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## New England's Business History

NEW ENGLAND, early settled within its small slice of territory, has seen its influence spread to the Pacific as a nation's frontier gradually receded westward. Blocked by its barren soil from agricultural expansion and encouraged by proximity to the sea, the section quickly turned to commerce and manufacturing. New England goods handled by New England merchants flowed south and west, and its surplus capital aided in the development of the new areas.

Consequently, a huge mass of records has grown up on New England's business activities. Due to Yankee perspicacity much of it has been preserved. The Business Historical Society, with the facilities of Baker Library at hand, has undertaken the care of a considerable quantity of such material, and is able to put its collection of manuscripts, record books, and old documents of all sorts at the disposal of students. And they are being used.

One of New England's institutions which has placed its business records in Baker Library is the First National Bank, Boston, which traces its history back to the colonial period through the Massachusetts Bank. John Hancock was one of the signers of its charter, and the first president of the bank was the second governor of the Commonwealth, James Bowdoin. Research into these documents has resulted in a history of the bank to be published in 1931 under the title of *History of the Massachusetts Bank, 1764-1865* by Professor N. S. B. Gras of the Harvard Graduate School of Business Administration. It will be divided into three parts: first, a general introduction which includes a sketch of the bank up to recent times as the First National Bank; second, excerpts from the more important documents; and third, statistical tables. This volume of

perhaps six hundred pages will appear as the third in the series of *Harvard Studies in Business History*.

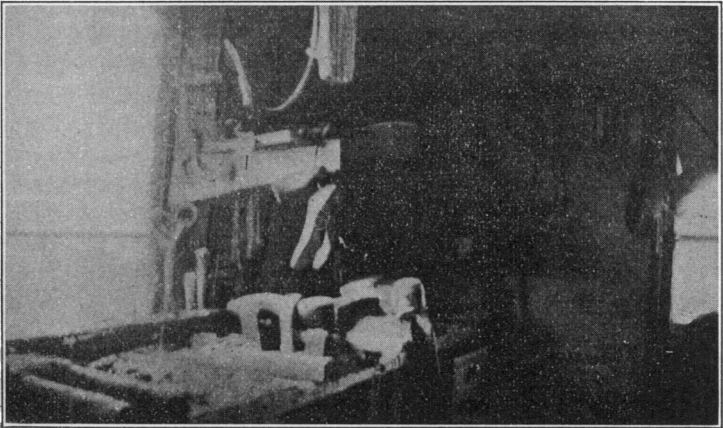
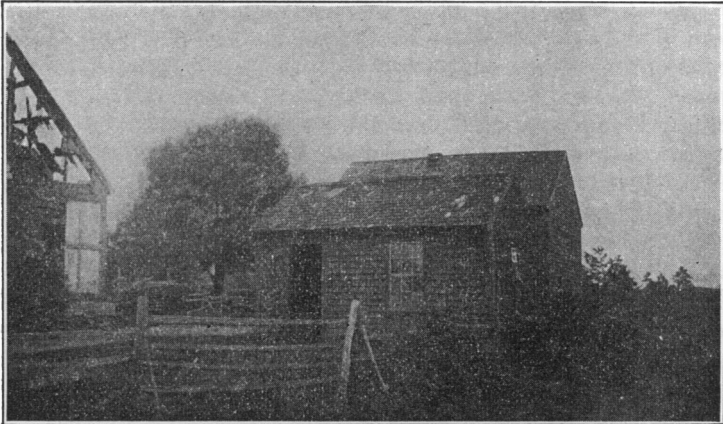
Another group of material has proved its usefulness — the papers of the Boston Manufacturing Company, organized in 1813. This company is believed to be the first mill in America that carried through the processes of manufacture from raw cotton to finished cloth under one roof. For many years it served as a bleacher and dyer for other textile firms in New England who were unequipped with machinery to do this for themselves. For a time a machine shop was connected with the mill for the building of textile machinery, and the company aided in the equipment of many early Lowell mills.

The records of the Boston Manufacturing Company in Baker Library are largely account books, payrolls, ledgers, etc., and contain considerable material on the early factory system in New England. Before coming into the care of Baker Library, they were used by Miss Edith Abbott in her book on *Women in Industry: A Study in American Economic History* (D. Appleton, 1910), and are now being examined for a doctoral thesis on the history of the hosiery industry.

The collection of the Lawrence Manufacturing Company, incorporated in 1831 in Lowell, Mass., is amazingly complete in its correspondence, accounting and production records. The original product was coarse cotton cloth, but in 1864 the company was unable to secure raw cotton and turned to the production of woolen stockings until after the Civil War. The records are useful for price and wage studies as well as textile tariff history.

In its beginning the Lawrence Manufacturing Company imported skilled labor from England, paying passage expenses for the mechanic and his family to America, later to be repaid in labor. Other textile records indicate the movement of these families to various sections of New England, and the erection of their own factories.

A member of the Baker Library staff is just completing the arranging and cataloguing of the large collection of the cotton and woolen mills of S. Slater & Sons, Inc., Webster, Massachusetts, and Providence, Rhode Island — which includes subsidiary companies like the Sutton Manufacturing Co., Steam Cotton Manufacturing Co., Slater Wardwell Co., Providence Iron Foundry, the Samuel Slater & Sons warehouse in New York — beginning with the first mill in 1794 and ending a hundred years later. The records are day-



**EVIDENCES OF THE PUTTING-OUT SYSTEM IN NEW ENGLAND**

*(Above)* Ebenezer Belcher's "ten-footer" built before 1800 in which he did his work  
*(Below)* Interior of the shoe shop.

books, ledgers, production books, letterbooks, payrolls, journals, etc. They are of particular value for showing the development of machine processes and gradual expansion of production to the more complicated fabrics. For example, the Slater and Howard books on production indicate that thread, stocking yarn, hose and broadcloth were being manufactured; cassimere is added by the Dudley Manufacturing Company; while in the middle of the nineteenth century the Webster Woolen Company were interested in the production of doeskin, twill, mohair, mokowa, castor, broadcloth and fancy cloth.

The books contain source material for statistical studies on wages. One of the by-activities of the Slater Company was a store which was patronized by the workers, who often received their wages in the form of grocery commodities. The documents provide a complete account of the development of this feature, and the consequent relation of the worker to his employer. It is an interesting fact that the records themselves were found stored away in the upper floor of the old red brick building which had originally served as the "company store."

There is opportunity here, too, for the study of costs, the effect of machines on the development of the industry, the movement of immigrant labor, the reaction of an old industry to swiftly moving economic conditions. The material has served in a doctoral thesis by Miss Caroline Ware, a part of which was published as "The Effect of the American Embargo, 1807-1809, on the New England Cotton Industry," in the August, 1926, issue of the *Quarterly Journal of Economics* (Vol. XL, No. 4). The Slater papers were also extensively used in Professor Arthur H. Cole's two-volume history, *The American Wool Manufacture* (Harvard University Press, 1926).

The shoe industry is represented by a small collection — two ledgers of Gilmore & Son during the 60's, a few miscellaneous account books for the 40's, and an early account book of Ebenezer Belcher covering the first half of the nineteenth century, which gives evidence of the putting-out system in New England. Mrs. George W. Sprague, who has presented the books, comments, "From these account books, the volume of business, rate of wages, times of payment, cost of materials, number and sex of employees, and the wholesale or retail prices of goods manufactured, can be known for this industry during the dates which they include." Mrs. Sprague (Blanche E. Hazard) has used this material in her volume, *The Organization of the Boot and Shoe Industry in Massachusetts before*

1875, published as Volume XXIII in the *Harvard Economic Studies* (Harvard University Press, 1921). A second volume is now being written by Mrs. Sprague on the boot and shoe industry for the period after 1875, and it is probable that Baker Library will be the recipient of further manuscript material on this important industry.

The Hancock papers, a permanent loan from the New England Historic Genealogical Society, include the records of Thomas, John and Ebenezer Hancock, merchant traders and government agents, for the period 1730-1840. An article on "Thomas Hancock, Colonial Merchant," by Edward Edelman, has appeared in the November, 1928 issue of the *Journal of Economic and Business History*.

The Wendell collection, presented by Mrs. Barrett Wendell and pertaining to the commercial life of Portsmouth, New Hampshire, in the eighteenth and nineteenth centuries, is forming the basis of a Harvard doctoral dissertation at the present time.

In the series of *Harvard Studies in Business History* the first two volumes will be based on the Astor papers preserved in Baker Library. The first book will be a biography of John Jacob Astor by Kenneth W. Porter, who is working under Professor N. S. B. Gras of the Harvard Business School. A second volume of documents from the Astor collection will also be published.

One need say nothing further to vindicate the preservation of New England's old business manuscripts. Its industries date from the early settlements on this continent. The history of their adjustment to new conditions contains also a history of the economic development of other sections of the country. In its forgotten documents stored in forgotten places lies much that is necessary for a valid economic history.

## Why a Business History?

HISTORY — and this includes economic history — has thrived on controversy. Is it a science? Is it a scientific method? Is it a mere jumble of uncoördinated facts dead in a textbook and amusing to a trained antiquarian? Or perhaps its utility is in substantiating our religions like "progress" and the Hegelian "march of reason"?

It is important to remember that the conceptions of "scientific exactitude" and "exact science" are not synonymous. The modern economic historian lays claim to accuracy — humanly attainable — but accuracy is not the only essential for a science of chemistry.