



Roger W. Babson



YANKEE GENIUS

A Biography of Roger W. Babson

*Pioneer in Investment Counseling
and Business Forecasting Who
Capitalized on Investment Patience*

by

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oil-wells, and he found himself a millionaire almost overnight. It was obvious immediately that this father was no captain of industry, in the real sense of the word, any more than a man is a captain of industry because he is a winner in the Irish Sweepstakes. The boy was right; the father was wrong.

A WONDERFUL WOMAN

As our Founder's ancestry is recorded in various publications,¹ we shall not give it here. In studying this ancestry, however, it is evident that he came from three important strains on his father's side—namely, the Rogers, the Gorham, and the Low; also from three important strains on his mother's side—namely, the Putnam, the Stearns, and the Wise. Only by careful effort have we been able to dig out where and when the Babson name started. Briefly, the Babsons started in *this country* with Isabel Babson, who came to America in 1637, with a small boy named James. They both landed at Salem, Massachusetts. Nothing is known about the father.

There are no records of the "Babson" family in England—certainly not as the name is spelled today. We are told that the family name was derived from the two words, "Babb" and "son." Studies made in England give evidence of this; apparently Isabel's name was also spelled Batson or Bapson at different times. Isabel Babson left Salem shortly after 1637, and went to Gloucester with her small boy. There she became a useful and beloved citizen. She had been a midwife in England and immediately became the nurse of the little new community on Cape Ann. In appreciation of her usefulness, the town fathers presented her, in 1648, with one of the most fertile tracts of land on Cape Ann. Industry, struggle, independence and especially patience were family characteristics.

JAMES BABSON'S SHOP

On this tract of land her son James built a little stone building in 1648, which still exists. It is located halfway between Gloucester and Rockport, on the inside State Road #117. The property now belongs to the City of Gloucester and is kept as a museum. James Babson never lived there

¹ See *Babson Family*, published by Fred K. Babson, Riverside, Illinois. Also *Babson Genealogy*, published, 1934, by the Babson Institute, Babson Park, Massachusetts. Also various Encyclopedias, Year-books, *Who's Who*, and so forth.

but used it as a cooperage shop. He raised, on the farm, the sustenance for himself and ten children, and made barrels for his spending money. The wood was cut at a small mill less than a mile away. It was hauled in an ox cart to the little stone house. The ox cart would back up in front of the building and the wood would be brought into the shop through low double doors, which still may be seen in the front of the building. There the staves and hoops were made. The hoops were kept soaked in a brook adjoining the stone house. The barrels were heated in a large fireplace, which still exists.

When finished, the barrels were rolled out through the above-mentioned double doors into ox carts and taken down the Joppa Road to Little Good Harbor Beach. There they were filled with dried fish and shipped to England. James lived at the corner of Joppa Road and what is now Eastern Avenue. Although his home was a mile from the little stone shop, it nevertheless, was the nearest house. His property at the corner of Joppa Road and Eastern Avenue descended down through the family, and it was here that John James Babson wrote the *History of Gloucester*, in 1855-60.² Both the old house in which James lived and the later house—the home of John James Babson, the historian—have been destroyed by fire. The little stone shop, however, should continue to stand as a landmark for centuries to come.

DIRECT MALE LINE

Statistically, the connecting links between Isabel Babson and Roger W. Babson are as follows:

	<i>Born</i>	<i>Died</i>
Isabel Babson	March 29, 1580	April 6, 1661
James Babson	November 29, 1633	December 21, 1683
John Babson	November 27, 1660	June 27, 1737
John Babson	December 14, 1691	June 1, 1720
William Babson	November 4, 1719	November 20, 1749
William Babson	September 5, 1749	December 30, 1831
Nathaniel Babson	June 17, 1784	February 1, 1836
Gustavus Babson	February 25, 1820	October 25, 1897
Nathaniel Babson ³	January 2, 1850	February 12, 1927
Roger W. Babson	July 6, 1875	

² Published by Proctor Bros., Gloucester, Massachusetts, in 1860.

³ His mother was born October 19, 1850, and died October 31, 1929.

Roger had two sisters: Edith Low, born March 15, 1880, who was drowned August 26, 1893; and Alice Stearns, born March 20, 1884, married April 14, 1910, to Dr. William Stewart Whittemore, of Cambridge, Massachusetts.

With the exception of Isabel Babson and the historian, John J. Babson, the Babsons were never leaders in their communities. They were, however, democratic, independent, and patient. The Babson family believed that their most valuable qualities came from the Rogers, Gorham, or Low families. For instance, Roger is a direct descendant, through his father, of John Rogers, once president of Harvard College, and from his ancestor, John Rogers, the martyr, who was burned at the stake in England, in 1555. Through the Gorhams, they trace back directly to John Howland, who came over in the *Mayflower*.

Roger is a direct descendant, through his mother, from that famous Revolutionary fighter, Israel Putnam and that great preacher and Colonial statesman, the Reverend John Wise.

ANCESTRAL STRAINS

As we study this ancestry, a few characteristics stand out forcefully. The Israel Putnam fighting strain has come down through all generations. Everyone agrees that Roger Babson has always been willing and even eager to fight for what he considered right. There is also a religious strain in the family. From the Reverend John Wise down, every generation has had members who were interested in the Church. They were not a family to enter politics, but all have expressed opinions freely and have fought fearlessly for their church. There is also an educational strain, which has come down from John Rogers, once President of Harvard College. Although none of the other ancestors have been outstanding in the educational world, they have all been interested in education. Practically, we can see Mr. Babson as a combination of these fighting, religious, and educational strains, all of which have dominated certain branches of his ancestry. As to his immediate ancestry, his mother was rather emotional, but his father had great patience. It was from his father, Nathaniel Babson, that Roger inherited his patience.

Mixed with the above strains, there has been a commercial strain which

deserves much more space than this book will allow. We refer to those ancestors—the Gorhams and Lows—who were sea captains, engaged in trade between Boston and China, Africa and the isles of the sea. They were the real men and women to whom we should look up. In small vessels, without conveniences of any kind, they left home to sail around the Horn. Often, these ships were locally built. The compass was about all they had for guidance. They had no charts, no weather reports, no lighthouses, and no radios. They had no steam or gasoline auxiliary—or anything to help them but the winds of the ocean and the courage of their own souls. Studying his ancestry, we find that more of them followed the sea than any other occupation. Most of them started as cabin boys when they were twelve or fourteen years old, and retired as sea captains when they were in their fifties.

They were great men, kindly at home, but hard-boiled on the sea and in foreign ports. They had the physical hardiness which enabled them to climb the highest mast of a tumbling ship in a raging storm in the dead of winter. Their food was of the roughest and simplest. They were men of splendid physique and indomitable courage. They were compelled to be real leaders. If at any time they had shown cowardice, their crews would have thrown them overboard. But a successful sea captain then needed more than courage. He needed to be a successful merchant as well. When he arrived at a foreign port, it was necessary for him to sell his cargo at a profit, and to purchase, at the lowest possible price, a new cargo to bring back home. These ships were mostly loaded at Boston with lumber, dried fish, and manufactured goods, which were sold in China and other Eastern ports. There they loaded with china, tea, and silk, which goods were brought back to Boston. Many American families today have a similar ancestry.

Any client or student interested in following up the lives of these men can read the memoirs of Gorham P. Low, Roger Babson's great-uncle. A picture of one of his ships hangs in a library at Wellesley, Massachusetts. It was a clipper which he used for taking passengers and freight from Boston to Liverpool between 1825 and 1835. His real experiences, however, occurred when making trips from Boston to Sumatra to buy pepper from the natives. Just visualize conditions in those days in the East Indies, which he regularly visited. There was no government; there were no

consuls, no police officers. Roger's uncle and his friends would land there without even understanding the language. It was necessary to moor the ship some distance from land, as there were no wharves.

They went ashore in small boats amid these natives. Under these conditions, the Gorhams and Lows would do their trading for pepper and other spices, secure a cargo, and return with the ship. Not only were they obliged to show indomitable courage in both landing and negotiations, but it was necessary to show a fairness and kindness which would enable them safely to return a year later. In their memoirs, perhaps the one outstanding fact was this latter feature. However wild and uncivilized a tribe might be, they always had instinctively a sense of right and wrong, of justice and mercy, of truth and kindness.

EARLY MERCHANTS

Another outstanding example of this sea-captain-merchant strain was Daniel Rogers. He was Gloucester's leading merchant at the time he lived, and was founder, in 1770, of what later became its great fishing industry.⁴ Although the sea captains were able men in their way, they all ran "one-man shows." Daniel Rogers, however, was more the corporation type. Instead of being only a sea captain, he hired sea captains and operated about the year 1760, a fleet of vessels from Gloucester. He was a daring promoter, but a man of excellent judgment. Naturally an aristocrat, he was nevertheless loved and honored by the plain people. Perhaps this was because of his sins as well as for his virtues. It is said that although he was a deacon in the church, he was a hard drinker on weekdays. He signed his documents "D.R." His friends used to say that he was "D.R." in the morning, but "R.D" at night; that is, these two initials in the morning stood for "Daniel Rogers," but at night stood for something else! He was a typical sea captain on land, with all the energy, fearlessness, and judgment which go with successful sea captains.

Daniel Rogers had twenty-one children, four by his first wife and seventeen by his second wife. He died with his boots on, regretting only that he could not get into one more fight or make one more trade! He built a house for each of his daughters, and many of these houses exist

⁴The commercial fish industry was founded by Isabel's grandson, John Babson, at the part of Cape Ann now known as Rockport, where the Coast Guard Station is located. See Pringle's *History of Gloucester*.

today. He was a merchant prince. If living today, he would be at the head of one of America's greatest corporations, a man both loved and feared by all. He lived most of his married life and died at 58 Middle Street, in the house (built about 1750) in which Roger was born.

GLOUCESTER IN 1875

Roger Babson was born on July 6, 1875. His father was Nathaniel Babson, the leading dry-goods merchant of the city; and his mother was Nellie Stearns, whose mother, Frances Wise Ward, in turn managed a successful millinery store. Gloucester in those days was a city of about 14,000 inhabitants. Later, it increased gradually to 24,000; but after that, the population fell off. Its natural resources consisted merely of rocks, blueberry bushes, and salt water. Its business consisted almost solely of the fish industry. This was then made up 60 per cent of cod and haddock, 30 per cent of mackerel, and 10 per cent of herring, with a certain amount of halibut and miscellaneous fish. The granite industry was, however, increasing. Conditions in those days were comparatively primitive. Homes were all frame houses, with four rooms on the first floor and four rooms and an attic above. They were comfortable in the summer, although there was no such thing as screens; and ice was just beginning to be used. In the winter, only two rooms were regularly heated—the living-room and the kitchen—with stoves. Fireplaces which would be used in emergencies were also in one or two other rooms.

There was no need of air-conditioning! The air would rush through the cracks of the windows and doors, thoroughly ventilating the rooms, and then go up the chimney. Whatever automatic systems of ventilation our descendants may use, nothing can equal for health and efficiency a fireplace or the old-fashioned stove, with the leaky doors and windows. Some of us remember hearing that the first double windows and bathrooms were "unhealthful and shameful." That system where the air was taken in through the window cracks and then went up the chimney was perfect. Later, steam heat, oil stoves, and gas stoves were used. It was during this latter period that the common cold, which has always been a plague and which is now more prevalent than ever, began to develop. Modern forms of heating are successful in the heating feature, but pro-

vide no such system of ventilation as did the fireplaces and old-fashioned stoves.

SATURDAY NIGHT BATHS

Dr. George B. Stevens brought Roger into the world with the light of a kerosene lamp. Kerosene lighting was all that they had during his entire school life. There was, of course, no bathroom in the house. Morning and night during the winter months he would plow his way out through the snow, a distance of twenty-five feet, to the historic outhouse, which has been such an important factor in the history of this nation! And, of course, there was no such thing as city water. The water came from a brick cistern in the cellar of the house, which was filled from rain falling on the roof. A cesspool in the back yard took the drainage from the kitchen sink.

Saturday night was bath night. Every mother would take an ordinary round wooden washtub and place it on the kitchen floor. An iron kettle full of water was always on the kitchen stove. Mothers probably never heard of the word "humidity," but they instinctively always kept this black kettle-humidifier at work. This, by the way, has never been equaled as a humidifier by any modern invention. One by one, each child would be dumped in the washtub, rubbed off, and sent to bed. The same process was going on in every Gloucester home at the same time every Saturday night.

On Saturday nights, all families had the proverbial baked beans. These lasted for four days and appeared in various forms throughout the week. All had hearty breakfasts, with a good hot dinner at noon, but light suppers. The meals, in fact, were just as good as we get today. The food was simple, but there were plenty of good vegetables such as mashed potatoes, squash and turnips, with fresh fish twice a week. There were few fruits in those days. Roger remembers his father driving his horse one night through the darkness fifteen miles to Salem to get an orange for his aunt, who did not have many more days to live. Every family in the town had enough to eat. For fuel during the winter, each family went into the adjoining forest and cut the wood needed, dragging it home on a snow sled.

Food was the chief factor in the expense of living. Rents were low;

little was spent for light and fuel. Clothes were worn until they were absolutely threadbare. Still, all were warm, all were healthy, and all were happy. Most of us could go back to all of it today except the cold bedrooms and tramping out through the snow to the outhouse! However, perhaps we owe as much to those cold bedrooms and other inconveniences as we do to a college education.

MODERN CONVENIENCES?

There was no water system, no sewerage system, no other kind of "system" in most American cities at that time. There were no telephones, no electric lights, no automobiles, no street cars, no radios. Roger had heard of a telephone long before he ever saw one. He remembers when the first electric lights came to Gloucester; they were of the arc variety, operated by two long carbons, and were useful only for outdoor lighting or for lighting in stores and public buildings. He must have been fifteen years old before the introduction of the incandescent lamp made home lighting possible.

When the doctor was needed, Roger put on his coat and went to the doctor's office and called him. The only heating system was the "armstrong" system, and the only way they had running water was "to run to the pump" and get it. He was in his twenties before his father had electric lights or a telephone in his house, and his father died without owning an automobile. There were almost no public conveyances except an old stagecoach that went from Gloucester to Annisquam and Lanesville.

Hacks were available for traveling people going to or from the train, but they were primarily used for weddings and funerals. Of course, we should hate to be without certain conveniences and amusements today, and yet we wonder whether we might not be better off, physically, intellectually, and spiritually, without some of them. These modern conveniences have made life easier and perhaps swifter, but in the process we ourselves have become less independent and less courageous.

This was the inheritance and training received by most of the older members of the Babson Organization. We have included these details as they illustrate the roots from which Babson's Reports have grown. Younger organizations with less than fifty years experience do not have this hardy training.