

"No, Anne, we must not meet, at least for the present. It is better so, and you yourself will feel that it is. But when I reach home I will write again, and *then* you will answer.

"Always, with warm love, your friend,  
"HELEN."

During the reading of this letter, the prisoner for the first time sat with his head bowed, his face shaded by his hand. Miss Teller's sobs could be heard. Anne, too, broke down, and wept silently.

"When I reach home I will write again, and *then* you will answer." Helen *had* reached home, and Anne—had answered.

### THE PAWN-SHOP.

THE recent movement which was so general in all our large cities toward the orderly and economic organization of the abundant charity, both public and private, for aiding the poor, and especially the tendency it displayed of a growing distrust of mere alms-giving as being at best an injudicious and temporary palliative, together with the increasing conviction that it is possible to permanently improve the condition of the poor only as they are taught the self-respect of independence, and furnished with the means of becoming so, suggest the following social study of the pawn-shop, as it is and as it might be made.

No one, be he poor or rich, can expect that his entire life shall be passed with such an exceptional freedom from the common lot of mankind that he shall never experience at any time the need of some temporary assistance, and especially is this need felt by the poor from the very fact of their poverty. The only institution regularly constituted in society as yet for meeting this need is the pawn-shop.

In France, in Italy, and elsewhere in Europe, the *Mont-de-Piété*, as it is called, is an institution supported by the funds of the state, and operated under public control. It is thus always abundantly supplied with the means it needs for carrying on its business, never taking advantage of a plea of its own poverty to increase its gains, or to lessen the aid it can give to those who require it; and while the rate of interest charged is low, the profits of the business, if they prove excessive, return to the state itself, for the benefit of

the public from which they were originally drawn. In Paris, for example, so admirably is the *Mont-de-Piété* organized, so thoroughly respectable are all its surroundings, that there is no social obloquy connected with its use, and it is a very general custom for persons in easy circumstances to deposit in the spring their furs and winter clothing with it, redeeming them when the winter comes, and they want them again for their personal use. In this way they are certain to escape the risk and bother of guarding them from the ravages of moths during the summer, while having the use of the money advanced upon them, at such a reasonable interest as makes the operation an advantageous one to both parties. The poor find this institution their best friend to apply to when they have urgent need for a small loan, nor is their self-respect hurt in making the application; they are the chief supporters of the institution; it is organized for their benefit, and they feel that they have a right to use it. There is no more air of a furtive transaction in visiting it for legitimate purposes of business than there is here in entering a public post-office to buy a postage stamp.

There is no need to particularize concerning the difference between such an institution and the pawn-shops whose three balls are so increasingly scattered over the poorer sections of all the cities of this country. As a matter of social history, it is singular, too, that pawnbroking should have sunk to so low a level, both here and in England, when we remember that one of the chief inducements put forward in the original prospectus for the establishment of the Bank of England was that it would regularly engage in the pawning business, being ready at all times to advance reasonably on such silver-plate and other personal property as its customers should deposit with it, charging for this convenience a much less rate of interest than the gold and silver smiths of the time, who had the monopoly of this business, were in the habit of charging. But to-day, to mortgage one's house, to hypothecate one's bonds, to get an advance upon one's storage receipts or one's bills of lading, is a business operation as respectable as it is general; while to pawn one's watch or any other piece of personal property, though the operations are of precisely the same character, and are undertaken from the same necessity, is consid-

ered a somewhat disreputable transaction. This is partly owing to the fact that public attention has not been called to the intelligent and sympathetic study of the matter. The more prosperous classes have, with a careless disregard for the welfare of their more needy fellow-citizens, allowed the whole business to fall into unworthy hands. How thoroughly the best interests of the poor have been in this matter disregarded is shown conclusively by the fact that the legal rate of interest allowed the pawnbrokers in our large cities is six per cent. a month, or seventy-two per cent. a year.

Among all the cities of the country, Boston, Massachusetts, is the only one in which any attention has been given to this wholly unnecessary burden placed upon the poor, and where a proper consideration of the subject has led to a practical reform. Several years ago a few rich men in that city, recognizing the importance of organizing pawnbroking in an orderly business way, subscribed a capital of one hundred thousand dollars for the establishment of a Pawnors' Bank, as it was first called. This name was soon changed to that of the Collateral Loan Bank, the change being made in deference to the prejudice against the use of the word "pawner."

By the terms of its charter the bank was allowed to charge on its loans one and a half per cent. a month, or eighteen per cent. a year. The dividends to the stockholders were limited to eight per cent., and all excess of profits after the payment of expenses was to be spent in the free distribution of coal to the poor during the months of December, January, and February, under the supervision of the Town Council. The business has been found so large as to justify the increase of the capital; and in their reports the managers of the bank reiterate the statement that the business is one of the surest there is, the security being in all cases deposited with the bank before the loan is made, and being in the immense majority of cases promptly redeemed. A very large proportion of the loans are made for sums less than a dollar, while the borrowers, upon the payment of the interest, are so astonished at the smallness of this charge that they constantly offer to pay more. The bank, while paying to its stockholders their regular dividends of eight per cent., has reduced the cost of pawning to those

requiring this aid, and at the same time raised the compensation of those who attend to the details of the business above the rate they at first were paid. Thus all the various classes who are connected with the bank have been benefited.

But excellent and unquestionable as are the benefits this application of intelligent sympathy for the poor has produced in the organization of pawning, yet it is evident that it is not all that can be done in this direction by a further application of the same principle to the economic study of their condition. Why would it not be possible to combine with a pawnors' bank a savings-bank, so that these two institutions should work harmoniously together to their common end—the improvement of the hard conditions of the poor? The very necessity of security to-day forces the savings-bank, which gathers its funds from the poor, to limit its investment of them to such securities as pay but the smallest interest. But the pawnors' bank offers, as experience has shown, an exceptionally safe opportunity for the investment of large aggregate sums of money at exceptionally high rates of interest. Though eighteen per cent. a year, or one and a half per cent. a month, is evidently ruinous to the ordinary transactions of business, yet it is only a fourth of seventy-two per cent., which is the regular charge for pawnbroking in all of our cities. A pawnors' bank, therefore, the capital of which was contributed by the rich, who would be contented with a small interest upon their investment, could induce the poor to deposit their small savings with it by the secure promise of a higher rate of interest than they can get now. The details of such a plan could be easily worked out if the task were undertaken with an intelligent and heart-felt sympathy with the purposes it should propose and the results it sought to gain, the essential idea of the scheme being that it would enable the poor to lend their savings to the poor.

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#### A DIMPLE.

A VALLEY born in sunshine with the blush of  
early morn;

A vale where pleasure nestles in nature's  
softest down;

Paradise by a smile created;

An Eden lost by a frown.