The growth of a cultural atmosphere which has made San Francisco the center of what might well be termed a western school of literature, music, and art. These have all contributed greatly in making San Francisco what it is today.

When California was ceded to the United States in 1848, San Francisco had a population of only 880 people, and it was only after the discovery of gold on the tributaries of the Sacramento River in 1849 that the real growth of the city began. Almost overnight the region became a "lode stone" which attracted people from the "four corners" of the world. From every state of the Union and from most nations of the earth the argonauts came, many overland, but mostly by boats which landed at San Francisco. This discovery of gold not only made the city an outstanding cosmopolitan center but was also the basis of those huge fortunes which have done so much to develop the west and make San Francisco the financial capital of the Pacific Coast and Rocky Mountain region.

The ownership of large holdings of real estate by families of these pioneer financiers and also by the descendants of the old Spanish families, accounts for the conservative nature of San Francisco's development and the stability of property values. The city has been notably free from speculative real estate "booms".

To these basic economic factors should be added the following events which have marked the progress of San Francisco:

- The building of the United States Mint in 1867.
- The completion of the first railroad from the east in September, 1868.
- The discovery of the Comstock Lode in 1874 and the rapid development of that gold field, which added further mining millions to the wealth of the city.
- The completion of the San Joaquin Railroad in 1896. This road was built by local capitalists who later sold it to the A. T. & Santa Fe Railroad, thus furnishing much needed railroad competition.
- The earthquake in 1906 and the resulting conflagration which caused stupendous losses.
- The expending of over $376,000,000 in re-building of the city in the following years.
- The opening of the Panama Canal in 1914.