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Contact Degrees Publications Conference Papers

CONTACT INFORMATION

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DEGREES

Northern Arizona University
Ph.D. History (2004)
Dissertation - "Merchants and Modernity: Market Transformation in the Southwest, 1865"

New Mexico State University
M.A. American History (1997)
Thesis - "Mesilla Valley Merchants, 1870-1881: Anglo and Hispano Involvement in the Santa Fe Trade of Southern New Mexico"

University of California, Santa Cruz
B.A. Asian History (1991)
Focus - History of World Religions

Certificates and Awards

2008 "Certificate of Appreciation," Western New Mexico University, for online course design.

2006 "Honorable Mention," Western New Mexico University, Recognizes innovative and student-centered teaching methods.

2003 McAlister Transition Fellowship, Northern Arizona University, awarded once a year to a Ph.D. candidate who is writing a dissertation regarding the history of the American Southwest.

1994 CRLA Regular Tutoring Certificate (College Reading and Learning Association), bestowed by New Mexico State University for tutoring students with diagnosed learning disabilities.

Academic-Type Work Experience

2007 Advance Placement Exam Grader in World History, (College Board, Educational Testing Services) at

Colorado State University, Fort Collins

2006 Advance Placement Exam Grader on World History, (College Board, Educational Testing Services) grading site was a the University of Nebraska, Lincoln.

Director of the Millennium III Honors Program

Publications

Fritz, Scott, "Yavapai County Merchants: The Center of Arizona's Early Territorial Economy, 1863-1881," Territorial Times, Prescott Arizona Corral of Westerners International 1: 2 (May 2008): 26-32.

Fritz, Scott, "An Early History of the Mesilla Valley and its Mercantile Community," Password 46: 4 (Winter 2001): 175-188.

Fritz, Scott, "Mesilla Valley Merchants and the Santa Fe Trade, 1870-1879," Southern New Mexico Historical Review 7: 1 (January 2000): 18-23.

Fritz, Scott, "Storekeepers in the Public Sphere, 1870-1877," Southern New Mexico Historical Review 6: 1 (January 1999): 35-38.

Fritz, Scott, "Box Canyon," Las Cruces Express 3: 1 (April 1998): 7.

Fritz, Scott, "Mommy, Where Do New Buildings Come From?" Las Cruces Express 3: 1 (April 1998): 4.

Fritz, Scott, "Mercantile Crossroads: The Mesilla Valley Prior to 1870," Southern New Mexico Historical Review 5: 1 (January 1998): 37-41.

Conference Papers

Fritz, Scott. "Merchants of St. Johns, 1876-1885: A Study in Group Formation, Bigoted Rhetoric, and Economic Competition." Arizona History Convention (Prescott, Arizona 2009)

Fritz, Scott. "The Impact of Economic Change on the Anglo, Jewish, and Hispano Mercantile Communities in New Mexico and Arizona, 1865-1929." Arizona History Convention (Tempe, Arizona 2001)

Fritz, Scott. "Merchants in the Public Sphere, 1870-1877: The Social and Political Role of Southern New Mexico Storekeepers." Rocky Mountain Interdisciplinary History Convention (Boulder, Colorado 2000)

Fritz, Scott. "Arizona's Trade Sector, 1877-1884: A Comparative View of Merchants in a Territorial Economy." Arizona Historical Society Convention (Yuma, Arizona, 2000)

Fritz, Scott. "The Origins of the Hispano and Anglo Merchant Class in Southern New Mexico." Phi Alpha Theta Regional Conference (Albuquerque, New Mexico 2000)

Fritz, Scott. "Mercantile Capitalists of Southern New Mexico, 1870-1879: Mesilla Valley Merchants and the Santa Fe Trade." Phi Alpha Theta Regional Conference (Tucson, Arizona 1999)

Fritz, Scott. "Mesilla Valley Merchants, 1870-1881: History of Anglo and Hispano Involvement in the Santa Fe Trade of Southern New Mexico." New Mexico State University Graduate Research Seminar (Las Cruces, New Mexico, 1997)

Fritz, Scott. "A History of the Mesilla Valley." Phi Alpha Theta Regional Conference (El Paso, Texas 1997)

Fritz, Scott, "Mathis and Mathis, 1936-1984: A Business History of a Successful Medium-Sized Mining Company in Silver City, New Mexico." New Mexico History Conference (Ruidoso, New Mexico, 2011)

Scholarship and Awards

Reviewer for Patterns of World History. Oxford: Oxford University Press, 2012.

Pioneer in Online Teaching Award, Western New Mexico University, 2008

Honorable Mention (for excellence in active, collaborative learning), Western N.M. University, 2006.

Presentation for the Lewis and Clark Bicentennial, "Thomas Jefferson's Republican Vision for America: The Louisiana Purchase and the Lewis and Clark Expedition." (Marshall, Missouri 2005)

McAlister Transition Fellowship, Northern Arizona University, 2003.

CRLA Regular Tutoring Certificate (College Reading and Learning Association), 1994.

Yavapai County Merchants:

The Center of Arizona's Early Territorial Economy, 1863-1881

By Scott Fritz

Who could have imagined that merchants were the most important people in Arizona Territory? Brothers Joseph and Michael Goldwater did not have to. They knew it! As general merchants, the Goldwaters stood at the center of Yavapai County's territorial economy, supplying food, forage, manufactured goods, and transportation services to the military and civilians. Traders financed economic development through store credit, and allowed settlers to exchange raw commodities for factory-made goods. Merchants like the Goldwaters were the middlemen of Yavapai County, and their banking-like activities serve an excellent case study for understanding the economic system of early Arizona Territory.

Arizona's territorial merchants participated in what historians call a merchant capitalist system. This type of economy prevailed in rural areas of nineteenth century America with small populations with little cash and where stores served as banks. It was an economy based on barter where producers of raw products obtained tools and seed on credit and paid store debts with commodities they produced. Merchants sold the raw products to local and distant markets, extinguished their customers' debts, and provided them more credit or currency. In Yavapai County, farmers, stock growers, and miners paid their bills with gold, lumber, wheat, corn, meat, and forage. Merchants sold agricultural products to nearby forts and bullion dealers outside the territory, thereby liquidating their debts as well as those of their customers and earning a profit on the difference.[1]

In the early years of Arizona Territory, Yavapai County was huge. Its borders extended from the Utah- Arizona border south to the Gila River and it stretched from the New Mexico border on the east most of the way to the Colorado River on the west. It was part of a region that the Spanish had called Apacheria and was where the Apache Indians had lived since the 1400s. In many ways, the county functioned as a microcosm of the larger territorial economy.[2] Mining and agriculture dominated the county's economy from the territory's inception in 1863 during the Civil War. The extraction of gold began that year with the arrival of the Walker Party, a group of prospectors who came from California, Colorado, and New Mexico. They found both placers and hard rock deposits of gold in the Bradshaw Mountains of central Arizona. News of the first discoveries spread rapidly, and more miners arrived leading the Union Army to establish Fort Whipple near the new town of Prescott as part of a system of forts designed to protect the miners from hostile Indians. The gold rush also impelled itinerant traders like Manuel Yrissari to come from New Mexico with goods that he peddled to the miners, military, and other newcomers. [3]

Agriculturalists settled in the area to sell food to the miners. Farmers and ranchers benefited from the recently passed Homestead Act of 1862 by which any settler could obtain 160 acres of federal land virtually free. To bring about the orderly settlement of homesteaders, the government appointed a surveyor general for Arizona Territory in 1864, Two years later a land office was established in Prescott, allowing settlers the ability to file for homesteads with surveyed coordinates. Farmers and ranchers usually settled near military forts and towns, and sold their food to an increasing number of merchants opening stores in the region to outfit prospectors.[4] Michael and Joseph Goldwater arrived in Arizona Territory in the early 1860s. They came from Germany to the United States in 1850 as part of a larger exodus of European Jews fleeing anti-Semitism and military conscription. They arrived in New York, but then moved to California to open businesses near the gold fields of the Sierra Nevada. However, the gold played out by the late 1850s, and they followed the miners to Arizona. Michael was the first to go to the territory. He crossed the Mojave Desert in 1860 with a wagon filled with merchandise that he sold at the short-lived boomtown of Gila City on the lower Gila River. By 1862 he was managing a store at La Paz for merchant Bernard Cohn and soon became his business partner. Together, they supplied merchandise to local miners and to other merchants in Arizona's interior, including traders selling products to settlers in the new town of Prescott. After the Colorado River changed its course, leaving La Paz high and dry, Goldwater opened a store in nearby Ehrenberg where its proximity to the river made the unloading of goods off boats easier. To facilitate the distribution of goods into Arizona's interior, Goldwater financed the construction of the Ehrenberg Road, and opened stores in Phoenix in 1872 and Prescott in 1876.[5]

Goldwater's importing business was part of a growing merchant capitalist system that connected Arizona's rural, cashless economy to the United States. The jobbing trade, as it was called, involved wholesale merchants ("jobbers") selling goods on credit to retail merchants, who paid their bills after they had sold their customers' raw products. Many of these jobbers were located on the Colorado River where they imported manufactured goods from California through San Francisco commission merchants who charged a fee for the purchase and transportation of products. Goods destined for Arizona were placed onto ocean going ships, and transported around the tip of Baja California to the mouth of the Colorado River. Merchandise was placed onto steam-powered riverboats and shipped upriver to Yuma and beyond. At these towns, merchants placed the goods on wagons and transported them to towns east of the river.[6]

It must be emphasized that the Goldwaters were not unique. They were just one example of many businessmen who participated in the wholesale trade of Arizona Territory. Two comparable Colorado River merchants were Frederick Jaeger of Yuma and William H. Hardy of Hardyville. Both of these storeowners engaged in the jobbing trade and supplied retail businesses in Yavapai County and central Arizona, including stores like those owned by retailers M. L. Peralta in Wickenburg and Leo Goldman in Pinal. Some of the largest wholesalers in Prescott included L. Bashford and Co. and C. P. Head and Co.[7]

Prescott merchants at first relied on placer miners for much of their business. Unlike hard rock mining which required large amounts of capital, placer miners needed little financing. All they required was store credit to buy tools, clothing, and food. Once miners acquired the metal, they returned to town to pay their store bill with gold dust. Consequently, Prescott stores had assayers who determined the quantity and quality of precious metals. Merchants recorded the amount on ledgers, and provided the miners with cash and more store credit. The merchants then paid off their wholesale suppliers and in this way financed the first central Arizona mining boom.[8]

The role of the army in Arizona's economic development should not be underestimated. War Department contracts were important to Arizona Territory because the army relied on the civilian population for food, forage, and for freighting. In towns like Prescott proximity to an Army fort provided a market for merchants who established stores and sold local products to the federal government and its employees.

Merchants sold agricultural products to forts by winning government contracts. The procedure began with merchants submitting bids for proposed contracts. Proposals had to be placed in sealed envelopes and delivered to military headquarters or to the offices of leading merchants in Arizona. Bidders had to indicate the type, quantity, and price of the commodities they intended to deliver. Proposals required the bidder to have two other individuals put up bonds as sureties that could be worth twenty to fifty percent of the contract's value. Putting up bonds insured that contractors would fulfill their side of the bargain. If the original bidder failed to deliver the agreed-upon goods, then the guarantor could secure the bid and earn its profits. If the guarantor in turn did not fulfill the contract requirements, the government could take over the contract, sell it on the open market, and charge the original contractor for any monetary loss incurred in the transaction.[9]

The military often advertised for individuals to submit bids to the federal government. Newspapers like the Prescott Arizona Miner carried proposals to supply food to military installations throughout the territory. For instance, in June of 1867 the government proposed contracts for the supply of three hundred tons of shelled corn or barley to Fort Whipple and one hundred tons of the same commodities for Camp Lincoln on the Verde River. The advertisement indicated that individual bids would not be received for any amount less than five tons and that the corn and barley had to be of good quality, well sacked, and subject to inspection. Government proposals also included contracts to supply food to forts and Indian reservations. In January of 1867, the government advertised proposals for fresh beef and mutton for troops, government employees, and Indian scouts to be delivered at ten military posts in Arizona. There were also separate proposals for contracts to supply officers and their families with choice cuts of beef, veal, and mutton.

Other contracts included supply of live cattle and sheep. In 1867, Camp Lincoln and Fort Whipple advertised for animal fodder. The government stipulated that the forage had to be well-cured and taken from the best native grasses. The hay was to be delivered to the forts and stacked where ordered. The stacks had to be carefully built, elevated off the ground, and arranged in such a manner as to protect the materials from inclement weather. Such offers were a boon to Arizona settlers. The Office of Indian Affairs estimated that in Arizona for the month

of May 1873 it had purchased 604,088 pounds of beef worth $30,204.[10]

While established merchants won large contracts to supply the military, other civilians often bartered their products to fort officials through a post-trader. Sometimes called 'sutlers,' these merchants were licensed by the federal government and enjoyed a monopoly on the trade within the fort and with the nearby civilian population. In fact, a considerable amount of a post-trader's business activities occurred outside the fort. For example, Fort Verde's post-trader, James H. Strahan and his wife, sold flour, bread, coffee, sugar and flannel to local residents who in turn supplied corn, wheat, and forage to the post trader. Another Verde Valley resident, Bristow Jordan, sold butter and milk to the post trader for one dollar per pound, and Rebecca Jane Casner and her family traded vegetables to post trader in exchange for a cook stove they purchased from the fort's merchant. Other Verde Valley residents like James R. Boyer and Bill Allen sold hay to the post-trader. Boyer also made money transporting wood from a government owned saw mill on nearby Cherry Creek to Fort Verde. Also, some Verde Valley residents were hired to build a road from Fort Verde eighty miles south to Fort McDowell.[11]

The military supply system was vital to Yavapai County's economic development. The continued influx of federal money trickled down into the private economy and helped Arizonans weather the economic depression of the mid-1870s. The upswing of the business cycle after 1877 continued the growth of Arizona businesses, as new merchants, farmers, and ranchers arrived in the region. Greater level of specialization also occurred in the late 1870s, laying the foundation for Arizona's economic modernization going into the twentieth century.

Prescott was growing rapidly with a variety of new stores catering to the retail trade. By 1877, there were three jewelers, three meat markets, four livery stables, three breweries, eight carpenter shops, eight blacksmith shops, seven wagon shops, five hotels and restaurants, five shoe stores, fourteen saloons, two tin shops, two barbers, seven attorneys, four physicians, one drug store, four milliners, one dentist, one harness shop, one photographic gallery, three assay offices, and one sash, door, and blind factory. That same year, Prescott had fourteen mercantile establishments, the largest being those of J. G. Campbell, William M. Buffum, and Michael Goldwater. [12]

Yavapai communities were increasingly being connected to the larger U.S economy by the 1870s. Wickenburg, located in the northwestern part of Maricopa County, had some three hundred residents and served as a station for the California and Arizona Stage Co. which transferred passengers as well as mail and express items for Prescott merchants coming from communities like Ehrenberg, Phoenix, and Florence.

Prescott merchants relied on large commission merchants based in California to have their manufactured goods imported into the territory. The most prominent was the San Francisco firm of W.B. Hooper and Co., a family owned enterprise, which forwarded products from California to towns on the Colorado River. George Hooper, one of the owners of this company, had operated a store in southern Arizona since 1857. Another owner, William Hooper, maintained forwarding houses where he unloaded products and shipped the wares by wagon to agricultural and mining communities in western and central Arizona. He also maintained outlets in Arizona, including stores in Yuma, Ehrenberg and Fort McDowell, and had a business partnership with Tucson merchant James M. Barney.[13]

Merchants' wealth increased by the 1870s. The Goldwaters expanded their business in central and southern Arizona. Having based their operations in Prescott in 1877, the family operated a variety of different ventures, including interests in the Vulture Mine adjacent to the town of Wickenberg. Like other merchants, they had 'grub staked' or loaned money to miners, who in return would pay their debts with mining company shares, which at times gave merchants a controlling interest in a mine. Michael Goldwater took over the Vulture Mine temporarily from the owners to ensure that he could gain access to its gold to cover a debt of $35,000 in supplies. The Goldwaters also expanded the number of stores, to include new ones in Phoenix, Parker, and Seymour in the 1870s. After the Southern Pacific Railroad was completed in Southern Arizona in 1881, they opened stores in the new mining towns of Tombstone, Contention, Bisbee, Fairbanks, and Benson. In 1896, the Goldwaters relocated their headquarters from Prescott to Phoenix, by then the territorial capital.[14]

While the wealth that merchants enjoyed grew in the 1880s and 1890s, their overall influence in the economy had become less significant. These decades saw an upswing in the economy, completion of transcontinental railroads, and rapid population growth. The number and type of businesses grew, and local companies began to incorporate, including those owned by merchants. Merchants had to deal with outside competition from mail

order houses, and eastern financed mining and manufacturing companies. Merchants began transforming their stores into department stores and specializing in the sale of manufactured goods for cash. They also invested in new ranching and mining corporations. By 1886, the military supply system was changing due to the end of the Apache Wars, and traders largely ended their financing of raw commodity production, as the first banks opened in Yavapai County. The late nineteenth century was a period of economic change, and increased competition and specialization. It was a period in which the old merchant capitalists were no longer the center of Arizona's economy.

Yavapai County's economic history was a microcosm of Arizona's overall economy and showcased the importance that merchants played in Arizona history from 1864 through the 1870s. Arizona's early economy had been relatively small, and merchants had been the most important people in it. Yet, things were changing, and merchants knew it. Merchant capitalism was coming to an end and a new economic system was emerging in Arizona Territory– an era of corporate capitalism.

END NOTES

[1] Larry Schweikart, *A History of Banking in Arizona* (Tucson: University of Arizona Press, 1982), 6-10.

[2] Henry P. Walker and Don Bufkin, *Historical Atlas of Arizona*, 2nd Edition (Norman: University of Oklahoma Press, 1986), plate 31.

[3] Federal Census, Arizona Territory, 1864. Other New Mexico traders included Jose Luna and Jose Alejandro. Yrissari's log cabin store is preserved on the property of Sharlot Hall in Prescott, Arizona. See Sharlot Hall Museum Library and Archives, vertical file.

[4] Hubert Howe Bancroft, *History of Arizona and New Mexico, 1530*-1888 (Albuquerque: Horn and Wallace, 1962), 598, 612-613.

[5] Dean Smith, *The Goldwaters of Arizona* (Flagstaff: Northland Press, 1986), 1-60.

[6] Bancroft, *History of Arizona and New Mexico*, 613.

[7] Stephan N. Patzman, "Louis John Frederick Jaeger: Entrepreneur of the Colorado River," *Arizoniana* 4:1 (1963), 31-36; John L. Riggs and Kenneth Hufford, "William H. Hardy: Merchant on the Upper Colorado," *Journal of Arizona History* 6: 4 (1964): 177-187; *Salt River Herald*, March 16, 1878; Smith, *The Goldwaters of Arizona*, 42.

[8] *Salt River Herald*, March 16, 1878.

[9] *Arizona Citizen*, December 25, 1875; and January 1, 1876; "Contract" June 1, 1882. *United States War Department Office of the Quartermaster Records*, Center for Southwestern Research, University of New Mexico; and Darlis Miller, *Soldiers and Settlers: Military Supply in the Southwest, 1861-1885* (Albuquerque: University of New Mexico Press, 1989), 40-41.

[10] *Arizona Miner*, June 15, 1867; *Arizona Citizen*, January 1, 1876; "Abstract of Beef Delivered to Various Indian Reservations in Arizona Territory for the Month of May 1873," *LROIAAS* Microcopy 458, reel 7. Camp Lincoln at the mouth of Beaver Creek became Camp Verde in 1870. In 1871, the post was moved south along the Verde River and became Fort Verde in 1876.

[11] *Pioneer Stories of the Verde Valley* (Camp Verde: Verde Valley Pioneers Association, 1933), 42, 44, 48, and 67; *Arizona Citizen*, October 11, 1873; and November 27, 1875.

[12] Hiram Hodge, *1877: Arizona as it Was* (Chicago: Rio Grande Press, 1877), 148-151.

[12] *Arizona Weekly Citizen*, November 23, 1872; October 4, 1873.

[13] *Arizona Weekly Citizen*, November 23, 1872; October 4, 1873; and October 16, 1875; and Bill Hoy, "Hardscrabble Days at the Ajo Mines: George Kippen's Diary, 1855-1858," *Journal of Arizona History* 36: 3 (Autumn 1995), 239-247.

[14] *Tucson Weekly Star*, January 24, 1878; July 4, 1878; and March 28, 1878; *Arizonia: The Nations Youngest Commonwealth within A Land of Ancient Culture*, Volume 3, 111 (Chicago: S. J. Clarke Publishing Co., 1916), 14-15; Don Maguire, *Gila Monsters and Red- Eyed Rattlesnakes: Don Maguire 's Arizona Trading Expeditions, 1876-1879* (Salt Lake City: University of Utah Press, 1997), 117-137; and Dean Smith, *The Goldwaters of Arizona* (Flagstaff: Northland Press,1986), 48-53.