California’s quick rise to prosperity began on January 24, 1848, when a millwright named James Marshall discovered gold along the banks of Sutter’s Creek in what is now Sacramento Valley. By 1849 tens of thousands of gold-seekers, thus called *forty-niners*, had come overland from the east, facing substantial hardships along the way, and later by sea from places such as Latin America, Europe, and Asia. In all, some 300,000 people came to California from the rest of the United States and abroad.

With rapid improvement in gold-recovery techniques, the Gold Rush soon produced California’s first major industry. At first, simple panning was used to recover gold accumulated in the deposits of sand and gravel in stream beds, but by 1853 hydraulic mining had been developed and allowed collection of gold on a much larger scale.

The large number of immigrants had a dramatic effect on California. In the middle of the Gold Rush, a state constitutional convention was convened, a state constitution was written, election was held and representatives were sent Washington D.C. to negotiate the admission of California as a state. Large-scale agriculture started, and roads, churches and civic facilities were set up quickly. Transportation between California and the East coast was also improved. For example, railroads were built from the West coast to the East and steamships began regular service from San Francisco to Panama. The influence of the Gold Rush also expanded abroad and stimulated world economy. Farmers in Chile, Australia and Hawaii found a huge new market for food. British manufactured goods were strongly needed, and Chinese clothing and prefabricated houses were imported. By 1855, California’s gold was exploited and today only numerous ghost towns testify to its existence. The true legacy of California Gold Rush, however, has never been gold production, but the strong spirit that has been re-enacted again and again in Californian’s drive to prosperity.