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“American Consumers and the Creation of a Walmart World”

Introduction

Over the past several decades, business history has incorporated the insights of social and cultural history. In the process, the consumer began to take centre stage. Consumers play an important role in the history and development of global value chains and are also affected by the connections, links and networks created by globalization. Focusing on the American department-store industry, this paper looks at the effect of globalisation on consumer attitudes, particularly regarding the rise of mass retailers like Walmart. To access the cultural meaning these big retailers had for consumers, the paper draws upon firm archives, newspaper accounts, and trade literature, but also includes less traditional primary sources drawn from social media and internet communities or fan sites.

For the most part, in early twenty-first century America, shopping does not mean going downtown to peruse the wares of the luxurious, multistoried palaces of consumption. Instead, in metropolitan and nonmetropolitan areas alike, it means driving (or shopping on the Internet—e-commerce sales in 2011 were \$194 billion, or 4.7 percent of total sales; quarterly e-commerce reports in 2013 ranged from 5.5 to 6 percent of total sales). For a majority of the population, wants and needs are satisfied by a trip to a neighborhood or community shopping center or the nearest regional shopping center anchored by a discount department store chain. “Power centers” pull together several big-box stores like Target or Costco and “category killers” like Home Depot

or OfficeMax, so called because of their ability to do in smaller specialty stores selling their line of merchandise.¹

And Walmart, for many years now the nation's largest retailer, has become a mainstay for most shoppers in rural, suburban, and, increasingly, urban areas. Although a discount department store in name, Walmart has come to be understood as the antithesis of a department store—a no-frills mass distributor of low-priced and low-quality general merchandise that achieved its success by driving out small businesses and traditional retailers through cutthroat competition and sometimes illegal means. Beginning in the late 1980s, with the introduction of Walmart supercenters—hypermarkets that included a full-service supermarket—shoppers could fulfill all their needs, from food, pharmaceuticals, and clothing to garden supplies, furniture, and hardware, all under one roof, something once claimed only by the traditional department store. Today, traditional department stores are no longer on the cutting edge of retail, nor are they major players in the lives of cities or even suburban commercial developments, as are these newer retail formats.

Although they have been called “dinosaurs” for many decades and their death has been predicted by different camps over the years, department stores have only recently gathered attention as nostalgic artifacts. Since the 1980s, department store mergers and the loss of local

¹ U.S. Census Bureau, *2011 E-Stats* (May 23, 2013) <http://www.census.gov/econ/estats/2011/2011reportfinal.pdf>; *U.S. Census Bureau News* (May 15, 2014), Table 1: Estimated Quarterly U.S. Retail Sales Total and E-Commerce, http://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf; “Loss of Shoppers Drives Federated/May Merger,” *Forbes* (January 20, 2005) http://www.forbes.com/2005/01/20/ex_mt_0120federatedmay.html; Robert Spector, *Category Killers: The Retail Revolution and Its Impact on Consumer Culture* (Boston: Harvard Business School Press, 2005), 110–11.

nameplates gave rise to a sense of loss among loyal customers and store employees. This paper will evaluate consumers' changing view of the American department store in the context of the rise of chains and mass retailers like Walmart. The paper will examine the relationship between anti-globalisation sentiment and nostalgia for lost local retailers.

Background: A Brief History and Historiography of the American Department Store

As social, cultural, and economic institutions, department stores have generated a rich scholarship. In the American context, historical work is wide-ranging, including studies by social and cultural, business, women's, labour, urban, and architectural historians. In the past, most of these have focused on the large urban department stores of New York, Philadelphia and Chicago.² However, beginning with Sarah Elvins' 2004 study of regionalism and retailing in Western New York and followed by Richard Longstreth's 2010 opus on architectural change in twentieth-century American department stores, the scope of this scholarship has broadened considerably. My 2015 book, *From Main Street to Mall*, followed in their footsteps and provided the first national study of the department store industry in the United States.³

² For a summary of various approaches, see Gareth Shaw, "The Study of Retail Development" in *The Evolution of Retail Systems c. 1800-1914*. On the role of "palaces of consumption" in the larger transformation of America into a consumer society, see William Leach, *Land of Desire*; On Marshall Field's in Chicago see Nancy F. Koehn, *Brand New: How Entrepreneurs Earned Consumers' Trust from Wedgewood to Dell* (Harvard Business School Press, 2001); On the department stores Macy's, Marshall Field's and Wanamaker's as sites of consumption and women's labour, see the seminal work of Susan Porter Benson, *Counter Cultures: Saleswomen, Managers, and Customers in the American Department Store, 1890-1940*; On New York City luxury and down-market department stores and the labour movement, see David J. Opler, *For All While-Collar Workers: The Possibilities of Radicalism in New York City's Department Store Unions, 1934-1953* (The Ohio State University, 2007).

³ Sarah Elvins, *Sales and Celebrations: Retailing and Regional Identity in Western New York State, 1920-1940* (Ohio University Press, 2004); Richard Longstreth, *The American Department Store Transformed, 1920-1960* (MIT Press, 2010); Some earlier treatments of department stores

Originating as a nineteenth-century urban enterprise and remaining a Main Street institution well into the post-World War Two era, these department stores played an important architectural role in central business districts of towns and cities across the United States. The idea of the department store in the United States emerged between 1850 and 1890, associated with great merchants, such as Alexander Turney Stewart, H.B. Claflin, John Wanamaker, Rowland H. Macy, and Marshall Field. The big American department stores in the nineteenth century adopted the latest in urban construction, using steel, iron, reinforced concrete construction, as well as technologies like electric light, forced-air ventilation, modern plumbing and heating, elevators, telephones, and pneumatic tubes.⁴ By the early twentieth century, the technologies, amenities, and services introduced first by the big nineteenth century retailers had spread to smaller firms and to the provinces.⁵ Modernizations continued into mid-twentieth century as many small-town department stores committed capital resources to updating outdated façades and interiors.⁶ As big city stores had done in the 1920s, the Main Street department store now eliminated such things as the Y-shaped staircase, replacing it with a single escalator that ran from

outside major urban centres are chapter four in Ted Ownby, *American Dreams in Mississippi* (University of North Carolina Press, 1999) and Victoria Buenger and Walter L. Buenger's business history, *Texas Merchant: Marvin Leonard & Fort Worth* (College Station: Texas A&M University Press, 1998); Western and Southwestern studies are rare. see Klassen, H. (1992) T. C. Power & Bro.: The Rise of a Small Western Department Store, 1870-1902. *The Business History Review*, 66(4), 671-722; Vicki Howard, *From Main Street to Mall: The Rise and Fall of the American Department Store* (Penn Press, 2015).

⁴ Susan Porter Benson, *Counter Cultures*, 19, 39.

⁵ Howard, *From Main Street to Mall*, chapter 1-2.

⁶ Store technologies like the escalator came later to some regions of the United States. For example, southern department store Foley's in downtown Houston reportedly introduced the first store escalator in the south, in its modern "store of tomorrow" built in 1947. Finding Aid, Foley's Department Store Records, 1900-2006, University of Houston.

the first to the second floor.⁷ Everywhere, busy nineteenth century facades were streamlined and windows covered up to create the flat, box-like surface of new branch stores in suburban shopping centres.⁸ These modernization took place in the context of rising competition from chain department stores and larger trade centres, but also reflected the post-World War Two era's optimism and belief in the continued viability of the Main Street enterprise. By the early 1960s, over three-quarters of small stores—those doing two to five million dollars annually—had undertaken some recent modernization.⁹

In these ways and others, the American department store contributed to the transformation of twentieth-century commercial geography. While originally an urban or downtown institution, they played a part in decentralization. As early as the 1920s, automobile-centered branch department stores appeared in the United States, predating the suburban shopping mall explosion by three decades.¹⁰ After World War Two, the industry embraced urban renewal, suburban branch expansion and shopping centre development. By focusing on automobility at the same time, department store executives and their firms undermined the long-term economic health of downtown.¹¹ A few American cities have successfully maintained their vital historic central business districts into the twenty-first century, most notably world-class cities such as New

⁷ Otis Escalators advertisement, *Department Store Economist* (June 1950), 99.

⁸ For example, see the Smith Bridgman Company modernization pictured in “A new world of shopping satisfaction,” *Department Store Economist*(November 1963), 20.

⁹“Among smaller-size stores, a large-size trend,” *Department Store Economist* (July 1962), 32.

¹⁰ Richard Longstreth, *The American Department Store Transformed*, 110-111.

¹¹ While downtown has declined, what constitutes decline is a matter of perspective, she argues, with decline itself having multiple meanings. Isenberg suggests, for example that the vacant stores of the 1990s symbolize “but another stage in the ongoing struggle to define urban commercial values amid proclamations of decline.” Alison Isenberg, *Downtown America*, 9. While I recognize the relative nature of judgments of decline, I will adopt a more absolute definition in the book, one predicated on a simpler evaluation of the existence of downtown businesses and retail traffic versus the loss of businesses and decline in trade.

York, where a few traditional department stores like Bloomingdale's, Saks Fifth Avenue, and Macy's still hold court in landmark buildings. Small-town and small city Main Streets continue to engage in trade and serve local residents, however, but it is without the traditional department stores that had long served as anchors for their business districts.¹² Traditional department stores have even disappeared from urban malls.¹³ Many suburban shopping malls that once flourished in the post-World War Two era have been shuttered and several major department store chains are near bankruptcy.¹⁴

It was Walmart and big-box stores of its ilk, not the downtown department store, that dominated American retailing by the end of the twentieth century. Founded in 1962, Walmart was part of a discount chain revolution that quickly challenged traditional independent retailers. Small to moderate independent department stores did not benefit from economies of scale until they implemented group buying, but even the big emporia—the palaces of consumption detailed by William Leach in *Land of Desire*--did not have access to the same scale economies available to national, or even regional, multi-unit chains. Size gave chain department stores numerous advantages. First, they were able to reduce the cost of individual transactions or units sold by such things as centralized management and standardized management practices, centralized buying

¹²Many cities, as Alison Isenberg has shown, have recreated downtown in a lucrative nostalgic guise, through “festival marketplaces,” such as Faneuil Hall in Boston, Baltimore’s Harborplace, Milwaukee’s Grand Avenue, and San Francisco’s Ghirardelli Square. Alison Isenberg, *Downtown America: A History of the Place and the People Who Made It* (University of Chicago Press, 2004), 271, 283.

¹³ Philadelphia’s Gallery at Market East, for example, opened to great success in 1977 and over its early years attracted such anchors as Strawbridge & Clothier’s and Gimbels’ and the department store chain, J.C. Penney’s. “Gallery at Market East,” (January 9, 2011) http://deadmalls.com/malls/gallery_at_market_east.html (Accessed February 11, 2013); Alison Isenberg, *Downtown America*, 271-272. Isenberg’s book came before the department stores’ pulled out of the mall.

¹⁴ Howard and Stobart, “Arcades, Shopping Centres and Shopping Malls,” in Jon Stobart and Vicki Howard, eds., *Companion to History of Retailing* (Routledge, 2018).

systems or buying pools, centralized warehousing, standardized national advertising, and eventually, electronic data processing. The size of chains provided an unprecedented advantage in buying, giving them the power to force vendors to compete for their business with discounts and allowances.¹⁵ Multiple store operations, moreover, spread the cost of various marketing strategies across many outlets.¹⁶ Chains were able to benefit from lowered costs of securing capital, first choice of location, and lower rental costs.¹⁷ Chains also standardized operations, something that gave them further scale advantages.¹⁸ And finally, higher profits could fund further investment, allowing these enterprises to grow even larger.¹⁹

Consumers, Nostalgia, and the Persistence of the “local” in a Walmart World

In the United States, big has long been suspect. As the nation’s largest retailer, the Walmart brand is highly politicized. Many have pointed to the high cost of low prices. Within 15 months of a new Walmart opening, for example, as many as fourteen existing retail establishments close.²⁰

¹⁵ Hollander and Omura, “Chain Store Developments And Their Political, Strategic and Social Interdependencies.” 304.

¹⁶ Louis P. Bucklin, *Competition and Evolution in the Distributive Trades* (Englewood Cliffs, NJ: Prentice-Hall, Inc., 1972), 98. Overhead costs were shared among many outlets, including “the investigation of potential retail store outlets, design of the facilities, optimal methods of display, product line and depth, promotion, development of staff services for personnel, and accounting.”

¹⁷ Louis P. Bucklin, *Competition and Evolution in the Distributive Trades* (Englewood Cliffs, NJ: Prentice-Hall, Inc., 1972), 98. Overhead costs were shared among many outlets, including “the investigation of potential retail store outlets, design of the facilities, optimal methods of display, product line and depth, promotion, development of staff services for personnel, and accounting.”

¹⁸ Hollander and Omura, “Chain Store Developments And Their Political, Strategic and Social Interdependencies,” 315.

¹⁹ Barry Bluestone et al, *The Retail Revolution*, 64-66; William Leach, *Land of Desire*, 272.

²⁰ Carlena Cochi Ficano, “Business Churn and the Retail Giant: Establishment Birth and Death from Wal-Mart Entry,” *Social Science Quarterly* 94 (March 2013), 263–91.

New stores do not translate into improved work prospects either. According to one study, the opening of a Walmart store reduces retail employment in an area by 2.7%²¹ Perhaps no other retailer has broken the law so generously and on so many fronts, including immigration, civil rights, and the environment. In 2005, for example, Forbes reported 5,000 lawsuits were filed against Walmart each year.²²

Standing for everything that is both good and very bad in American culture and society, it is certainly the most infamous retailer in the United States, if not the world. In the American context, the phrase “Walmart World” signals a consumerist vision of society based on low prices and plenty—a democracy of standardized goods. This, however, is only made possible by exploitative outsourced production practices, non-union retail labour, and a cut-throat supply chain and distribution network. Walmart is the biggest retailer and the largest private employer in the United States. This means that shopping or working at a Walmart is a national experience, one that draws together all regions of the country. Its conservative politics are also well-known and are part of its appeal in Red states. And its low prices draw a huge, more diverse working-class fan base. In some respects then, Walmart is America.

It is well-known that the national (and global) rise of Walmart spelled the demise of Main Street local retailing.²³ But the historiography on the politics of consumption also contends that

²¹ David Neumark, Junfu Zhang, Stephen Ciccarella, “The effects of Wal-Mart on Local Labor Markets,” *Journal of Urban Economics* 63 (2008): 405-430.

²² “Wal-Mart Stands Up to Wave of Lawsuits,” *Forbes* 2005

https://www.forbes.com/2005/11/09/wal-mart-lawsuits-cx_tvr_1109walmart.html#78d408b77298 (Accessed July 25, 2018).

²³ Howard argues that process of consolidation and the demise of “the local” began almost at the birth of the department store, and took place in an uneven fashion across metropolitan and non-metropolitan areas. *From Main Street to Mall*, introduction; On retail revolutions, see Nelson Lichtenstein, *The Retail Revolution: How Wal-Mart Created a Brave New World of Business* (New York: Metropolitan Books, 2009); Barry Bluestone, Patricia Hanna, Sarah Kuhn, and

“local people, movements, institutions, and ideologies” continued to shape American experience across the twentieth century.²⁴ While localist forces often pitted themselves against mass retailers, as in the anti-chain store movement of the 1920s and 1930s or the anti-Walmart activism of recent decades, mass retailers themselves also engaged in “the local.” My research on department stores confirms the persistence of localism in the twentieth century, but suggests that department store businesses and consumers produced and consumed a nostalgic version of “the local,” linking this modern form of distribution to a lost way of life-- one characterized by face-to-face, small-scale economic interactions and distinctive local and regional identities.²⁵ This “nostalgic localism” first

Laura Moore, *The Retail Revolution: Market Transformation, Investment, and Labor in the Modern Department Store* (Boston: Auburn House, 1981); Sandra Stringer Vance and Roy Vernon Scott, *Wal-Mart: A History of Sam Walton's Retail Phenomenon* (New York: Twayne Publishers, 1994), 18; Meg Jacobs, *Pocketbook Politics: Economic Citizenship in Twentieth-Century America* (Princeton: Princeton University Press, 2005), 18; Leonard Nakamura, “The Measurement of Retail Output and the Retail Revolution,” *Canadian Journal of Economics / Revue Canadienne d'Economique* 32 (April 1999), 408.

²⁴ In her 2004 study of retailing and regional identity in western New York State, Sarah Elvins, who was one of the first historians to ask how national was the national market of the early twentieth century, found that the local continued to matter through the 1930s. See *Sales and Celebrations*. Daniel Scroop's ongoing study of the anti-chain store movement of the 1920s and 1930s suggests that merchants developed a distinctive brand of localism that both asserted their national identity and opposed the emerging liberal state. Scroop has recently laid down the gauntlet to scholars of the politics of consumption like Meg Jacobs and Liz Cohen, arguing, along with Thomas Sugrue, that localism needs to be taken more seriously. Scroop disagrees with the assumption of Cohen, Jacobs, and others, that New Deal liberals and liberals “made the 20th c. politics of consumption.” Instead, Scroop suggest that for many, including Louis D. Brandeis and the small-scale capitalism he defended, “localist ideology, tied to a progressive critique of bigness, held the key to American national identity.” *Consuming Visions: New Essays on the Politics of Consumption in Modern America* (Newcastle, UK: Cambridge Scholars Publishing, 2007), 18. Scroop argues that “there was a two-way traffic between local and national identity,” something he explores in his case study of the anti-chain store movement in the 1920s and 1930s. p. 2. Also see his *American Quarterly* article; Scroop draws on Thomas J. Sugrue, “‘All Politics is Local’: The Persistence of Localism in Twentieth-Century America,” in eds, Meg Jacobs, William J. Novak, and Julian E. Zelizer, *The Democratic Experiment: New Directions in American Political History* (Princeton: Princeton University Press, 2003), 301-26.

²⁵The Europeanist Peter Fritzsche has argued that in a consumer society, “fragments of the past” were manufactured and consumed, and the radicalizing potential of nostalgia was lost. Peter

emerged in the World War One era as merchants constructed romanticized origin narratives about the founding of their business, in an attempt to compete with impersonal, national chains and perhaps paper over their convergence with this highly contested new way of doing business. By World War Two, sentiment for lost modes of distribution, such as peddlers and country stores, had a sort of evolutionary place in the profession's public image, helping to define it as modern and progressive.²⁶ As the department store industry consolidated in the 1960s, and as urban renewal and newer forms of retailing destroyed central business districts of cities across the country, control over the nostalgic image of the Main Street department store shifted from the businesses themselves to customers.²⁷ In recent decades, department stores have become nostalgic artifacts consumed in opposition to globalization and a perceived loss of unique community identities. This nostalgia, I argue, erases the fact that the economic, political, and social forces that first created our contemporary commercial landscape and built the local department store were the very forces that ultimately led to their destruction.

The department store of Americans' contemporary nostalgic memory may have been a local institution,²⁸ but it has always also been a mass retailer whose success was predicated on

Fritzsche, "Specters of History: On Nostalgia, Exile, and Modernity," *The American Historical Review* 106, 5.

²⁶ "Big Business Comes to Small Towns," circa 1945, newsclipping, Case 13, Resseguie Collection, Baker Library; Vicki Howard, "'Biggest Small-town Store in America,'" *Enterprise & Society* (September 2008).

²⁷ Writing in 1981, the economist Barry Bluestone observed that in spite of the retailing revolution, the department store industry continued to be seen, in the public mind, as "a sleepy backwater in the sea of corporate America. The folksy, unsophisticated management style of the old-time general store lives on in the imaginations of today's consumers." 1.

²⁸ One note: In the quickly changing era of consolidation studied here, a definition of "local" is tricky. Local stores, in my definition, include both independent, family-run department stores and once-independent department stores whose name and local identity survived absorption into a larger department store chain or national holding company. Local department stores, defined in part by their building and the brand they developed over time--were associated with a specific

bigness. The nineteenth-century department store was the Wal-Mart of its era. From the beginning, department stores' size and immense buying power posed a threat to single-line retailers and small merchants, who in the 1890s began lobbying for punitive taxes and licenses for big stores. Able to draw in large crowds with "loss leaders," to finance relentless advertising campaigns, and most importantly, to benefit from economies of scale, the department store stoked fears of monopoly.²⁹ Over the first two decades of the twentieth century, as finance capitalism underwrote dreams of expansion, department stores grew even bigger.³⁰ Some independents expanded to become multi-unit stores or chains in their own right, while others joined department store groups of unprecedented size. Chain organization could support backward integration, providing brokerage activities, warehousing, and manufacturing. Such integration granted chains power over vendors, forcing them to compete for their business with discounts and allowances.³¹

Popular critiques of the demise of Main Street retailing and nostalgia for the local postwar department store do not reflect the fact that the economic processes that led to these

town or city and were institutions in their community. They included single-unit independents like Bresee's in Oneonta, New York, run by generations of the founding family; but they also include a famous firm like Marshall Fields, synonymous with Chicago even as it went through various ownerships. Ownership changes eventually erased these local institutions, turning almost all into units in the Macy's chain, itself a once independent and local department store for New Yorkers, but now the Wal-Mart of its category.

²⁹ "The local," then, was a kind of currency for anti-monopolists and those who feared bigness-- shorthand for independent, civically minded, or even patriotic, as historian Daniel Scroop has argued.

³⁰ In the 1920s, department stores transformed the way they financed expansion, moving from a reliance on re-invested profits and bank loans to issuing stocks and bonds. Stephanie Dyer, *Markets in the Meadows* (University of Pennsylvania, Ph.D. diss., 2000), 30. William Leach emphasizes the first two decades, noting prominent examples of department store capitalization as early as 1901. William Leach, *Land of Desire*, 24-25.

³¹ Stanley C. Hollander and Glenn S. Omura, "Chain Store Developments And Their Political, Strategic and Social Interdependencies," *Journal of Retailing* 65, no. 3 (Fall 1989) 304.

changes in the commercial landscape began much earlier.³² As early as the 1920s, for example, leaders in the department store industry believed that chain organization was inevitable. In a 1927 address, Edward A. Filene, the president of the famous Boston department store and noted retailing expert, called for independent retailers to form chains of their own. At this early date, Filene was able to cite the following “centrally owned groups of large department stores” located in all regions of the country: R.H. Macy & Company, The May Department Stores, Gimbel Brothers, Associated Dry Goods Corporation, B.F. Schlesinger & Sons, Scruggs-Vandervoort-Barney, and City Stores Company.³³ All of these early department store chain-like groups included “local” department stores. Unlike true department store chains at the time, such as J.C. Penney’s or Sears, these groups consisted of many different local stores running under their own management and name. In his address, Filene envisioned a future in some ways much like our own, when department stores would be organized into chains within chains, and would no longer have “the fault of dissimilarity.”³⁴ He thought it not unreasonable to expect chains of 50 to 100 department stores with total annual sales of \$1 billion, making them comparable to GM or U.S. Steel.³⁵ The year after Filene’s address, 27 department stores in 13 states amalgamated, becoming Hahn Department Stores, Inc., an organization that would become one of the two largest department store chains at mid-century, second only to Federated Department Stores.³⁶

³² As the Europeanist, Peter Fritzsche has argued, nostalgic memory did “not necessarily correspond to the evidence of experience.”

³³ Edward A. Filene, December 27, 1927 Address delivered before the American Economic Association, “The Present Status and Future Prospects of Chains of Department Stores,” 5-6. Prosperity and Thrift: The Coolidge Era and the Consumer Economy website, <http://memory.loc.gov/cgi-bin/ampage> (Accessed November 5, 2010).

³⁴ Edward A. Filene, “The Present Status and Future Prospects,” 7.

³⁵ Edward A. Filene, “The Present Status and Future Prospects,” 14.

³⁶ “Allied Stores Chain Rides Tide of Nation’s Economic Growth,” *Women’s Wear Daily* (June, 16, 1958), Allied Stores Corp., Resseguie Collection, Baker Library, Harvard Business School.

By mid-century, both small and large retailers had learned to combine forces in a variety of ways. Department store chains sought an additional competitive edge through cooperation with other chains. In 1944, for example, R.H. Macy and Company and the May Department Stores formed the first “super” buying pool. This gave them more power over manufacturers and also undercut the power of store buyers.³⁷ Resident buyers working for outside firms that served independent stores urged their clients to adopt similar buying pools, and expected the type to spread in the postwar, which it did.³⁸ Even smaller department store chains formed figure exchange groups in the postwar. In 1957, for example, seven junior department store chains formed the Regional Chain Store Association to pool data on operational problems affecting multiple store units.³⁹ Independents also joined forces to exchange statistics and merchandising plans. Such organizations typically had a regional orientation. Southeastern Independent Department Stores, a figure exchange group formed in 1957, organized firms in the \$2-5 million volume range from Tennessee, Virginia, and the Carolinas. Similarly, Independent Retailers of California was founded in 1949 for stores with a total volume of \$60-70 million.⁴⁰ Smaller stores also sought membership in independent buying groups based in New York City that allowed them the economies of scale that made chain organization so profitable. These organizations cut the

³⁷Store buyers had long resisted group buying organizations, which took away much of their purchasing discretion. Under these new “super buying pools” their power was relegated mostly to high-style merchandise. These early super buying pools focused on staple goods in durable and soft goods categories, with about 15% of department store stocks coming from the joint buying scheme. “Super Buying Pools Broaden Program,” *New York Times* (December 17, 1944), S8.

³⁸ “Super Buying Pools Broaden Program,” *New York Times* (December 17, 1944), S8.

³⁹ Samuel Feinberg, “from where I sit...” *Women’s Wear Daily* (5/15/1959) Resseguie Collection, Case 13.

⁴⁰ Samuel Feinberg, “from where I sit...” *Women’s Wear Daily* (5/11/59) Newsclipping, Case 13., Resseguie Collection.

cost of distribution between the manufacturer and the retailer.⁴¹ In these modern and “progressive” ways, then, both independent and multi-unit department stores sought to eliminate competition and control their markets, prefiguring those much-reviled late twentieth-century developments.

Despite this “retailing revolution,” marked by a convergence between the department and the chain store, department stores held onto their traditional image as local institutions. As the economist Barry Blackstone observed in 1981, “the folksy, unsophisticated management style of the old-time general store” continued to live on in the imaginations of consumers.⁴² This, in part, was the result of the efforts of the industry itself, which began to foster its own nostalgic image at the exact moment it was consolidating. In 1916, for example, the National Retail Dry Goods Association (NRDGA) self-consciously looked backward in public statements, insisting that the modern department store shared much with traditional, small-scale merchants. Perhaps drawing on the memory of late-nineteenth century “store wars,” but more likely in response to current threats from the national chain store explosion, the department store industry made the country store a part of its image.⁴³ One executive secretary of the NRDGA detailed for the *New York Times* the manner in which “the big merchandising institution of today is the crossroads store of yesterday on a large scale.”⁴⁴ In the face of perceived threats from nationally advertised and trade-marked products (which by some accounts made the need for skilled selling, and thus department

⁴¹ “Resident Buyers Help Independent Stores to Grow,” *New York Times* (January 7, 1962), 137. Zotero “Super Buying Pools Broaden Program,” *New York Times* (December 17, 1944), S8.

⁴² Barry Bluestone, *Retailing Revolution*, 1.

⁴³ Michael Kammen documents the renewed interest in local and regional traditions in the early twentieth century. *Mystic Chords of Memory*, 274. Perhaps businesses can be seen as part of this larger cultural phenomenon. Department stores sought to present themselves as local traditions, merging their identity with a particular city or region in their advertising, promotional, and store histories.

⁴⁴ “A Changed Order in Merchandising,” *New York Times* (October 22, 1916), E8.

stores, obsolete), he asserted at the national meeting that the “department store is here to stay.”⁴⁵ Speaking in opposition to “bargain and special-price sales” or merchants who engage in “scoop” merchandising, this NRDGA spokesman allied the department store with the country merchant who, he said, did not lure customers in with bargain prices on some goods, but rather offered personal service and goods that customers wanted while also seeking “a fair profit on his entire stock.”⁴⁶

Local department stores made themselves part of the popular nostalgic image of America’s small-town, folksy past. Through the 1930s and into the postwar, advertising, anniversary window displays and promotional materials show individual family firms inventing themselves as small-town community traditions, wrapping themselves in a cloak of nostalgia even before they became, in fact, nostalgic artifacts of a bygone age.⁴⁷ Independent, family-run retailers infused nostalgia

⁴⁵ “Big Stores Fixtures, Dry Goods Men Hear,” *New York Times* (February, 8 1916), 11.

⁴⁶In typical fashion, however, this account evoked the past, praising traditional forms of distribution, even as it advocated the “application of science” to buying and selling. A country store, yet one that benefited from modern developments celebrated by the NRDG, such as volume buying, figure exchange groups between non-competing independent merchants, reduction of operating expenses, and professional merchandise managers and buyers. “A Changed Order in Merchandising,” *New York Times* (October 22, 1916), E8. David Monod notes this “paradox of modernization” among Canadian shopkeepers in the 1920s as independents became more like chains and departmental stores. *Store Wars*, 184. I’m claiming that department stores also experienced this paradox to some extent as they expanded, but also that they had a hand in creating it to mask their close tied with chain methods and forms of organization.

⁴⁷ Alison Isenberg argues that American downtowns were “animated by nostalgia,” beginning in the 1960s and 1970s as urban developers “began to mine the past for inspiration,” leading to the development of festival marketplaces and historically themed commercial districts like Gaslight Square, Trolley Square, and Baltimore’s Harborplace. However, the Bresee’s case study I have published suggests that individual firms turned to nostalgia much earlier as a selling tool. Alison Isenberg, *Downtown America*, 254. Also, see Chapter 7. She also outlines different forms of nostalgia (invented nostalgia, public nostalgia, racist nostalgia), arguing that it is not “a generic force that imposes monolithic narratives” 311. On Bresee’s, see Vicki Howard, “The Biggest Small-town Store in America.”

into their “brand” or store identity. Merchants published romanticized origin narratives about the founding of their business. Store displays and promotional literature featured the horse and buggy or fashions that signaled the business’s nineteenth century roots.⁴⁸

For independents, nostalgic localism was a strategy of survival, a tool that could give them a competitive edge. Eventually, as more and more locals joined national chains or holding companies, it would become a hollow strategy. Simply put, national chain stores were not local institutions. While they might sell themselves as civic institutions, national chains were solely interested in the bottom line. They located where they could gain the greatest tax advantage, lowest lease, or cheapest land. In national firms, individual units competed with store branches in other regions for capital from the parent company. Stores only remained in communities where invested capital earned the greatest return.⁴⁹ They always closed unprofitable units, regardless of the effect on employees or local markets. As more and more independents became “local” members of national or regional chains, the claims to civic responsibility and local commitment rang increasingly hollow. Family-run firms, which had survived for over a century, could no longer compete in a market that had been changing for decades.⁵⁰ By the early 1990s, to my knowledge the last of the true independent department stores closed their doors in the United States.⁵¹ In

⁴⁸ “Big Business Comes to Small Towns,” circa 1945, newsclipping, Case 13, Resseguie Collection, Baker Library; Vicki Howard, “Biggest Small-town Store in America,” *Enterprise & Society* (September 2008).

⁴⁹As the economist Barry Bluestone has noted, “commitment to a neighborhood or a region, the norm when retailing firms were small family-owned businesses, is rare in large national firms.” Barry Bluestone et al., *The Retail Revolution: Market Transformation, Investment, and Labor in the Modern Department Store*, 3.

⁵⁰ “The Golden Rule, the city’s oldest department store closes after 102 years,” *Pharos-Tribune*, Logansport, Indiana, May 30, 1984, 10.

⁵¹ “McCurdy’s Department Store Closes in Downtown Ithaca,” *Syracuse Herald-Journal*, December 30, 1991, 32; Chappell’s department store in Syracuse was the “last family owned local department store of its kind in the area.” “Customers Lament Loss of Store,” *Syracuse Herald Journal*, October 19, 1994, A8; In Watertown, New York, Empsall’s department store

2005, the department store industry was transformed when Federated Department Stores, Inc. acquired May Department Stores for \$17 billion. This highly publicized move marked the end of an almost century-long process of consolidation, which according to the Federal Trade Commission investigating the merger, created “by far the largest chain of traditional’ or ‘conventional’ department stores in the country.”⁵²

During this period of transition in the industry, a new culture of nostalgia for lost local retailers emerged.⁵³ Unlike previous nostalgic images, which were generated solely by merchants or the department store industry and were motivated by profits, customers now also contributed. Consolidation in the industry coincided with expansion of the internet and a new ability to create virtual communities of interest.⁵⁴ Countless personal websites emerged to share memories and photos of lost local institutions. Local historical society exhibits and nostalgic newspaper articles documented the specific histories of these social institutions, tying their growth to the history of their town or city. With the development of new software and businesses sponsoring virtual communities on the Web, nostalgia fan-sites emerged, featuring posts of childhood memories of Christmas shopping trips and visits to the soda fountain, and photographs of store buildings,

closed after losing its line of credit.” “Landmark department store closes,” *Syracuse Herald Journal*, July 12, 1993, B2 (page number blurry-check); Bresee’s department store, 1994; Alfred’s department store in Oneida closed because it could not compete with Ames and Jamesway, regional chains in its category. “Department Store Closes After 30 Years,” *Syracuse-Herald American*, July 21, 1991, D4; The Jerry Cox department store closure documented in “127-year-old department store closes,” *Aiken Standard*, Aiken, South Carolina, November 7, 1992, 8B.

⁵² FTC Issues Statement on Closure of Federated/May Investigation, August 30, 2005; Also see File No. 0510111 “Proposed Acquisition by Federated Department Stores, Inc. of The May Department Stores Company.”

⁵³ Alison Isenberg rightly ties this cultural response to store closings to the civic meanings attached to downtown. P. 4-5. She documents the uses of nostalgia in the 1970s. Nostalgic accounts of store closures, however, do not emerge until the 1980s.

⁵⁴ Some believe that the internet has erased distance in the marketplace, making everything local. Peter Drucker, “Trading Places” *National Interest* (March 1, 2005).

window displays, and promotional events. With the rise of Youtube, fans of these old stores uploaded clips of lost department store TV ads, generating thousands of hits and many nostalgic comments and references to “oldtimers” remembering.⁵⁵

Nostalgic remembrances of downtown establishments were also sometimes framed in racist terms, emphasizing the loss of white privilege. A youtube clip from an early 1980s filming of a busy street in Charleston, West Virginia shows car traffic and crowds of shoppers and workers filing past a prosperous looking range of downtown business. The comments posted to this youtube film clip I think are typical, meaning they capture the mix of family memories and racism often seen in such nostalgia-related history clips. One poster by the handle Chungiemunchin, blamed suburban malls for the obvious decline Charleston’s downtown had faced in subsequent years:

“My mom use to take me shopping downtown to Frankenbergers and The Diamond. We use to eat lunch on the 5th floor (I think it was the 5th floor) of The Diamond where they had a wonderful cafeteria for shoppers famished from their day's shopping. By the time I got back to visit Charleston, the mall had been built and downtown Capitol St. was a ghost town.”

Another, however, took the opportunity to troll, making overtly racist comments unrelated to anything visible in the early 1980s film clip. For example, Robert Johnson posted: “When America was great. Before the eras of Slick Willy and Barrack Hussein.” Another post (by MeeZy Sudio74) on this youtube video of Charleston recorded the perceived retail transformation as a loss: “Yea so, like, where are all these people now?? The mall?? because there are NEVER that many people walking around downtown.”⁵⁶

⁵⁵ On “oldtimers,” see “Pieces of the Past: Nostalgia bubbles up as a new year begins,” *Ithacajournal.com* (January 1, 2010), Accessed 1/11/2010.

⁵⁶Charleston, WV Scenes from 1981-1982, Published March 31, 2012, https://www.youtube.com/watch?v=w6zv_4_3BXs (Accessed July 25, 2018)

Online expressions of nostalgic localism were often intertwined with social and economic critiques of suburbanization, de-industrialization, or globalization. Sometimes these online sites or individual posts explicitly connected to oppositional politics and local activism.⁵⁷ Early on in the twentieth century, nostalgic localism had provided a way for businesses to compete with chains; in later decades, however, it became a way for consumers to express dissatisfaction with globalization and the world of Wal-Mart. As a cultural critique, it rejected the aesthetics of the new commercial landscape. It also reflected a growing sense that globalization has destroyed the city-specific or regional identities that evolved around these older commercial forms.⁵⁸ For example, some condemned the rise of “corporate blandness” as their favorite stores were “taken over by Federated.”⁵⁹ Articles on the closing of local stores invariably contained quotes from former customers comparing the distinctiveness of their favorite stores to the standardized nature

⁵⁷ Opposition to the decline of independent retailers and the loss of local department stores fits into a larger activist agenda dedicated to rebuilding urban spaces. For example, see the website of Richard Layman, an urban/commercial district revitalization and transportation/mobility advocate and consultant based in Washington, DC. (<http://urbanplacesandspace.blogspot.com/> Accessed November 5, 2010) His website links to a wide variety of relevant blogs and internet sites under the category, “Business Development/Retail/BIDS/Main Streets.” The list of links included internet sites, such as “Retail Contrarian,” “Retail Design Diva,” “Community Revitalization,” “Competing with Mass Merchandisers,” “National Main Street Center,” “Practitioners Guide to Urban Main Street Programs,” “Brandland USA,” “Evolution of the Shopping Center,” “Groceries,” “Label Scar,” and “Mall History.”

⁵⁸ For an example of nostalgia that celebrates the aesthetics of lost local department stores, see Paula Marantz Cohen, “Department Store Elegy,” *The Smart Set* (2007), Accessed 1/11/2010.

⁵⁹ Larry Henderson, 2004. I Magnin thread. http://www.greenspun.com/bboard/q-and-a-fetch-msg.tcl?msg_id=00BOCc Accessed October 25, 2010. A typical critique of the 2006 merger was that it led to “homogenization and commodification.” For example, see “Brands, the Honeymoon’s Over,” Posting December 24, 2006. <http://www.truetalkblog.com/truetalk/brands/> Accessed October 25, 2010. For a “fan site” for Marshall Fields, see <http://www.darrid.com/> (Accessed Nov. 5, 2010). Fans linked the store to the city’s identity. Masthead on the site echoed a television commercial for the store, stating that Marshall Fields was “as Chicago as it gets.” A subtitle on the site stated that “Chicago and the World Will Never Forget Marshall Fields.”

of chain store shopping.⁶⁰ People valued the personal services they received at these independent stores, something they believed they would not find anywhere else.⁶¹ Closures in some cases meant that old habits of downtown shopping were disrupted. Upon the closure of the Jerry Cox department store in Aiken, South Carolina in 1992, for example, Covell C. Moore, who had been shopping there for over 25 years, stated “I just don't see why they're going out of business. What am I going to do? Where will I go now?”⁶² Former employees of local department stores who lamented their passing also used these websites to connect with one another and share memories.⁶³

To former customers, store founders and employees, and to some industry observers, it was clear that the era of the local department store was over. All re-iterated the inevitability and finality of downtown's decline in the metaphors of death that pervaded their accounts of store closures. Descriptions of store closures typically envisioned the event as the passing of a loved one⁶⁴ or likened the last day of the store to a funeral.⁶⁵ For example, before the closing of Newman's in Emporia, Kansas, according to the store president, former customers and employees stopped by to “express their sorrow” and “to see it one last time,” while others stayed away because

⁶⁰ “Customers Lament Loss of Store,” *Syracuse Herald Journal*, October 19, 1994, A8.

⁶¹ “127-year-old department store closes,” *Aiken Standard*, Aiken, South Carolina, November 7, 1992, 8B.

⁶² *Aiken Standard*, Aiken, South Carolina, November 7, 1992, 8B.

⁶³For example, see the website “Stores Forever,” on Zahn department store in Wisconsin. <http://storesforever.blogspot.com/2008/08/zahns-department-store-racine-wi-update.html> (Accessed Nov. 5, 2010.)

⁶⁴ A Marshall Field's fan site included a youtube video clip of news program on ABC titled “End of an Era” from the 2006 renaming of Marshall Fields and other stores to Macy's. The broadcaster ended the program with the words: “Marshall Fields, Filene's, Strawbridge, rest in peace.” The website also included gravestone imagery, with the dates of Marshall Fields, 1852-2006. <http://www.darrid.com/> (Accessed Nov. 5, 2010.)

⁶⁵“Department Store Closes,” *The Ottawa Herald*, Kansas, December 26, 1998, 1; “It was like getting a call that someone near and dear to you died,” said Steele great-grandson of the store's founder C E Chappell. “Customers Lament Loss of Store,” *Syracuse Herald Journal*, October 19, 1994, A8.

they “want[ed] to remember it the way they knew it.”⁶⁶ Local newspaper accounts of the closure described customers as mourning, with some red-eyed or even crying.⁶⁷ Even the Federal Trade Commission framed the massive merger of Federated and May in terms of inevitable loss or death. In its decision not to take action against the unpopular transaction, the Commission defended itself, stating that while they recognized “that many individual consumers mourn the gradual disappearance of individual department stores in their hometowns... These changes, however, have been ongoing for many years.”⁶⁸

This seemingly innocuous metaphor of death allowed retailers, consumers, and the state to extract this economic process from its particular history. In effect, it popularized a critique of “bigness” that actually naturalized consolidation and justified its negative effects. In the case of the FTC, the metaphor of death justified a highly politicized anti-trust decision that ruled in favor of monopoly. We can be sad about the changes to our hometowns, according to the FTC, but that is just the way things are. We don’t like death, but there is nothing we can or should do about it, except mourn. While death is inevitable and natural, store closures are not. In reality, consolidation was an economic process situated in particular political and social contexts that changed over time.

I have been describing more conservative responses to the demise of the local department store. However, a more radical or activist, anti-globalist localist movement could also take shape alongside more middle-class, aesthetic responses to changes in the urban landscape.⁶⁹ For example, Macy’s acquisition of Marshall Field’s and the subsequent name of the nineteenth

⁶⁶ Newman’s department store, founded in 1868, closed when it lost the lease on its building in Emporia, Kansas. “Department Store Closes,” *The Ottawa Herald*, Kansas, December 26, 1998, 1.

⁶⁷ “Customers Lament Loss of Store,” *Syracuse Herald Journal*, October 19, 1994, A8.

⁶⁸ FTC Issues Statement on Closure of Federated/May Investigation, August 30, 2005.

⁶⁹ For example, see David J. Hess, *Localist Movements in a Global Economy* (MIT 2009).

century firm brought protesters into the streets of Chicago. Angry Chicagoans cut up their store credit cards and gathered outside the store chanting the slogan on their placards, “Boycott Macy’s/Field’s is Chicago!”⁷⁰

Conclusion

While some saw the underlying economic and political forces at work behind the demise of local retailing, for the most part, nostalgic localism remains a conservative force as expressed by consumers. In the late twentieth century to the present, consumers’ understanding of “the local” was deeply rooted in a nostalgia that was itself part and parcel of the retail revolution that transformed Main Street retailing.⁷¹ For many, it is just the ways things are now. As one downtown developer in upstate New York put it, “I think most people are nostalgic about what Bresee’s (department store) was. But I think most people are realistic and know that it’s an era that has passed.”⁷² For the most part, the nostalgic image of the local department store remains locked in a vague critique of the changes brought about by globalization, rather than as part of direct action. And, furthermore, business has once again asserted its control over this image. At the turn of the twenty-first century, the department store industry has once again turned the

⁷⁰“Marshall Field’s fans in Chicago Launch Macy’s boycott,” September 9, 2006, <http://www.youtube.com/watch?v=Fw16mZPP3So> (Accessed Nov. 5, 2010). Youtube has dozens of uploaded videos on the store, many receiving thousands of hits.

⁷¹ Peter Fritzsche suggests that nostalgia has lost its radical potential. In contemporary times, nostalgia for the past no longer saw it as a truly different place. As a result, it had lost “its ability to indict the present and imagine the future.” Peter Fritzsche, “Specters of History: On Nostalgia, Exile, and Modernity,” *The American Historical Review*. For other perspectives on nostalgia, see Fredric Jameson, “Nostalgia for the Present,” *The South Atlantic Quarterly* 88 (Spring 1989): 517-537; Edward S. Casey, “The World of Nostalgia,” *Man and World* 20 (1987): 361-384; Bryan S. Turner, “A Note on Nostalgia,” *Theory, Culture & Society* 4 (February 1987): 147-156.

⁷² Jake Palmateer, “Meeting looks at future of ex-Bresee’s complex,” *The Daily Star* (January 17, 2008).

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sentiment into a selling tool, as Macy's resurrects old brands, brings back long lost store traditions, and tries to appeal to distinct local markets.⁷³

⁷³ On Macy's localization initiative, see <https://www.retailcustomerexperience.com/articles/lessons-learned-from-macys-going-local-can-have-big-payoffs/> (December 1, 2010) and <https://www.retailwire.com/discussion/national-macys-tries-local-approach/> (March 26, 2008).