The Mining Boom in Baja California from 1850 to 1890 and the Emergence of Tijuana as a Border Community

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In the period following the Mexican War of 1846–1848, many of the hordes of prospectors who participated in the California gold rush also became interested in mining possibilities in the Mexican northwest. During the 1850s, a series of gold and silver strikes in the northern part of the Baja California, or Lower California, peninsula resulted in a rush of U.S. and other foreign miners to the region. It was during this period that San Diegans and other Californians first became aware of the economic potential of the peninsular region and its relevance for their own growth and development. The great majority of the gold seekers left the territory once the mineral deposits had played out. Discoveries of precious metals in the area continued to occur throughout the following decades, with the exception of the 1860s, when the only notable strikes were those which took place in the southern and central portions of the peninsula.

It was also during this period that Tijuana began to emerge as a town on the border, owing to the strategic location of the Tijuana River valley on the route to the goldfields and other locations in the peninsula, as well as the influence of the southern California land development boom of the mid-1880s. A small community soon grew up around the customhouse and military post that had been established there as a governmental response to the increase in cross-border traffic and trade caused by the mining boom in the interior. In this way was formed the nucleus of what would eventually become the second largest metropolis in the Mexican northern border region.

Prelude to the Baja California Mining Boom

Although precious metals had been mined in Baja California since the early part of the eighteenth century, mining activities had not in

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general developed to the same degree as they had in Sonora and other regions of Mexico.1 By the early decades of the nineteenth century, many gold and silver mines had been abandoned. The only significant mining site was the silver-producing region of San Antonio, located in the southeastern tip of the peninsula near Bahía Ventana.2

During early national period in Mexico, the Mexican government removed obstacles to the establishment of mining ventures by foreigners. It also offered rewards for the discovery of ores and mercury deposits for the refinement of metal ores.3 Although the mining of precious metals in Baja California increased somewhat during the 1840s, the Mexican War interrupted such activities.4 In the course of the conflict, several Americans proposed that Baja California be included in the territorial cession to be imposed upon Mexico as part of the peace agreement. The Mexican government, considering the peninsula vital for the country's defense and believing that it contained valuable resources that had not yet been exploited, refused to consider this proposal. As a result, Baja California was not included among the Mexican territories ceded to the United States by the Treaty of Guadalupe Hidalgo signed on February 2, 1848.5

James W. Marshall's discovery of gold along the American River in the northern sierra region of California during the last week of January 1848 set in motion a great migration of miners from many countries to the area. Many miners made their way to the goldfields by traveling overland through Baja California. Mexicans and Chileans, who were among the first groups of miners to reach California and were accustomed to desert travel, particularly favored this route. Miners from northern Sonora made their way to the Gila River in southern Arizona, which at that time still belonged to Mexico, then headed westward to Los Angeles. Mexicans coming from regions farther south would depart by ship from ports on the Pacific such as Mazatlán, San Blas, or Guaymas; cross the Gulf of California to La Paz, the principal port and territorial capital of Baja California; then journey overland up the length of the peninsula.

Some of these miners remained for a time at certain camping spots in order to prospect for precious metals. The mines that were begun by Mexican and Chilean prospectors in the northern sierra districts or the central desert region further south continued to be worked by various owners long after the rush had ended. In fact, some would continue to produce ore up until the early decades of this century.6
Some of the Anglo-American miners who penetrated Baja California during this period were men who, while traveling by ship from Panama to San Francisco, had been shipwrecked along the southern coast of the peninsula and forced to make the remainder of the trip overland up the peninsula. Others, weary of the long ocean voyage, voluntarily went ashore in the belief that the overland trek to California would be less time consuming and hazardous than continuing the trip by sea. Both types of travelers promptly found out that the overland journey up the peninsula was neither rapid nor always comfortable. In the course of these trips, none of the Anglo prospectors apparently detected the presence of gold or other precious metals in the region.7

Urban San Diego in 1848 consisted of what was referred to as Pueblo Viejo, or Old Town. Old Town contained a cluster of wooden and adobe structures around a dirt plaza that had grown up on the flat below the hill on which stood the former Mexican presidio, or garrison. Merchants, landowners, and cattlemen formed the bulk of the town’s governing elite. The majority of the 300 to 400 inhabitants were Mexican, with a numerous Indian population in the outlying areas.8

At this time no gold had been found in the San Diego region, and several of its inhabitants had departed for the northern California goldfields. Since California had only recently come under U.S. rule, many of these persons were of Mexican origin. Despite the migration of citizens to the northern goldfields, the town’s population grew steadily. The stream of northern-bound miners from Mexico passing through the town stimulated business. During the early years of the rush, from 1849 to 1851, San Diegan entrepreneurs opened several new hotels, retail stores, and saloons to meet the prospectors’ needs.9

Cattle from the surrounding region were also exported in considerable numbers to the northern California goldfields. Much of the cattle came from Baja California. The export from Mexico of cattle, together with other agricultural products, would come to form a principal part of cross-border commerce in the region over the ensuing decades.10

Andrew B. Gray, a surveyor with the U.S. commission charged with the task of demarcating the new international boundary, believed that a better site for the town lay on the shores of San Diego Bay, at a site near what is now the foot of Market Street. Anglo and Californio11 speculators, believing that the land around the harbor area would become valuable once the community began to grow, bought up lots in that zone. The prosperity resulting from the flow of miners northward
sparked a construction boom in both the Old Town area and the new area favored by Davis. By 1850, the population of San Diego had grown to 650.12

In that year, Gray met William Heath Davis, a San Franciscan merchant and coast trader, who had married into the wealthy Estudillo family of San Diego. Gray was able to interest Davis and several other prominent citizens in the New Town project. In March 1850, the partners bought up a 160-acre tract of land bounded by what is now Front Street, Broadway, and the waterfront. A grid of 56 blocks was laid out, wells were excavated, a warehouse constructed, and a wharf built. Fourteen prefabricated houses, shipped around the Horn from New England, were disembarked in the port and assembled in the new area. The U.S. army also established a supply depot in the zone, further enhancing its prospects for development.13

Despite the growth in business and construction projects, San Diego still had very much the appearance of a rough-and-tumble frontier community. The streets were filled with garbage and cattle roamed them freely. The surrounding rural areas were dotted with Indian huts. The town possessed a transient element armed with pistols and bowie knives. The wild and woolly nature of San Diego during this period was captured by the artist H.M.T. Powell in his account of a two-month stay there while en route to the northern goldfields:

Gamblers and gambling rife here, Sunday or no Sunday. . . .

Everybody gets drunk. . . . The gambling and drinking of the officers . . . and their exceedingly supercilious manners to the Emigrants is very reprehensible. . . . A party came in from City of Mexico today. . . . They set up a Monte Bank in the evening; piles of doubloons; large lumps of gold. . . . Owens (Dragoon) died for cutting and maiming another Dragoon. . . . A Mexican soldier of Carrasco’s Command murdered another right here in town last night. So little notice was taken of it that I did not hear of it until this evening.14

The Gold Strikes of the 1850s in the Peninsula

In northern California, the period in which gold could be easily recovered from surface deposits had almost ended by 1850. Mining
became increasingly competitive and dependent on the hiring of labor to work subsurface seams. Many miners began to consider the possibility of striking it rich in other areas that hitherto had not been exploited. Given that gold was so abundant in the California sierra, to many of the gold seekers, it seemed logical to suppose that it should also be plentiful in the mountain and desert regions of northwestern Mexico. They hoped that gold deposits equal or superior to those of California might be found and exploited in Baja California and Sonora. It was rumored that Jesuit missionaries had discovered rich mines in the hinterland, the exact locations of which had been lost over time or maintained in secret. Rumors soon began to circulate among the California miners that great gold deposits could be found in these regions. Some Americans asserted that the Spanish, and the Mexicans who later replaced them as the territory’s rulers, had failed to develop these resources out of lethargy and indifference. “If a race like the Americans shall ever get the country under their command,” a correspondent to the Daily Alta California boasted, “I am satisfied that fortunes will be made and riches brought to light of which but few of the present occupants of the territory ever dreamed.”

Some U.S. citizens had already journeyed to Baja California with that aim in mind. Several of them were veterans of the campaigns waged by U.S. forces against groups of Mexican patriots in the southern part of the peninsula during the recent conflict. Not all of these immigrants were prospectors; some were men who, having made some money in California, intended to settle in northern Baja California as farmers, ranchers, and traders.

The interest of those who sought gold in Baja California was heightened by news of a number of discoveries of that metal in different localities in the northern portion of the territory (see map 1). Early in 1851, placer gold was discovered at a place called Las Gallinas, near San Antonio. The discovery prompted hundreds of persons from San Diego and other southern California communities to migrate to the vicinity in hopes of striking it rich. The strike evidently did not last long, as no further news was heard of it. It did, however, stimulate interest among San Diegans and Californians in general concerning mining possibilities in the peninsula.

Some months later, in June 1851, other gold deposits were discovered in the vicinity of Santo Tomás, about three hundred miles south of San Diego. This strike proved somewhat longer lasting than the previous one at San Antonio. Although the gold was quite coarse, some
Miners were able to extract at least five dollars worth a day from the diggings. Shortly thereafter, other deposits were discovered near the bay of Todos Santos. This bay, around which the port of Ensenada and its outlying settlements would emerge in the 1880s and 1890s, offered an easy entrance and good anchorage for ships en route along the coast.  

A much richer strike occurred on June 23, 1851, in Rancho San Isidro (also known as Aja-jolojol or Jesús María), approximately forty miles from San Diego in the vicinity of the international boundary. This property belonged to José López, a disabled ex-soldier to whom the parcel of land had been given as a pension by the government. Additional gold finds, as well as deposits of silver, were soon made in the same
area or in regions farther south. The mines at these sites were developed by Mexican business partners José Matías Moreno and Guillermo Norlin. Norlin provided the capital for carrying out mining operations, while Matías Moreno obtained the necessary permit from the Mexican federal government. Together the two men organized the La Margarita mining corporation and sent shipments of silver to San Francisco via the Wells Fargo Express Company.21

Matías Moreno owned property on both sides of the border. He had investments not only in mining, but also in a variety of other activities including lumbering, land speculation, and cattle ranching. Reputed to have more influence with the regional Mexican government at La Paz than any other man, he was sought after as an agent by U.S. businessmen who wished to invest in Baja California. On one occasion, for example, he was paid two thousand pesos by Grisar Brynes and Company of San Francisco for obtaining for this firm the rights to mine for salt in the San Quintín area.22

Further gold discoveries were made in the mid-1850s. In September 1854, a vein of gold-bearing quartz was discovered on the lands of the former Misión de Guadalupe, located about eighty miles southeast of San Diego.23 In 1845, Pío Pico, the last Mexican governor of California, had given Juan Bandini, a Peruvian of Italian descent whose father had immigrated to California in 1820, a grant of land which included the mission property. Bandini improved the land and planted an orchard. Bandini’s principal interests were in raising cattle and horses, and by 1852, his herds consisted of some three thousand of these animals. In 1853, the land reverted to government ownership when President Antonio López de Santa Anna declared void the land grants issued by Pío Pico.24 Ten years later, in 1863, it was acquired by Matías Moreno. By then, the gold production had evidently ceased, since Matías Moreno makes no mention of it in an 1861 report to Teodoro Riveroll, the governor of Baja California, shortly after his appointment as jefe político de la frontera (political representative of the border zone).25

The majority of the gold discoveries of this period occurred south of the international boundary. Although two Indians reportedly found traces of gold pyrites in a gulch between Old Town and the Misión de Alcalá in the San Diego region in May 1852, gold was not discovered in significant quantities in the county until the large strike that began along Banner Canyon in the Cuyamaca sierra during the winter of
1869–1870. The Banner Canyon strike spawned a series of mining towns east of San Diego in the early 1870s, among them Julian, Banner, and Cuyamaca City.

For a time, the gold discoveries in Baja California caused San Diego's economy to stagnate. Each new gold strike attracted a flow of citizens to work the claims. In addition, as time went on, the flow of prospectors heading north to the goldfields of northern California gradually diminished, which also hurt business.

Davis's New Town project had also floundered. One of the project's partners, Miguel Pedorena, died of apoplexy shortly after the construction work commenced. Several of the older San Diego elites preferred to remain in the Old Town area. The U.S. federal government canceled its plan to construct a customhouse and post office in the New Town site. Davis had also suffered personal financial losses, chiefly as a result of a San Francisco fire that resulted in $700,000 in property and merchandise damages. The tragedy left him without money to invest in the New Town venture. The site was gradually abandoned as its inhabitants moved elsewhere, and the buildings deteriorated.

In time, however, the town's outlook brightened considerably. As the most important ocean port near the line of demarcation between the United States and Mexico, San Diego grew into an important departure point and supply depot for prospecting expeditions setting off into the mountainous interior of Baja California. Several local businessmen, such as Matías Moreno and Norlin, were themselves mine owners or had shares in some of the larger mines.

San Diego's relative proximity to the Baja California goldfields and to Mexico created problems of security for the town, as well as difficulties with the Mexican government. As in the case of the northern California gold rush, there were numerous instances of crime and violence in the peninsular gold region. Two men, identified only by their surnames, Vaness and McDonald, attempted for several weeks in San Diego to organize an expedition with the intention of leading an attack against the mining encampments in Mexico and looting them, much as the desperado gang led by John Glanton and other parties had done to villages in northern Sonora, such as Cieneguilla. Unsuccessful in this endeavor, Vaness and McDonald crossed into Baja California and were subsequently slain during an encounter with either Mexican federal troops or minor-vigilantes.
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As time went by, robberies and crime in Baja California increased. Several persons convicted as bandits by the Mexican authorities were executed by firing squad over a five-year period from 1856 to 1861. Many foreigners were expelled from the territory as part of a general governmental policy aimed at getting rid of such troublemakers.32

One incident involving violence in the goldfields almost led to a regional conflict between the two Californias. In 1858, William Cole and two other San Diegans, who had been mining in the vicinity of Santo Tomás, killed an American named Bill Elkins and a Mexican in the belief that they were guilty of horse theft. Cole and his companions were jailed by the local authorities. Thomas R. Darnall of San Diego, who journeyed to Santo Tomás to try to gain the men’s release, was also imprisoned. San Diego citizens threatened to lead an expedition of volunteers from the town and Los Angeles to the peninsula in order to free the four men. Fortunately, the jailed men were freed by the Mexican authorities before the proposed expedition could be launched.33

In the following year, 1859, rumors abounded concerning possible raids on San Diego by armed bands of outlaws from Raja California. At a public meeting attended by several of the town’s citizens, it was decided to appoint a special guard of twelve volunteers to maintain vigilance at certain designated spots around the town each night in order to warn the populace in case of an attack.34

Cattle thefts also became very common in San Diego during the gold-rush period. In most cases, crimes of this type were blamed on the Indians. Prior to this period, whipping had been the punishment commonly meted out to Indians caught stealing from members of the white population. Many Indians accused of stealing, however, were hung or shot. Those who killed Indians in this manner knew that, in the event of a trial, they would not be convicted of homicide.

In 1850, the county of San Diego, in need of tax money, had sent Sheriff Charles Haraszthy among the Diegueño, Luiseno, and Cupéno tribes to collect taxes on cattle and other property. The Indians had numerous grievances against the whites, and the tax appeared to them to be the last straw. The missions that formerly had protected them had disappeared as a result of the secularization process from 1834 to 1845. The Indians were also much annoyed that the whites had despoiled them of their best lands and that increasing numbers of white settlers were entering the region. In 1851, the Indians refused to pay the tax
and began a revolt. It was feared that a general native uprising would result, involving not only the tribes in the region, but also those of Baja California. Due to dissension among the Indians, the feared uprising did not materialize. The revolt petered out when the rebel leader, Antonio Garra, was captured and executed on January 10, 1852.35

The suppression of the Garra revolt put an end to any potential Indian threat to the white settlements. It did not, however, put an end to cattle rustling in the region, which increased in the years following the native revolt. Hanging eventually replaced whipping as the official punishment for all cattle rustlers, whether white or Indian.36

The Mexican government, concerned over the influx of Americans and other foreigners into Baja California, adopted measures to reinforce its control over the region. In July 1849 President José Joaquin Herrera issued a decree for the establishment of a number of military colonies along the Mexican side of the border. It was contemplated that these colonies, made up of soldier-civilians, would, like the colonial presidios or garrisons, serve as core areas around which civilian towns would develop and be governed by elected councils. The decree excluded foreigners—a provision aimed principally at U.S. citizens—from being eligible “either as military colonists or as civilians unless it be done personally and at the responsibility of the inspector, in order that there be no questionable motives behind their joining.”37

The Herrera colonization project, together with subsequent plans elaborated by congressman Mariano Paredes in 1850 and senator Juan Nepomuceno Almonte in 1852, were weakened by a shortage of government funds, a failure to induce Mexicans to migrate and settle in the border areas, and a lack of initiative on the part of the authorities in promoting such projects.38 The single colonia militar established in Baja California, which had to be moved from El Rosario on the coast to a more suitable location at Santo Tomás, experienced internal dissension from the beginning. The lack of water and lands for farming caused discontent among the soldiery, who, in the words of the distinguished Californian historian Hubert Howe Bancroft, “wandered about in quest of sustenance or deserted to the glittering placers of the gold region.”39 Mismanagement and personal rivalries among the officers of the region initiated a period of disorder among local factions struggling to assert their power over the northern half of the peninsula.40

In 1850, the expulsion from La Paz of two U.S. citizens suspected of attempting to promote the peninsula’s annexation to the United States caused the Mexican federal government to issue a circular pro-
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hibiting the various state and territorial authorities from granting permits to U.S. citizens wishing to travel to Baja California. Aware that prospectors and settlers were entering the territory in steadily increasing numbers, it instructed local commanders to turn back all foreigners at the border. Nevertheless, due to the unsettled conditions in the peninsula as well as a lack of soldiers to patrol the line, little could be done to stop the flow of immigrants.

Although the Mexican government tried to send reinforcements to northern Baja California to preserve order and establish effective control, the ongoing power struggles in the area perpetuated the danger for miners and settlers. In 1852 a revolt led by local caudillos Antonio Maria Meléndrez and Santiago Alvarez against federal forces led by Juan Mendoza resulted in the sacking of Santo Tomás, the principal community. The attack provoked demands by U.S. property owners that the Mexican government provide them with protection. Some U.S. citizens who were suspected of collaborating with the rebels—including Isaac Van Ness of San Diego and an associate—were executed by government forces.

On occasion, these peninsular political struggles also constituted a threat to San Diego’s security. During the late 1850s, Mendoza, who had by then had been forced out of power, had established a base in the San Diego vicinity. With the aid of some U.S. citizens, he conducted a series of cross-border raids into Baja California. Several skirmishes were fought between Mendoza’s men and Mexican troops along the dry bed of the Tijuana River. The proximity of the conflict to the San Diego region led some of her citizens to demand that the U.S. government strengthen its defenses against possible assaults on the town from Mexican territory.

Filibuster attacks against Baja California posed an additional problem of security for the Mexican government during this period. A group of adventurers led by William Walker set out from San Francisco in mid-October 1853 with the goal of conquering Sonora. Due to the confiscation of the filibusters’ brig, The Arrow, by U.S. Army authorities, the group was obliged to alter its plans. After plundering La Paz, the expedition made its way back up the Pacific coast of the peninsula to Ensenada, where it awaited reinforcements. Although Walker’s associate in the enterprise, Henry Watkins, arrived at the end of December aboard the brig Anita with some two hundred volunteers, the expedition still lacked food and other urgently needed supplies. As a result, many of the new arrivals returned to California. In March 1854, Walk-
er finally determined to march on Sonora. Shortly after crossing over into that state, he was obliged, due to desertions, to return to Baja California. In the meantime, the small garrison that Walker had left at San Vicente had been wiped out by a guerrilla group led by Antonio Meléndrez. Fighting constant rearguard actions against Meléndrez and his men, Walker and the remnants of his expedition eventually succeeding in reaching California and safety in early May 1854.45

In comparison with the mining strikes of later decades in the peninsula, the discoveries of the early 1850s were fairly modest in scale and did not result in the riches hoped for by prospectors and investors. Despite the small nature of the deposits, Californian promoters and speculators remained optimistic about the possibility of future and greater discoveries in the peninsula.46

For U.S. and other foreign miners in Baja California, water was a key determinant. Settlements could flourish and mining be conducted only in areas where a continuous supply of water could be found. Due to the fact that the peninsular watershed is very narrow, water from torrential cloudbursts occurring most commonly in winter, is rapidly carried off to the Pacific Ocean or the Gulf of California. Periods of drought are also fairly frequent. The shortage of water greatly hindered the development of mining in the region, especially with regard to placer deposits.47

The lack of water was not as great an obstacle to Mexican miners, who had developed a technique called “dry-washing” to cope with the scarcity of water in arid regions. Miners who used this technique would deposit a quantity of ore into a batea, or conical wooden bowl. They would then toss a certain amount at a time into the air, allowing the wind to separate the lighter materials from the heavier metal ore, which collected in the bottom of the receptacle. Although simple, this placer method was not very efficient, since only the nuggets and larger flakes of gold could be recovered in such a manner. The gold dust simply blew away.48

Despite the limited nature of the Baja California gold deposits and the lack of water, a decree issued by the government of President Antonio López de Santa Anna at the end of June 1855 permitting the exportation of mineral ore from the country without the payment of taxes gave foreign prospectors and investors an incentive to develop their claims. The new law also permitted the importation, without charge, of equipment and other supplies needed to work the mines. In 1857 this special concession was renewed for an additional five years.49
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The stepped-up flow of miners into the territory spurred by the liberalization of Mexican mining legislation only added to the security concerns of the regional authorities. In 1862, Teodoro Riveroll, the governor of Baja California, recommended to the minister of development and colonization in Mexico City that foreign miners be barred from the goldfields in La Frontera on the grounds that they provoked violence and disorder. He also argued that the region lacked an adequate police force to contend with such disturbances. The central government, however, preoccupied with the even greater threat to national security caused by the French intervention, decided that it could ill afford to spare troops to send to the peninsula.50

The Resurgence of Mining and the Birth of Tijuana

In the early 1860s, U.S. interest in mining development in Baja California shifted for a time to San Antonio on the southeastern coast, where new silver deposits were discovered in the latter part of 1862. During this period, several silver mines were also developed in the Mulegé district in the central portion of the peninsula (see map 2).51

In the early 1870s, a number of new gold discoveries in the northern region served to reawaken U.S. interest in that area. By then, the mines of Lower California had produced approximately half a million dollars in gold. Miners and speculators were confident that a new El Dorado would soon be discovered in the region.52

On January 1, 1870, San Diego once again was infected with gold fever when a Mexican deposited some one hundred pounds of gold and silver amalgam at the McDonald and Gale Lumber and Building Supply Company. The Mexican claimed that he had dug up the ore at an unspecified location about sixty miles south of the international border. Hundreds of persons were soon en route to the peninsula in hopes of striking it rich. By February, however, the excitement had died down as no additional discoveries had been reported. In any case, in the same month, news of a much more significant strike in the Cuyamaca mountains east of the city more than made up for whatever deception San Diegans felt concerning the earlier reported find.53

In 1870 and 1871 rich veins of gold and silver were discovered on a ranch southeast of Ensenada belonging to Ambrosio del Castillo. In
this period, Emiliano Ibarra, a California prospector, made another significant find at Calmalli in the central desert region. In 1873, there were further gold discoveries at Japa (also called Tres Pinos) and Juárez, some 110 miles from San Diego on the Mexican side of the border.\textsuperscript{54}

The new strikes once again set in motion a southward migration of prospectors and merchants from San Diego and other California towns. In 1872, Real del Castillo, the town that grew up around the Rancho Castillo mines, replaced Santo Tomás as the cabecera, or principal town, of the Partido Norte, or northern portion of the peninsula. The Real del Castillo mining boom lasted until the early 1880s, when production
declined. The Calmalli mines continued to produce gold until the end of the century, finally being abandoned in 1912.55

It was during this period that the incipient town of Tijuana began to take shape. In the 1860s, settlers had begun to farm in the Tijuana River valley on both sides of the international line. The valley also constituted an important transit route to the gold-mining centers at Real del Castillo and elsewhere in the peninsula. In mid-November 1869, Marre and Company initiated regular stagecoach service from San Diego to Santo Tomás.56 The cross-border traffic by way of the Tijuana Valley multiplied to such an extent that the Mexican federal government considered it expedient to establish an aduana, or customhouse, there in 1874 so as not to lose this important source of customs revenue. The customhouse employees resided in San Diego, from where they also dispatched its business. A small detachment of troops was also designated to guard the new port of entry.57

Miners crossing the border into Mexico found that the customs duties levied by the Mexican authorities often exceeded the cost of the equipment and goods taxed. Tijuana itself benefited little from this source of revenue, since the money resulting from customs fees was sent to Mexico City. The residents of the valley and nearby areas on the Mexican side of the border earned much more money from the export of produce and livestock.58

San Diego's economy, in the meantime, had entered a period of stagnation due to the uncertain conditions brought on by the panic of 1873 and the end of the gold mining boom in the Cuyamacas. Efforts by entrepreneur Alonzo E. Horton to revive the New Town project also faltered for lack of investor confidence. Hopes for injecting new life into the economy hinged on the construction of a rail line linking the city with Los Angeles, San Francisco, and the rest of the country. The completion of the line on November 9, 1885, inaugurated a regional boom in land speculation and construction. The boom, which was part of a nationwide upsurge of prosperity in the 1880s, was fueled by the promotional campaigns of the railway companies, which had millions of acres of land to sell.59

The San Diego boom was touched off when the Santa Fe Railroad withdrew from the Transcontinental Traffic Association, which its rival in the region, the Southern Pacific, interpreted as a declaration of war. The dispute led to a passenger rate war between the two companies, which allowed San Diego to tap a portion of the wave of immigrants
arriving in California. New subdivisions were created within the city proper, while about twenty new towns were founded in the county as a whole. Public works undertaken during the boom period included the paving of streets and avenues, the construction of interurban rail and cable car lines, dams and flumes to provide the city with water, schools, a public library and an opera house.60

The flurry of speculation that swept through San Diego in these years also had its gaudy or seamy side, a reminder that the city still retained some of the rougher edges of its frontier heritage. As Walter Gifford Smith, editor of the San Diego Sun, commented,

A population drawn together from the adventurous classes of the world, imbued as it was with excitement and far from convention- al trammels, contained and developed a store of profligacy and vice, much of which found its way into official, business, and social life. Gambling was open and flagrant; games of chance were carried on at the curbstones; painted women paraded the town in carriages and sent out engraved cards summoning men to their receptions and “high teas.” The desecration of Sunday was complete, with all drinking and gambling houses open, and with pic- nics, excursions, fiestas and bullfights. . . . Society retired to cover before the invasion of questionable people, and what came to be known as “society” in the newspapers, was, with honorable excep- tions here and there, a spectacle of vulgar display and the arro- gant parade of reputations which, in Eastern states, had secured for their owners the opportunity and the need of “going West.”61

The greatest expansion of the city during this period was southward around the bay. The National City and Otay Railway Company, owned by the Land and Town Company (a subsidiary of the Santa Fe Railroad), constructed a line south from the National City terminal to Otay Mesa, with branches to the community of Tia Juana, on the U.S. side of the line, and to Onconta, in Imperial Beach. A number of suburbs were planned in the areas served by these two branch lines: Tia Juana Heights, Fruitland, Tia Juana Junction, Tia Juana City, and Onconta. Land values and sales in these areas rose sharply, owing to their proxim- ity to the border and the possibilities they offered for the expansion of agriculture.62

The effects of the land boom extended south of the border. The International Company of Mexico, a U.S.-Mexican firm that had been
organized in March 1885 to take advantage of the liberal terms of the Mexican Colonization Act of 1883, hoped to sell the almost fifteen million acres it held in concession in the peninsula to colonists willing to settle in the region.\footnote{63} When the company failed in this task, its holdings were acquired in May 1889 by an English corporation, the Mexican Land and Colonization Company. A subsidiary, the Lower California Development Company, was formed in 1890 in order to develop the San Quintín Valley, located about 150 miles south of the border, into a major grain-growing region. The latter firm established the Peninsular Railway and Telegraph Company to construct a railway from San Quintín to San Diego, with a branch line to Yuma. Drought and the economic recession of the early nineties made investors leery, however, and the Mexican government eventually canceled both companies’ concessions in April, 1917.\footnote{64}

The Tijuana region was not initially affected by the development boom owing to a legal dispute over the lands of the ranch formerly belonging to Santiago E. Argüello, which comprised a substantial portion of the area, between his widow Pilar Ortega and other members of the ranch man’s family.\footnote{65} Despite this litigation, a small settlement had begun to form in the area. In addition to the customhouse and the cattle ranch belonging to the Argüello family, there were also a number of wood and adobe huts, some stores (the largest of which belonged to William Lane), a butcher shop belonging to James Argüello, a school, and a church. A hotel and restaurant had also been erected some years previously at hot springs located a short distance south of town, where persons having rheumatism and skin diseases could be treated.\footnote{66}

The beginnings of what was eventually to become a flourishing tourist trade also linked the border communities with San Diego. An important attraction for tourists visiting San Diego, especially following the inauguration of the Hotel Coronado in 1888, was the Mexican town of Tijuana. The National City and Otay Railroad ran three daily excursion trains to Oneonta. From there, tourists could board horse-drawn carriages to take them to the international boundary marker on the coast, where they could look into Mexico. Other excursion trains ran to Tia Juana, where tourists could board coaches that took them to the hot springs at Agua Caliente.\footnote{67}

On arriving in Tijuana, the tourist found a variety of interesting attractions and features to choose from. There were horse races, which were advertised daily in San Diego newspapers and often drew up to
one thousand spectators. The races were organized by a group of merchants and ranchers in both Tia Juana and Tijuana, including Joseph Messenger, Alejandro Savín, and Felipe Crosthwaite. There were also bullfights, cockfights, and native dances. Certain Mexican festive holidays, such as cinco de mayo and 16 de septiembre (National Independence Day), also attracted many visitors. All of the attractions were popular with San Diegans and other foreign visitors to Tijuana because they helped them feel that they were in a foreign country.68

At certain times, normally on Sundays, there were special shows and spectacles to delight the crowds. On one occasion, for example, a Mexican circus visited Tijuana on a tour stop.69 On another occasion there was a boxing match, refereed by the celebrated former lawman and gunfighter Wyatt Earp. Earp, having been indicted for murder in Arizona for shooting the men who had killed his brother Morgan, had been drawn to San Diego by news of the boom. Earp opened three casinos in the business district and invested money in land and other commercial ventures in the region.70

The development of this border tourist trade in 1888 and 1889, together with the presence of new settlers on the lands of the Argüello family, induced the Argüello family to reach a settlement concerning the property litigation. They were also motivated by the fact that several members of the family—as well as some of their relatives from the Olvera family of Tijuana property owners—resided in California and could see the advantages of opening the ranch property to town lot development. The agreement ending the litigation, which was approved on July 12, 1889, set aside a portion of the ranch to form the town site of Zaragoza de Tijuana. A plan for the new site was completed by engineer Ricardo Orozco, who was hired to carry out the task of surveying the town property.71

During the boom period, San Diego constituted the center of activities for the communities contiguous to the border. The inhabitants of these areas not only sold their products in San Diego, but also purchased a portion of their food, clothing, and implements in its shops and stores. They also attended social and religious meetings in San Diego. Even the Tijuana tourist trade was dependent on San Diego. The latter possessed the necessary infrastructure for business, while Tijuana provided the attractions for the visitor.72

By the late spring of 1888, the boom in San Diego had ended. Although the city’s population dropped from 35,000 to 16,000 over
the next half year, it was still approximately three times as large as it has been before the boom.\textsuperscript{73} The population loss was not as severe in the rest of the county and in rural areas, since immigrants had arrived there principally to farm or conduct businesses unrelated to real estate speculation. Following the boom, the county population stood at about 35,000, or four times what it had been in 1880.\textsuperscript{74} Although many persons lost money in the collapse of the real estate market, and construction work halted, the boom also resulted in many civic improvements that would facilitate future growth and development. With the expansion of the urban areas toward the border, San Diego had also become linked in a physical, economic, and social sense with the emerging town of Tijuana.\textsuperscript{75}

Cross-border traffic between San Diego and Tijuana increased even further following the discovery in late February 1889 of a rich placer gold deposit in the Santa Clara district about sixty miles southeast of Ensenada.\textsuperscript{76} The rumors that circulated in connection with this gold discovery compared it with the California strike of 1849.\textsuperscript{77} People were predisposed to believe such rumors, given the end of the development boom. In the course of the new strike, an average of three hundred miners a day passed through San Diego en route to the Santa Clara goldfields. Of these, some one hundred went by steamer to Ensenada and from there in wagons to the mining district. The rest made their way to the goldfields by the overland route via Tijuana. Those choosing the overland route went by carriage, wagon, burro, horse, or on foot. The peak of the rush was reached on March 5, when some six hundred prospectors departed from San Diego.\textsuperscript{78}

The regions nearest the mines were depopulated almost immediately after the announcement of the gold strike. Almost all of the adult male population of Ensenada left for the gold region, and most of the town's stores, saloons, and barber shops were obliged to close for lack of personnel to manage them. In San Diego, the labor shortage caused by the rush was also acute. More than one hundred tracklayers on the San Diego, Cuyamaca and Eastern Railroad walked off the job and headed for the mines, followed by engineers, brakemen, conductors, switchmen, and dispatchers. Restaurants also lacked kitchen help and waiters. The Hotel Coronado, for example, had to advertise for workers as far away as San Francisco.\textsuperscript{79}

The Santa Clara strike lasted for a period of only about five weeks. Even so, it was the largest in the history of the peninsula, with as many
as five thousand men participating in the rush. Some twenty thousand dollars worth of gold was ultimately extracted from the placers. The results appear somewhat diminutive considering that the miners expended almost a quarter of a million dollars getting to the diggings and working their claims. Each prospector not only had to spend an initial sum of about fifty dollars for equipment and food, but also an additional five or six dollars a day for living expenses while at the mines. Often miners didn’t have enough money for living expenses and had to use—in the case of the more fortunate ones—the gold they found at the site. As pointed out, customs duties charged at the Tijuana border crossing were often higher than the actual value of the goods brought into Mexico. Although burros and mares were admitted duty-free, other horses were taxed at forty dollars a head. In addition to the tax on equipment and livestock, the aduana also charged six dollars just for passage through the customhouse. Once the strike ended, most of the miners, who were mainly unemployed or low-income wage earners, returned to their places of origin.80

For San Diego, the rush offered a temporary respite from the slump caused by the end of the real estate boom. Since the city constituted the principal stopover point for supplies and transportation to the mines, merchants and businessmen were able to make enormous profits off those persons headed for the goldfields. Be that as it may, by 1890, Los Angeles, with its larger growth and more prosperous surrounding communities—such as Riverside, San Bernardino, and Redlands—had diverted much of the trade with the coastal interior away from San Diego. During the boom period, it eclipsed San Diego and became the hub of commerce on the West Coast that the latter had aspired to be.81

In 1896, with the outbreak of the independence struggle in Cuba, San Diego’s economy began to experience another change that would define its character throughout much of the twentieth century. In that year, Congress decided on measures to greatly strengthen the port’s fortifications and to establish a major naval and military base in the area.82 San Diego’s hopes for a direct rail connection to eastern U.S. markets were eventually fulfilled in 1919 with the completion of the San Diego and Arizona Railway, which linked the city with Yuma, Arizona.83 By the end of the century, Tijuana was also well on its way to becoming a major metropolis in the region. Its tourist industry, although still dependent on San Diego, continued to grow during the 1890s. Several curio stores selling postcards and other souvenirs were opened, as well as eating establishments featuring Mexican food.84 By 1900, the town’s
population stood at 242 inhabitants, with a further 108 inhabitants living in the outlying areas of the sección municipal, or municipal district. So accelerated had been its growth during the first decade of its existence that in September 1901 it was raised to the category of subprefectura (subprefecture). In 1925, a generation later, it became a full-fledged municipality largely as a result of Prohibition in the United States, which fostered the growth of cantinas, cabarets, and other forms of entertainment in the communities along the Mexican side of the border. The tourist and service sectors would constitute the mainstays of its economy until the advent of the maquiladora industry in the 1960s.

Conclusions

The Baja California mining boom of 1850–1890 coincided with the gradual transformation of San Diego from a rough pioneer settlement into a small but burgeoning city with several modern attributes. Although the mineral strikes in northern California and the Baja California peninsula initially hurt the town's economy by draining off needed manpower, in time San Diego developed into an important departure point and supply center for mining operations in the latter region.

The Baja California gold strikes helped to buoy up San Diego's economy as the traffic to the northern California goldfields diminished. Additional strikes continued to do so periodically, such as during the period of economic depression during the early 1870s and in the late 1880s, when the southern California land boom ended.

By the end of the 1880s, Tijuana had begun to emerge as a border community in the ranching area adjacent to the international border. The substantial increase in cross-border traffic due to the discovery of significant deposits of precious metals in Real del Castillo and other locations in northern Baja California led to the establishment of an aduana and military post in the Mexican portion of the Tijuana River valley, around which a small settlement soon developed. The land boom of the mid-1880s, with the development of communities in areas contiguous to the international border and tourist excursions to the Mexican side, greatly increased economic and social ties between San Diego and Tijuana.

The mining boom from 1850 to 1890 in Baja California thus played an important role in the growth and development of San Diego and
Tijuana, particularly the latter. In drawing the two communities more closely together, it also constituted in many ways the cornerstone of the building of a symbiotic relationship between the cities’ inhabitants that has endured to this day.

**Notes**


3. For the legislative act permitting foreign investment in Mexican mining, see Manuel Dublán and José María Lozano, eds., *Legislación mexicana, o coleción completa de las disposiciones legislativas expedidas desde la independencia de la república*, 34 vols. (México: Dublán y Lozano, 1876–1904), 1:681.


7. For accounts of such journeys, see “Our Golden Correspondence,” *New York Herald*, October 15, 1849; James D. Hawks, “Journal of the Expedition


11. California has commonly been used to refer to a person born in California of Spanish-speaking parents. Some writers have used the term to refer exclusively to a member of the landowning class—hacenados and rancheros—that existed in California in the period before the war of 1846–1848 and for some decades afterward. It is in the latter sense that the term is used here. For explanations of the term in its historical context, see in particular Leonard Pitt, The Decline of the Californios: A Social History of the Spanish-Speaking Californians, 1846–1890 (Berkeley: University of California Press, 1966), p. 309.


17. "Lower California, No. 2," *Daily Alta California*, February 21, 1851. See also the first part of this news report in the edition of February 8, 1851, as well as the article entitled "The Mines of Lower California" in the August 11, 1851, edition.


19. "Lower California, No. 2," *Daily Alta California*, February 21, 1851; James Smith, Jr., correspondent for the *Daily Alta California*, to the newspaper's editor, February 17, 1851, *Daily Alta California*, February 27, 1851.


24. Bandini, like Matías Moreno, possessed properties in both Upper California and Lower California. In the early 1850s he moved his business operations to the peninsula, where he focused on developing copper mining. For the Mexican government, Bandini's claim to Rancho Guadalupe was further weakened by the fact he had supported the United States during the war of 1846-1848 and had become a U.S. citizen residing in San Diego. Lassepas, *Historia de la colonización*, p. 283; Smythe, *History of San Diego*, pp. 164-66.


27. For a history of the discoveries in the Cuyamaca range, see Horace F. Wilcox, "How the Julian Mines Were Discovered," typescript manuscript, San Diego Public Library, California Room; and Gale W. Sheldon, "Julian Gold Mining Days" (master's thesis, San Diego State College, 1959).


29. The abandonment was completed in 1866, when the military barracks were vacated by the army. Elizabeth C. MacPhail, *The Story of New San Diego and of Its Founder Alonzo E. Horton* (San Diego: San Diego Historical Society, 1979), pp. 17–18.


34. Ibid., p. 213.


42. Acknowledgement from Robles, of the Ministerio de Gobernación, of receipt of communication from the Ministerio de Relaciones Exteriores in regard to the report from the jefe político de Baja California, July 4, 1851. AGN, Fondo: Gobernación, leg. 2111, caja 2599, exp. 2; in IIH/UABC, caja 16, exp. 22.


45. Manuel Diez de Bonilla, ministro de relaciones exteriores, to James Gadsden, U.S. minister to Mexico, August 20, November 15, and November 30, 1853; Gadsden to Diez de Bonilla, November 18, November 29, and December 2, 1853; Gadsden to Secretary of State William L. Marcy, November 18–20, 1853, December 4, 1853, July 3, 1854; Juan M. Almonte, Mexican minister to the United States, to Marcy, December 21, 1853, and January 20, May 16, and May 31, 1854; John S. Cripps, U.S. chargé d’affaires ad interim at Mexico City, to Bonilla, February 1, 1854; all in William R. Manning,


49. Permission for the export of mineral ore mined in the territory of Baja California; in AGNM, Fondo: Gobernación, vol. 2 (1855); in IIH/UABC, caja 9, exp. 18; AGN, Fondo: Fomento, Serie: Decretos, circulares y leyes, vol. 3, exp. 5 s/2; in IIH/UABC, caja 1, exp. 36; Dublán and Lozano, * Legislación mexicana*, 7:472; extension of the decree regulating the export of mineral ore from Baja California for a period of five years, 1857; in AGN, Fondo: Gobernación, vol. 458, sección s/s, exp. 7; in IIH/UABC, caja 9, exp. 43; AGN, Fondo: Fomento, Serie: Decretos, circulares y leyes, vol. 5, exp. 4 s/s; in IIH/UABC, caja 1, exp. 38; Dublán and Lozano, * Legislación mexicana*, 8:382–83.

50. Teodoro Riveroll to the ministro de fomento y colonización, April 2, 1862, in AGNM, Fondo: Justicia, vol. 659, leg. 217, ff. 242–43; in IIH/UABC, caja 9, exp. 53.


52. *San Diego Union*, December 11, 1873.


54. *San Diego Union*, December 11, 1873; Donald Chaput, William M. Mason, and David Zárate Loperena, *Modest Fortunes: Mining in Northern Baja


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“The Little Landers Colony of San Ysidro,” *Journal of San Diego History* 21, no. 1 (Winter 1975), pp. 26–48. Oneonta, named after a town in New York state, was never developed. It remained as a name on the promotional maps of the time to indicate an area lying south of the present-day community of Imperial Beach and north of the Tijuana River.


71. *Ottay Press*, May 2, 1889; Transacción que dio al litigio promovido en el intestado de doña Pilar Ortega viuda de Argüello, July 12, 1889, in Ortiz Figueroa, “Evolución,” pp. 86–87; Medición y evalúo del predio de Tijuana por el ingeniero Ricardo Orozco, 1889. AGNM, Fondo: Dirección General del Gobierno, 2,382(30)24554, tomo II, caja 70, exp. 20/1; en IIH/UABC, caja 27, exp. 35; Federico Barrientes de la Torre, “El trazo original de Tijuana,” *Calafia* 4, no. 8 (June 1983), pp. 31–33.

72. Ileana Gil Durán, “Tijuana y Tia Juana, dos pueblos fronterizos,” in Piñera Ramírez and Ortiz Figueroa, *Historia de Tijuana*, 2:61; Ileana Gil...
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74. Pourade, Glory Years, p. 216.
76. In reality, gold had been discovered by Basilio Padilla, a Mexican, in December 1888. Nevertheless, it was not until February 1889 that a U.S. prospector named Luman H. Gaskill learned of Padilla’s find and publicized it. San Diego Union, February 27 and March 15, 1889.
77. Los Angeles Times, March 7, 1889.
79. San Diego Union, March 6, 1889.
80. Los Angeles Times, March 8, 1889; Mining and Scientific Press, 68, no. 11 (March 16, 1889), p. 181; Lingenfelter, Rush of ’89, p. 58. Quartz mining in the mines at El Alamo and other nearby sites continued to produce ore on and off for many years. Goldbaum, Towns, pp. 52–53; Chaput, Mason and Zárate Loperena, Modest Fortunes, pp. 137–151.
81. Los Angeles Times, March 8, 1889; Dunke, Boom of the Eighties, pp. 46, 49.
84. San Diego Union, May 3 and 6, 1896, and September 17, 1898.