

Gold Rush Entrepreneurs

Thousands of fortune seekers came to California in 1849 in the hopes of striking it rich by finding gold. In 1849 alone, 80,000 men came to California in search of a fortune. Towns started up wherever gold was found. Many had colorful names, like Shirt Tail Canyon and You Bet.

The huge jump in population in California created opportunities for entrepreneurs. An entrepreneur is a person who organizes and operates a business. In booming California, there were dozens of opportunities for entrepreneurs to provide services to the gold miners. Levi Strauss became one of the most famous entrepreneurs. He used blue denim and rivets to invent blue jeans—long-lasting pants for the miners. Here are a few other famous entrepreneurs from that era.

- Cornelius Vanderbilt was already wealthy from shipping when the gold rush broke out. He increased his fortune by helping bring the forty-niners to California. His ships carried passengers to the Caribbean coast of Nicaragua in Central America. Then people crossed to the Pacific coast and took one of Vanderbilt's ships to California. The cost per passenger was more than \$500.
- Frederick Pope and William Talbot were in the lumber business in Maine. With the building boom caused by the gold rush, they figured that California needed lumber. They sent a shipment of Maine lumber to San Francisco in 1850. When it sold out quickly, they opened a saw mill on Puget Sound, in present-day Washington. Their business thrived for many years.
- Kit Carson, a former fur trapper, lived as a rancher in New Mexico. He recognized that the prospectors would need food. He organized a drive that brought thousands of sheep to California.

- James Phelan came to San Francisco from Cincinnati. He became wealthy selling food to the miners. He used his profits to invest in real estate and became one of San Francisco's first millionaires.
- Mifflin Gibbs was an African American who came to California from Philadelphia. He had success with a San Francisco company that made fine shoes and boots. Eventually, Gibbs left California, however. He was frustrated that, as a black man, he could not enjoy the full rights of a citizen.
- William Fargo and Henry Wells formed Wells, Fargo and Company. They were experienced in carrying packages, mail, and passengers overland in coaches. They won the lucrative government contract to carry mail overland from Missouri to San Francisco. They made even more money by banking.

The few women who ventured to California could also find success as entrepreneurs. Women provided essential services such as cooking and laundry. One woman said, "[California] is the only country I ever was in where a woman received just compensation for work."

Activity

Think about a trend affecting the United States today. Write down the trend. Then write down specific business opportunities that this trend creates. For example, the growth of the computer industry has created the need for stores to sell computer equipment. Develop an idea for a new business—or a variation on an existing business—that meets those needs.