TO REALIZE THAT THE CALIFORNIA GOLD RUSH WAS A MIXED BLESSING; IT WAS THE BEGINNING OF AN ENORMOUS NATIONAL TRANSFORMATION, ESPECIALLY IN THE MOUNTAIN WEST.

Hundreds of thousands of men and thousands of women from Europe, Asia, and Latin America joined hordes of American argonauts in California in hopes of striking it rich. The Chinese called California the gold mountain; but for many prospectors, especially those who did not hit pay dirt immediately, California was only the first stop on an international quest that was to last into the twentieth century. Prospectors

combed the mountain states of the American West in search of every potential mining site. The West quickly became as urban as the East, as instant cities sprang up at mining camps, supply centers, and transportation and communication hubs.

Mining, milling, and smelting communities differed little from other emerging industrial towns. They became home not only to Anglo-American and African

Symbolizing the youth and hopefulness of those who sought golden opportunity in the American West was Mary McCloskey, whose captivating image (facing page) shines forth from a circa 1850 daguerreotype. Below, a headframe overlooks Butte in the early 1940s. Butte, Montana's urban heart, was—and is—one of the West's best examples of mining's urbanizing impact on the American West.





From boom to bust, mining towns sprang to life all across the West only to wither into ghost towns or nothing at all. Garnet, a west-central Montana gold camp in the 1860s, remained a thriving place when the photograph of its main street (left) was taken in 1899. By 1973, however, all that remained were the few scattered structures shown below, and that thanks to preservation efforts.

American miners and laborers but also to countless non-English-speaking Europeans, as well as many people of color from Asia and Latin America. Mining camps and later mining and smelter communities were often as cosmopolitan as any immigrant-filled eastern city. Many of these places faded as the reasons for their existence vanished. Sometimes left behind were the ghost towns for which the West is famous, sometimes merely the rubble and refuse of their former occupants. The grave stones in their decaying cemeteries and the descendants of their earlier labor force indicate that these towns were a demographic microcosm of nineteenth-century America.

The success or failure of a gold or silver mine often rested in large measure not only on the presence of rich ore but also on the effectiveness of milling and refining technology. Many eastern investors were lured into putting money into mining ventures that failed because their ores proved almost intractable to the refining processes. The potential wealth of the American mines brought the best scientists and engineers from Europe to develop new machines and encouraged innovations by Americans and others working in the field.

Nonetheless, milling and refining, like hard-rock underground mining, could be deadly occupations. Timbering systems were devised to prevent cave-ins, but there were always fatal accidents in the mines.

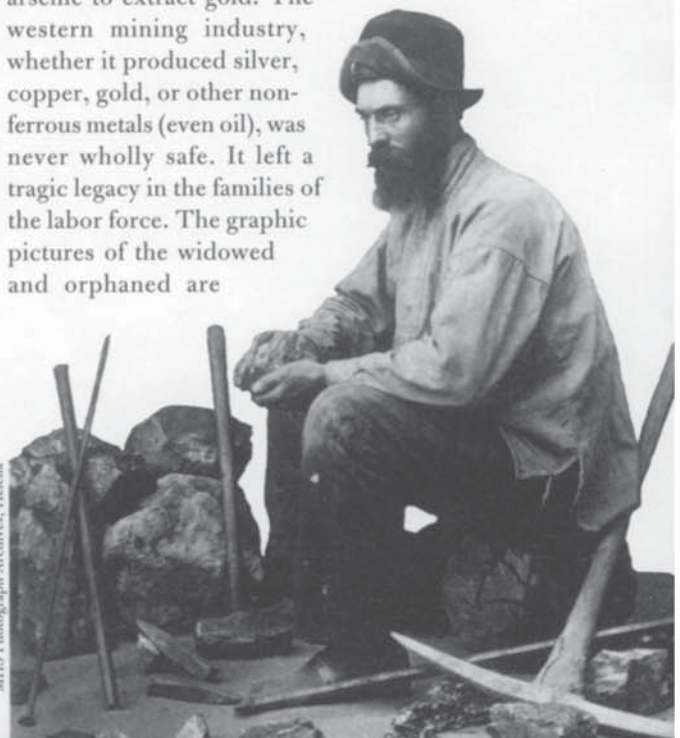
The lone prospector and the accoutrements of his trade constituted an icon of the American mining frontier. Typical was the image that Helena, Montana, photographer Edgar H. Train made of Walter Corwin (right, detail, no date).



Both images: MHS Photograph Archives, Helena

Stamping mills used heavy machinery that crushed ores, and smelters often used chemicals like mercury and later arsenic to extract gold. The western mining industry, whether it produced silver, copper, gold, or other non-ferrous metals (even oil), was never wholly safe. It left a tragic legacy in the families of the labor force. The graphic pictures of the widowed and orphaned are

MHS Photograph Archives, Helena





MHS Photograph Archives, Helena

Lone prospectors there were in the West, but the ephemeral nature of placer mining soon gave way to hard-rock exploitation, extensive capitalization, dangerous working conditions, and unionization of thousands of miners who worked together in giant operations such as the one the miners crammed into a lift cage at left are about to descend into in Butte in the early 1940s.

not only in historical societies but on the walls of many homes and offices in the mountain West. Ironically, the popular legacy of the mining frontier is the image of the lone American prospector with his pick, shovel, and mule wandering on a barren slope in search of the claim that will make him rich. He has become an American icon. Along with his image are the tales of the fabulously rich lost mines that have become mythic among western enthusiasts.

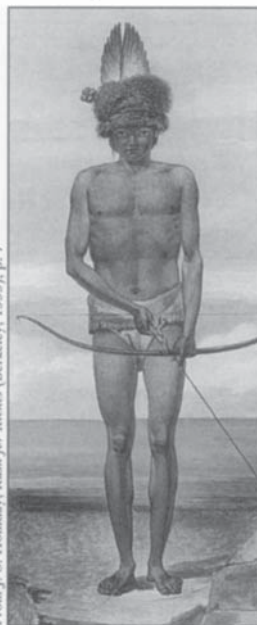
The mining frontier, regardless of what was sought—gold, silver, copper, or oil—produced winners and losers. Among the winners were such men as William A. Clark and William Randolph Hearst, who made vast fortunes that were passed on to their heirs. Some became public figures, others remained behind the scenes but were influential in state and national politics. Still others were content to build the stately mansions on the hills of San Francisco, the fine houses in Helena, Portland, Denver, and, after the oil boom, in Los Angeles.

Much of America's mineral wealth also found its way to New York and London, where shrewd investors profited from the continuing need for capital that marked the mining industry. In a different way there were winners among many foreign-born miners and their families who found that life in the United States, despite the hardships of industrial society, offered religious freedom, more opportunity, and political rights. Their descendants have assumed the mantle of the region's social and political leadership. Among the losers, native and foreign-born, were the men and women

who found themselves tied to industrial towns dominated by huge corporations, where the work was dangerous and where their community lasted only as long as the mines and smelters proved more profitable than money invested elsewhere. That legacy remains today when the price of precious metals determines whether mines or wells will be reopened or remain closed or whether deep-well drilling is profitable.

There were other losers as well. There were gullible investors, many unfamiliar with the risks of the mining industry, who often bought stock in speculative and fraudulent ventures. Naive easterners, wily Scots, English noblemen, as well as Dutch and French bankers had their pockets picked by shady dealers who peddled worthless stock or bled the fortunes of investors by constantly levying charges against stockholders. Despite the work of government agencies to protect the gullible, the practice continues today. The mine swindle is part of our national heritage.

As in all of the American past, but perhaps more so as a consequence of the mineral frontier, Native Americans lost the most. The mines and smelters required vast amounts of wood that resulted in denuded forests, and the miners' need for food contributed to the extermination of game animals. Moreover, the loss of forage for people who survived as hunter-gatherers was disastrous. Even worse, prospectors demanded that the army invade Indian treaty lands so they could be



From J. S. Holliday, *Rush for Riches* (Berkeley, 1999), p. 7

Lifeways, cultural diversity, even individual survival were all at stake for native peoples on the western mining frontier. Among those who lost virtually everything were California's Indians, such as the Pomo hunter at left, painted in 1818 by Mikhail T. Tikhonov while on a Russian expedition to California's northern coast.

The “Crime of ’73,” the United States’ devaluation of silver in response to the outpouring of gold from mines in western America and elsewhere, sparked political controversy for the rest of the nineteenth century and beyond, as indicated in the *Harper’s Weekly* cartoon (February 9, 1878, p. 120) at right. The flood of gold destabilized the world’s monetary system, which had been based largely on silver.

protected while they searched for gold. In some cases, as in California, the miners themselves attacked and virtually destroyed small bands of native peoples. The infamous Chivington Massacre in November 1864 in Colorado, as much any other event in the nation’s history, set out the miners’ view of the Indian. There is no doubt that the mining frontier wrought acute hardship on native peoples, whether in the Americas, South Africa, or Australia. Moreover, native people were often both caught up and rounded up as the incoming white population demanded self-protection and self-government. In the American mountain and desert West, statehood was often the direct consequence of the growth of the mining industry.

Miners tried to replicate the legal institutions and customs that they knew best, but the complexity of the industry, especially the difficulty of settling mineral claims, resulted in a legacy of mining law that is still important. There remains also the legal problems regarding waste, the residue of milling, and hard-rock and hydraulic mining that degraded the environment. The issue of waste was originally a matter of the common law until 1851 when it became the subject of legislation as miners and farmers contested in court over the question of damages. The environmental impact of all kinds of western mining that began with the Sutter’s mill strike has led to decades of litigation. Today mining companies, like old-time prospectors, still seek access to the public lands, but they confront environmentalists who fear not only solid toxic waste but also damage to the landscape and perhaps more important the pollution of rivers. Water in the West has become virtually as valuable as any other natural resource. It is no longer the “free good” of the early California placer miner. The struggle over it is in some measure a legacy of the mining frontier.

The precious metal prospectors and mine owners who sought personal wealth had no idea that the production of gold and silver would destabilize the world’s monetary system. Prior to 1849 gold was so scarce that it was rarely used in financial transactions. Britain maintained a gold standard, but it was virtually alone among the nations of the world. Most other countries




relied on silver, either as coinage or as a bullion reserve to sustain their paper money. The heavy output of gold that began in California led to a change in the monetary balance between silver and gold that contributed to the eventual devaluation of silver by the United States in 1873. The political consequences of this so-called “Crime of ’73” was a firestorm that reached a climax in 1896, when the Democrats nominated William Jennings Bryan for president on a platform that promised to restore silver as part of the nation’s bullion reserve. Even when western silver producers lost out in 1896, they managed to put the government back into the silver bullion business during the Great Depression as a means of sustaining mining state economies. The question of a bullion-based currency has far from vanished, especially among western precious metal producers.

From the vantage of the sesquicentennial of the California gold rush, historians now realize that, although people at the time could hardly have grasped the idea, the nation had entered a new era. With the California gold rush Americans began for the first time large-scale exploitation of finite nonrenewable resources. Prior to 1849, despite heavy lumbering in New England, the great pine forests of Michigan, Wisconsin, Minnesota, and the South seemed almost endless. Moreover, forests could be replenished, given enough time. The idea that water could be scarce or that a centuries-old aquifer might be exhausted would have been inconceivable to people living in the well-watered region east of the Mississippi River. Fish in the rivers

and lakes were bountiful, although the initial harvest of some of the coastal species had proved devastating. Nevertheless, this was scarcely a matter of public concern. Even the coal mines of Pennsylvania and West Virginia had limits but appeared inexhaustible. To be sure, coal reserves in the East are still mined. The bison had been virtually eliminated in the East, but there were still plenty of deer, turkey, and scores of other animals and birds. Little did anyone realize that in less than half a century the great bison herds of the West would be reduced to a pitiful few and the large animals of the East, even the deer, were almost gone. Since Europeans founded colonies in the Americas, they believed that the New World continents constituted a vast and inexhaustible commons, endless like their image of the sea.

Gold, however, taught a new lesson. The mineral wealth of the United States was not infinite. Minerals and carbons once taken from the ground do not replenish themselves. They are not renewable resources.

In fact, the very soil itself could be so degraded by the mining process that it could be moribund for centuries to come. The industrial era and the discovery of gold came almost simultaneously. Both produced a lasting legacy. In celebrating and taking stock of the impact of the rush for mineral wealth that began in 1848, neither historians nor the general public should lose sight of the economic, environmental, and social cost of extracting nonrenewable resources. The California gold rush cast a long shadow. What once seemed merely another example of America's limitless good luck in finding wealth proved, in the long run, to be just the opposite. It was the first signal of a future when one kind of luck would run out. 

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The quest for gold unleashed unprecedented exploitation of the nation's natural resources. The hope and opportunism that seemed unbounded would eventually give way to a growing sense of limitations, which included a desire to preserve scenic and natural landscape. Such notions were spawned in part by the devastation wrought by mineral exploitation, such as that depicted below in the Diamond City area of central Montana in the 1860s.



MHS Photograph Archives, Helena