THE MARYLAND NEWS SHEET.

PUBLISHED BY

CARTER & NEILSON.

TERMS

Served in the city, and payable only to the carriers TWELVE AND A HALF CENTS WEEKLY.

Mailed to subscribers out of the city at SIX DOLLARS A YEAR, or for a shorter period at proportionate rates, to be invariably in advance.

☞ A liberal reduction to Clubs and News Agents

THE TRI-WEEKLY NEWS SHEET.

Mailed to subscribers:

1 copy, one year		$4
Do. six months		2
Do. three months		1

ADVERTISING RATES.

One square, six lines	one insertion	50
" "	two insertions	75
" "	three "	$1 00
" "	one week	1 25
" "	two weeks	2 25
" "	three "	3 50
" "	one month	6 00
" "	three months	10 00

* Longer advertisements at proportionate rates. Yearly contracts to be matters of special agreement.

BALTIMORE.

SATURDAY, DECEMBER 21, 1861.

WAR AND OTHER NEWS.

In the United States Senate various memorials for "the destruction" of slavery were presented by Mr. Trumbull and Mr. Pomeroy. A petition from Massachusetts, in favor of an exchange of prisoners was referred. A resolution was passed recognizing the patriotic services of the late General Lyon. The Committee on the Judiciary was discharged from the further consideration of the bill for reorganizing the Supreme Court. The bill to manumit the slaves in the District of Columbia, was referred to the Committee on the District. A discussion next ensued on the resolution calling for a copy of the proclamation of General Phelps. On motion of Mr. Willey, the resolution was laid on the table.

In the House of Representatives a number of bills were reported and resolutions offered, but they were all of minor importance. A bill was passed, instructing the Committee on the Judiciary to amend the Fugitive Slave Law of 1850, so as to require satisfactory proof of their loyalty from masters seeking the return of fugitive slaves. A resolution, offered by Mr. Lovejoy, confiscating the property, including slaves, of all citizens in arms against the Government of the United States, or giving aid and comfort to the enemy, was referred to the Committee on the Judiciary.

In the State Senate, the resolution of the House, acknowledging the willingness of Maryland to assume her portion of the direct tax, was read a second time. Messrs. Bayne, Waters and Sellman were appointed a committee to urge upon the Government the adoption of a plan to prevent the escape of slaves. A vote of thanks was passed to General Foster for honoring the Governor and Legislature with a review of Federal troops. The Baltimore police bill was referred to the Committee on Corporations. The bill repealing the act relieving the Mayor of Baltimore, and others, from prosecution for their acts in April last was referred to the Judiciary Committee.

In the House of Delegates several amendments to the Police bill were adopted and the bill was finally passed by a vote of fifty-one to one. The resolutions in reference to slaves entering the lines of the army was adopted. The bill repealing the act exempting the Mayor of Baltimore and others from prosecution for acts done in April last was passed. The treason bill reported by Mr. Wolff was taken up for a second reading, but after a long discussion was re-committed. The bill as reported will be found in the proceedings published elsewhere.

We are enabled to give what we believe to be the correct tenor of the despatches of the British Government to Lord Lyons. It will be noticed that the demand is restricted for the present to the surrender of the Southern Commissioners on board of a British vessel, and that a despatch has been sent to Admiral Milne, directing him to proceed at once to Boston Harbor with a fleet of forty-five vessels. We have every reason to believe that the statement which we have given is correct in every particular.

We continue to give the different versions of the Washington Correspondents of the Northern Press of the state of opinion in the Cabinet, and among diplomatists in regard to the course that will be pursued in the Trent affair. The general drift of the matter is towards an apology and a surrender; but there are evidently some recalcitrants. The *Tribune* makes, editorially, the proposition that Capt. Wilkes should put Messrs. Mason and Slidell on board of the Trent, and then *capture the vessel and the Commissioners with all on board, and bring them into Port for adjudication.* This would prove an admirable way of getting out of the frying-pan into the fire. The Boston *Courier* argues that an apology for the technicals is all that is necessary to settle the matter. It insists that for Great Britain to demand the surrender of Mason and Slidell *would be to demand simply an impossibility.* The New York *Times* counsels the Federal Government to lay an embargo on ship timber in retaliation for the refusal of Great Britain to permit the exportation of arms and munitions of war.

Our neighbours the Canadians, are actively making preparations for war. All along the northwestern border, the excitement is said to have risen to the highest pitch—volunteer companies are organizing in every direction, large numbers of regulars are stationed along the frontier, and the fortifications at Toronto, Sacketts harbor, and other points are undergoing either an entire reconstruction or a through repair. In the spring it is announced that a sufficient number of gunboats will be sent over from England to take complete command of the lakes.

The advices from Port Royal are to the 19th of the month. The principal Islands at the mouth of the Bay are occupied by the brigade of General Stevens. For some reason which is not explained, the expedition which has been organising for some time past under General Viele, has been abandoned. Rather over one thousand bales of cotton have been secured, a quantity which falls greatly below the original estimate of the amount that had fallen into hands of the Federal troops. General Sherman is evidently disgusted with the newspaper correspondents that accompanied his expedition as he has ordered them to leave Port Royal immediately.

A later telegram from Port Royal states that four hundred Federal troops had crossed from Port Royal Island to the mainland, and had encountered some fifteen hundred Confederates, who fired a volley and retreated. There is also a rumor that Captain Hollins has been defeated near the mouth of the Mississippi, and the steam ram Manassas sunk. It is also stated that a negro insurrection had broken out in Mississippi, and that an immense amount of property had been destroyed. We give no credence whatever to any of these reports.

The Ashepoo river has been ascended by a flotilla of gunboats, under Commander Drayton. He describes the plantations in the vicinity of the river and its tributaries as entirely deserted. Nearly all the negroes have been taken into the interior, the cotton destroyed, and the buildings burned.

From Somerset, Kentucky, under date of 17th December, we have news of the advance of General Shoepff's Brigade, numbering some seven thousand men and two batteries, against Zollicoffer, who was entrenching himself on the Cumberland river. It is supposed that a battle between them has already taken place.

A camp of the Confederates, near Milford, Missouri, is reported to have been surprised on Wednesday last, by a portion of General Pope's command, led by Col. Davis. Thirteen hundred Confederates are said to have been surrounded and taken prisoners.

From the Upper Potomac the statement is that all is quiet in the vicinity of Williamsport, but that at Dam No. 5, and at Falling Waters, there were skirmishes with the Confederates. Gen. Jackson's object is said to be the destruction of Dam No. 5. From other well informed sources we are advised that the fight at Williamsport was much more serious than it is reported to have been by the telegrams from that place. It is stated, moreover, that General Banks sent forward to the support of Colonel Leonard some fifteen thousand men from Frederick, and held in reserve five thousand more. The so-called "brilliant affair" at the Point of Rocks turns out to have been a mere artillery battle across the river, of half an hour's duration. Colonel Geary is said to have lost one man. If the Confederates lost any it was unknown to our informant.

The New York *Post* publishes editorially an article on the proposition of the Maryland Legislature, to raise by loan the State's quota of the direct tax. The *Post* regards this mode of procedure as likely to produce mischievous effects by bringing individual States into the money market in competition with the Government, and thus undermining the credit of all the parties seeking loans.

A report, which has been current for the last two days, to the effect that some fifteen hundred of General Heintzleman's Division had been captured, somewhere in the neighborhood of Pohick Church, is said to be without a particle of foundation.

According to the Edinburgh *Scotsman* the amount and form of the reparation demanded by Great Britain of the Federal Government are not such as the latter will be likely to concede.

The steamship City of Washington, from Liverpool on the 4th inst. and Queenstown on the 5th, arrived at New York, at 12 o'clock on Thursday night.

EUROPE.

ENGLAND MUST BREAK THE BLOCKADE.

From Reynolds' London Weekly.

One important fact which ought never to be lost sight of in this controversy is, that the Southern statesmen and people are extremely anxious to be on friendly, political, and commercial relations with this country. They want our manufactured goods in exchange for their cottons and tobacco. The produce of the Lancashire looms, of the Scottish and English foundries, of the engine manufacturers of the Tyne and the Clyde, of the steel shops of Sheffield, and the metal works of Birmingham, now excluded from both Southern and Northern States by the Morrill and other protective tariffs, will be eagerly welcomed by the Southern States when once their independence is established, or rather as soon as the blockade is raised, for the independence of the Confederation is already an accomplished fact, which not all the might of moon-stricken Yankeydom can undo. When, in addition to this, it is borne in mind that the storehouses of New Orleans, Mobile, Savannah, and other ports are cramful, piled from cellar to ceiling, with that raw cotton for the want of which our looms are standing still, our artisans starving, and our manufacturers becoming insolvent, it is impossible not to perceive that an overwhelming case in favor of the immediate raising of the blockade by the British fleet has been made.

The idea of procuring from other places enough of cotton to save us from the impending disaster is simply fatuous. Taking the two elements of quantity and quality into account, it is safe to assert that not from any or all parts of the world can we find an equivalent for the American cotton of which we are now deprived. As for the East Indies—the region respecting which the most sanguine expectations are now cherished—nothing but the grossest ignorence could have given birth to the delusion. That it is a delusion to believe that now, or for years yet, a sufficient supply of cotton can be produced from that country to render us independent of America, everybody who has looked into the matter must admit. To grow enough cotton in India, and to provide the ways and means by which it can be transported to England at such prices as shall induce manufacturers to purchase it, cannot or the most moderate computation be accomplished in less than ten years.

But even if enough of East Indian cotton could be instantly and cheaply procured, it would not enable the Lancashire mills to keep working. The reason is obvious. East Indian cotton is both coarser and shorter in fibre than the American. Now, in nineteen out of every twenty mills in this country, the machinery was constructed for the manufacture of the longer and finer fibred product of the American cotton. To adapt this machinery to the East Indian cotton would necessitate a complete revolution and reconstruction of our mill machinery. This indispensable alteration could not be effected in less time than twelve months, or at less cost than fifty millions sterling. But in the meantime what is to become of our unemployed and famishing artisans? Why, the very evil which we dread, and which we are doing all in our power to prevent, would have taken place; so that before the cotton of India can be got, or before the machinery can be prepared for its manufacture, the probabilities are that we should have no mills to refit, no operatives to employ, no commerce to secure, and no country to save.

Once more, then, we call upon our country—aye, and our countrywomen—to take instant and energetic action in this matter. But to the working classes, in an especial and emphatic manner, we address our appeal. Why should they see their wives in rags, their children famishing, their cupboards empty, their grates fireless, their homes denuded of every article of furniture, themselves pressed into pauperism or coerced into crime, because the mad and mean Government of the Northern States has committed itself to one of the most foolish and wicked wars ever waged by one Power against another? Were they to be guilty of such complicity in their own extinction, the verdict of the rest of the world would be that their cowardice was only equalled by their criminality, and that a set of more unmitigated imbeciles never walked or crawled upon the face of the earth.

It is, therefore, the most sacred and bounden duty of the working classes—and, indeed, of all classes, but the former in a pre-eminent degree—to take up this question, and make use of all the constitutional machinery at their disposal in order to induce the British Government to interpose its power for the preservation of our commerce from ruin and our artisans from starvation.

THE LONDON TIMES STILL INDIGNANT.

The *Times* of the 5th instant discusses General Scott's letter, but is not converted by it. The *Times* argues that—

"General Scott grievously mistakes the feeling of this country if he believes that good relations between America and England are to be preserved by any such suggestions as these. We have sent to Washington, not to open a controversy, but to demand a restitution. When that has been done we shall be happy to discuss the other questions at issue at any length the Americans may please."

The *Times* continues:

"If the Cabinet of Washington propose to contend that we must in the year 1861 submit to endure at the hands of their cruisers every indignity which our ancestors have ever at any time inflicted upon a neutral flag, then we understand what will be the issue between us. If they do not propose to go this length, these recriminations of long-buried circumstances are irrelevant, and are within themselves a confession of weakness. There is nothing which could not be proved by such precedents as these. * * * Internal law, like municipal law, changes with the necessities of society, and both General Scott and his friends at home must be prepared to accept as international law what Europe, or others have done in old times but present day."

EFFECT OF GENERAL SCOTT'S LETTER.

The *News* has evidently read General Scott's letter with attention, for it adds:

"General Scott has not simply contradicted a mischievous report—he has given a deliberate opinion, worthy of his high reputation and of the services he has rendered his country. He says 'it is necessary that the good relations between England and America should be preserved.' It is most unlikely that he would have been at the trouble to say this if he had become accustomed to different sentiments and opinions within the circle of the government which he has just quitted at Washington. * * "The veteran discusses law like a soldier, and evidently has no taste for the precedents of Hautefeuille or Phillimore. But although the matter cannot be disposed of exactly as the General imagines, we may confidently say that, if the Washington government is prepared to treat the affair of the Trent in the candid and straightforward spirit of its most illustrious officer, it ought not to be difficult to arrive at a result which shall spare us a war from which we instinctively recoil, deliver us from the horrible necessity of subserving the slave-cause which we abominate, and enable the two governments to settle the law of the sea on a basis more in accordance with the needs of the extended commercial intercourse of our times. This would be a better issue of the Trent dispute than the finest list of ships burnt, sunk and destroyed; and at present we see no reason to despair of such an agreement."

From the Scotsman.

THE INSTRUCTIONS TO LORD LYONS.

The terms and exact character of the instructions sent out to Lord Lyons are kept a close secret, but we learn that amongst those persons in London likely to have the best means of judging, there is a general belief that the amount and form of the reparation which our Government has felt bound to demand are such as the American Government is not likely to concede. The most likely, or rather least unlikely, chance of an amicable settlement, so far as can at present be seen, is considered to be that the Senate, in which there is a majority strongly opposed to Mr. Seward, may, were it only to overthrow him, declare for redress and conciliation.

THE EMPEROR ALARMED.

The Emperor was sitting in his cabinet at Compeigne when he was startled by hearing the doors locked, and in an instant became convinced that he was locked in—a prisoner, in short—and we all know the nervous feeling to which this impression gives rise. So his Majesty hastily rushed to the door, and on the first attempt to open it became but too fully confirmed in the idea which had presented itself to his mind on hearing the key moved from without. After rattling the door for one single moment, and calling to the Cent Garde on duty in the corridor, first of all calmly, and then aloud, to open the door, without receiving any answer, his Majesty was just on the point of raising an alarm by ringing violently, when the key was turned again, and the door yielded at once to his hand, and opened suddenly, to disclose the astonished and terrified countenance of the Cent Garde himself, who, trembling and confused, stood before his Majesty with an expression of such humility and repentance in every feature; that the Emperor at once beheld the history of some foolish mistake, and no criminal conspiracy, beneath the utter consternation and dismay which the young man's silence expressed with so much more eloquence than the most lengthened apology could have done.—To add to the perplexity occasioned by the extraordinary attitude of the culprit as he stood thus, with count-nance aghast and mouth wide open, he held one hand carefully concealed behind his back, as if grasping some object he feared to discover; and it was with an unmixed feeling of curiosity that the Emperor exclaimed, "What have you concealed there?" The man, evidently for the first time becoming aware of all the suspicion which his mysterious conduct was calculated to awaken in his Majesty's mind, immediately drew forth the suspected article, and exhibited to the amazed eye of his Emperor and Sovereign—a regulation sock of dark brown cotton. The explanation was anything but lengthy, although given amid much stammering and hesitation, interspersed with apology and excuse; but the boots were so tight, and the feet so drawn by standing on the highly-waxed floor of the gallery, that, driven to madness, the guilty Cent Garde had actually resolved to withdraw the socks in order to give ease to the burning feet; and in the midst of the operation, being suddenly struck with the thought of the consequences should his Majesty open the door of the study, he had resolved to prevent the catastrophe by turning the key—never for a moment having conceived the idea of the far greater risk and danger he would run by his Majesty's discovery of his imprudence. "My boots are so very tight, your Majesty," exclaimed the young man piteously, as he concluded his story. To which the Emperor, scarcely able to keep a serious countenance, replied in as severe a tone as he could command, "Well, then, we must change your bootmaker—the one who makes for the Cuirassiers will fit you better"—and, closing the door hastily, sank, overcome by as hearty a fit of laughter as he has enjoyed for many a long day.—*Court Journal.*

The St. Louis *Republican* urges the Missouri Congressmen to ask Congress to relieve the State of its proportion of the Federal tax levied for the payment of interest, which amounts to over $800,000. It says that no power whatever can collect it until the State recovers somewhat of its accustomed prosperity.

Ex-President Buchanan, according to a Washington letter-writer, took with him from the White House the pictures of Queen Victoria, Prince Albert, and other members of the royal family, presented to the President by the Prince of Wales.

MASON AND SLIDELL.

THE BRITISH ULTIMATUM.

THE BRITISH NORTH AMERICAN FLEET ORDERED TO BOSTON.

Special Correspondence of the Maryland News Sheet.

WASHINGTON, Dec. 20.—It is currently reported among the English residents here, that the tenor of Lord Lyons' despatches received by the Europa, is very simple. He is instructed to demand the absolute delivery of Messrs. Mason and Slidell, and their secretaries. Other questions will be discussed afterwards.

The gunboat Landrail, which sailed yesterday from New York, bore despatches to Admiral Milne, directing him to repair at once with a large fleet to Boston harbor, to receive the Southern Commissioners. The fleet will be composed of about forty-five vessels.

OPINIONS IN WASHINGTON.

Special Washington Despatch to the N. Y. Tribune.

THE DESPATCHES FROM ENGLAND.

Capt. Seymour, messenger to Lord Lyons, came here direct from Boston in an express train, at the expense of $470. Mr. Adams sent no courier, but the despatch agent at Boston put the bag in charge of a Captain of the 22d Massachusetts, who did not get here till this morning. At 1 o'clock Lord Lyons called upon the Secretary of State, who was then at the Capitol. He called again at 3 o'clock. The communication which he made is as yet a secret. No Cabinet meeting has been held on the subject.

The general feeling of the city is less warlike than at first, and people talk coolly of surrendering the Confederate emissaries, if it can be done without a sacrifice of honor, rather than to engage at this time in a foreign war. The report that members of the Cabinet take a similar view of the question gains currency and finds belief. But, while it is not true that such a conclusion has been arrived at in Cabinet meeting, on the one hand, it is untrue, on the other hand, that the determination not to surrender under any circumstances or for any consideration is absolute—that, while the Government will do nothing to provoke hostilities, it will guard well the National honor.

Should arbitration be proposed, it may be accepted, should a sufficient consideration for the surrender of Mason and Slidell be offered, it may be made. A prominent member of the Government stated in conversation this evening, that Lord Lyons would not demand his passports, that Mason and Slidell would not be given up, and that there was no probability of a war with England. The Rinaldo, which left Halifax upon the arrival of the Europa, as was thought, for the purpose of communicating with the squadron, is reported at Annapolis awaiting the embarkation of Lord Lyons, should he wish to go to England.

Englishmen here continue confident of war between the two countries. This opinion, however, is based upon no official communication, and, while it excites some unpleasant feeling, carries no weight. Several Englishmen now serving in our army, among them Col. Havelock and Capt. Stuart, have, it is declared, signified their intention to resign should further complication ensue. In other cases, extraordinary and painful evidences of sudden hostility to our cause have been shown. The general feeling, however, appears to be a sincere regret at what they regard the inevitable issue.

Mr. Adams' despatches have little to say touching the Trent, having received no communication on the subject from the British Government. On the case of the Nashville he had made representations, but had received no reply.

THE TRENT AFFAIR IN ENGLAND.

Private letters from England, of which many have reached Washington, speak of the excitement there as intense, reminding the Americans of the feeling of the North after Fort Sumter fell. One correspondent, in a letter dated Dec. 4, speaks of seeing a newly painted cab on Oxford street with the British and Confederate flags crossed on a panel, and little Secession flags for sale on the street. At the Adelphi Theatre, controlled by Dion Boucicault, where the Octoroon was playing, the Stars and Stripes, which had floated there, were wrapped round the staff, and the Stars and Bars displayed. The Tories were urging on the popular feeling in the hope of getting power, and the Whigs were striving to outdo them, in order to retain it. The London *Times*, at first doubtful as to our right, having changed front after it had learned the opinion of the law officers of the Crown, journals, large and small, except two or three Irish ones, rivaled each other in fierce anti-American articles.

Special Washington Despatches to the New York Herald.

THE MASON-SLIDELL AFFAIR.

An absurd rumor was circulated to-day, that the Government decided last evening to surrender Mason and Slidell. It is without any foundation whatever. Up to eleven o'clock to-night Lord Lyons had made no communication from his Government to the President or Secretary of State relative to the seizure of the traitors Mason and Slidell. Mr. Adams, in his communications to Mr. Seward, gives a clear and detailed idea of the feeling of the British people and the sentiment of the British statesmen, but does not indicate that he knows the purport of the instructions of the English Government to Lord Lyons. Nothing contained in Mr. Adams' despatches indicates that that Government will make any exorbitant demand upon the United States relative to the seizure of the traitors. This is not only true, but I am permitted to announce, by high official authority, that [illegible] that the Government of Great Britain will not demand the release of Mason and Slidell, but will require an apology and such reparation as the United States can honorably grant. This is also confirmed by other private correspondence from Americans in London, who have facilities for learning something of the intentions of the British Government.

The French Minister gave a dinner this evening. The British, Spanish, Russian and other Ministers were present. In conversation the tables were rather turned upon the French Minister, that he had received no instructions from his Government on the Mason and Slidell affair, since France was viewed as the chosen ally of England. This was pleasantly done, but the French Minister did not relish the joke.

The President has important private letters that will have great weight in the summing up of this traitorous imbroglio. Senator Sumner, Chairman of the Committee on Finance, interrupted the proceedings of the Senate to-day, by moving that the body go into Executive Session to consider important business communicated by special message from the President. The motion prevailed. The message covered highly important documents concerning our foreign relations, but having no reference to the Mason and Slidell affair. It concerns the tri-partite expedition to the Gulf, which is, after all, of more importance to this Government than everything else now agitating the public mind in this country. The message was ordered to be printed. The Mason and Slidell affair is only employed by the British Government as a pretext, while they employ their forces in another direction to destroy our power and strengthen their own.

Special Washington Despatch to the New York Herald.

THE BRITISH DESPATCHES—A BRITISH WAR STEAMER REPORTED AT ANNAPOLIS.

An extraordinary meeting of the Cabinet was held to-day, and the views of the British Government relative to the seizure of Mason and Slidell on board the Trent were laid before it. Soon after an executive session of the Senate took place at the request of Senator Sumner, the chairman of the Committee on Foreign Relations, and rumor has been busy in attributing its secret session to the consideration of the all-important subject. The interest manifested in the pending diplomacy is very great, though accompanied with not the least excitement. The intimations which are to be heard in influential though not official circles lead to the belief that there will be some peaceful settlement of the troubles, and of course no foreign war. Idle rumors prevail in many circles, but us they are not based on the least shadow of fact I refrain from telegraphing them. It is stated, however, that a British war steamer is now at Annapolis, ready to take Lord Lyons to England should his diplomatic relations cease. It is believed that Lord Lyons has not yet made any official communication to the Secretary of State on the affair of the Trent. A number of private letters have been received from England representing the public excitement as intense, but the speculations on the subject are similar to those indulged in by the press of that country. It is believed here in well-informed circles that whatever may be the demand or claims of her Majesty's Government, the questions at issue may be adjusted honorably to both nations.

LORD LYONS AND THE GOVERNMENT.

The Washington *Star* of yesterday afternoon says:

Up to noon to-day the State Department had received no communication from Lord Lyons with reference to the affair of the Trent. Many unfounded rumors to the contrary are afloat. The stories afloat alleging what Lord L. proposes to write to this Government, are not worth the paper on which they are written.

From the New York Tribune, Dec. 22.

THE WAY TO DO IT.

It seems as if there need be no serious difficulty in settling the Mason and Slidell case. According to the accounts which have reached us from England, the act of Capt. Wilkes is pronounced by the legal advisers of the Government, regular and in conformity with the law of nations up to the point of the removal of the Confederate Commissioners from the deck of the mail steamer. The stoppage *en transitu*, and the search, were entirely in accordance with the dicta of Stowell and other British authorities, but the Trent should, it seems, have been brought into port, and the question of contraband passengers submitted to the decision of a Court of Admiralty.

Now, if this turns out to be the theory of the English Government, the whole case admits of a very easy and pacific settlement. Let Capt. Wilkes proceed to Boston in the San Jacinto, let him take Messrs. Mason and Slidell on board, proceed with them to the Bahama Channel and restore the *status in quo* by placing them on the deck of the Trent, with an ample apology for his irregular proceeding. The honor of the British flag, and the nice technalities of law being thus satisfied, let him bring the Trent and the Confederate Commissioners into port, and the whole matter may then be regularly adjudicated.

From the Boston Courier, Dec. 14.

AN APOLOGY BUT NO SURRENDER.

Now, if we have committed a technical trespass, under the pressure of most urgent and irresistible motives, let us follow the magnanimous example of England, and say so in the dignified phraseology and "large utterance" of diplomacy. A powerful nation can always afford to be magnanimous. England ought not to ask, and, we believe, will not ask anything more. Her ministers must know that to demand the surrender of Mason and Slidell would be to demand simply an impossibility. This would be a humiliation to which the country could not be expected to submit.

From the Cincinnati Enquirer, Dec. 18.

MR. VALLANDIGHAM'S MISTAKE.

We think Mr. Vallandigham made a mistake, in introducing the resolution he did, to stand by the Administration in defending the arrest of Mason and Slidell. His motives in the first place were liable to misconstruction, and he, of course, gets no credit for patriotic motives. Even the paper in this city that threatened with the gallows every one that should falter in supporting the Administration in resisting the demands of England, is among the first to abuse Mr. Vallandigham for offering a resolution pledging Congress to stand by the President in this new emergency. In the next place, a matter of such grave importance should not be taken in charge by a member of the Opposition. As the responsibility of the course to be pursued, in this emergency, will rest with the Administration, the special friends of the Administration in Congress should take their own way and time in determining what should be done.

Then, again, Mr. Vallandigham made a grave mistake in supposing the Republican leaders are governed by any fixed policy beyond what is wrapped up in the negro. They went off half-cocked, as did also the Secretary of the Navy, in saying anything about the arrest of Mason and Slidell. The matter should have been kept under consideration, and no declaration made of an official opinion, unless the Government intended, at all hazards, to maintain the justice and propriety of the arrest. Neither the Administration nor Congress is now, in view of the temper of the English public, ready to say what should be done in this new emergency. Had they been fit for their places, they would not be in a position where they may be compelled to undergo the humiliation of undoing their own work on the demand of a foreign power. Not knowing their own minds, and having a fugacious policy, Mr. Vallandigham made a mistake in supposing they would stand by any position they had before assumed.

From the New York World, Dec. 20.

THE WAR FEELING IN CANADA.

The news from England relative to the warlike preparations going on there on account of the alleged insult to the British flag by the forcible seizure of Mason and Slidell on board the mail steamer Trent, has aroused the good people of Canada to the highest pitch of excitement, and led them to take steps for the immediate arming of the citizens and organizing a strong military force for the protection of the Canadian frontier from invasion, and such offensive measures as may hereafter be deemed advisable, in case of a rupture between the United States and Great Britain. In Toronto, especially, the warlike aspect of affairs has caused the utmost activity to prevail among the officers of the sedentary militia and members of the volunteer companies. The only topic of conversation on the streets and in the bar-rooms, for some days past, has been the prospect of a war with the Northern States of the Union. New volunteer companies are being organized in every direction, and their words and actions are drill, drill, drill! The utmost degree of loyalty to the British government in the impending crisis with the United States is manifested by the Canadians of every rank. The Volunteer Rifle Co., No. 3, of Toronto, after their drill on Tuesday night paraded the streets, headed by a band of fifes and drums playing the popular air of "Dixie's Land." The Montreal *Commercial Advertiser* says that the Federal Government has for some time past been assembling a large number of troops along the Canadian frontier; also that the fortifications at Sackett's Harbor are being put in a state of repair with all possible dispatch, the men working on Sundays as well as week days. These movements it considers as a menace to Canada, and the Canadians are therefore bound to prepare for the worst. They feel assured that Canada will receive the assistance of the whole power of the British empire; therefore, should the United States even determine to prefer war rather than make reparation for the alleged outrage on the Trent, the discussion of the subject will occupy the entire winter. As soon as navigation opens in the spring they consider that Canada would be safe from invasion, for then, as they contend, the gunboat fleet would be able to take and keep possession of the lakes. This fleet, says a Canadian journal, "now numbers 220 vessels, from 100 to 200 feet long, and drawing from four to nine feet water, and carrying from 2 to 6 heavy guns, chiefly 68-pounders, and all propelled by steam. There are also 108 steam mortar-boats, the whole of which can pass up the St. Lawrence canals, and a large portion up the Rideau. Such a force, independent of the blockade of the seaboard, and the pressure of the Confederates on their side, will find the Northern army plenty of employment without invading Canada, which will then be covered by the largest British army ever arrayed on this continent."

From the New York Post, December 19.

INJURIOUS COMPETITION.

We notice that the Legislature of Maryland proposes to raise by loan the sum necessary to defray the State's quota of the Congressional tax levy.—We are glad to see the State ready to bear its share of expenses; but as it is not unlikely that other State legislatures may contemplate loans for a similar end, it may be suggested that the procedure is likely to create mischievous effects. The Government will require, during the year, to defray its necessary expenses, over five hundred and forty-three millions, according to the estimates of the Secretary of the Treasury. Some parts of this total have already been obtained by loans, but Mr. Chase estimates that he will still require to borrow, besides the fifty millions the banks have partly promised to lend in January, not less than two hundred and fourteen millions.

It is evident that if individual States also become market with the Government, and by this they cannot fail to do harm. It is highly important that while the war continues the Government should be the only borrower in the market. If, in his negotiations, Mr. Chase has to contend with other borrowers, offering perhaps better terms, or what capitalists may fancy better security, it will greatly embarrass all his operations. But this is the least important part of the mischief of such State loans. Mr. Chase has announced, as the principle on which he intends to carry on the finances, the determination that whatever may be the amount of principal borrowed, the interest shall never be paid from the principal, but shall be raised by taxation. This is the only healthy system of finance; and it is the duty of every part of the nation to aid cheerfully in carrying it out. But if a State Government borrows the sum necessary to pay the State's quota of the direct taxes, it clearly violates the sound principle laid down by Mr. Chase; and if this system of borrowing "in and in" should come to prevail, it would inevitably and quickly undermine our credit.

During the revolutionary war the finances suffered severely from this cause. The Continental Congress made requisitions upon the States for certain sums for the support of the army. The amounts were to be paid part in money and part "in kind," that is, in provisions, forage and clothing for the troops. But the State Governments often issued bills for these amounts instead of raising the quota by taxation, and the evil effects of this system upon the finances of the struggling young nation are frequently complained of by Mr. Madison in his correspondence with the prominent men of that period. Thus, in October, 1780, he writes to his friend Joseph Jones, in relation to the success of "specific requisitions" by Congress upon the States: "But it is clear the success of this expedient depends on the mode of carrying it into execution. If, instead of executing it by specific taxes, State emissions, or commissary's or quartermaster's certificates, which are a worse species of emissions, are recurred to, what was intended for our relief will only hasten our destruction." Again, November 14, the same year, he writes: "I do not learn that any one of the States are particularly attentive to prevent the evils arising from certificates and emissions from their own treasury, although they are unquestionably the bane of every salutary arrangement of the public finances." And again he urges: "Unless an end can by some means or other be put to State emissions and certificates, they must prove the bane of every salutary regulation. The depreciation in this place [of continental money] has lately run up as high as one hundred for one, and it cannot be satisfactorily accounted for on any other principle than the substitution of certificates in the payment of those taxes which were intended to reduce its quantity and keep up a demand for it." To keep the national credit in a healthy condition, any system of taxation which is adopted must be faithfully carried into effect; and the most fatal blunder the States can commit would be to endeavor to avoid the necessary burdens by raising loans.

THE SAN JACINTO AGAIN—SHE BRINGS A FRENCH BRIG TO.

The Havre journals publish a report from Capt. (master) Guichon, commanding the French brig Jules et Marie, 174 tons, a crew of nine men, and one passenger, from Liverpool to Havana, with a cargo of coal.

"On the 3d of November, about 8 A. M., from twenty to twenty-two miles from the Matanzas lights, we descried a steamer under sail on the starboard bow. As soon as she perceived us she took in her sail and steamed for us When within four cables' length she fired a gun but did not hoist any flag. We immediately hoisted our own flag; there was very little wind and we were going about a knot and a half an hour. The steamer kept on ahead to pass us in front; she then stopped. Perceiving that a collision was inevitable, I tried to tack, but there was scarcely any wind.

"The steamer was now coming close upon us.—I had the mainsail up, but the collision took place. The steamer carried away our bowsprit, two masts, with the sails, a portion of the bulwarks, and all but broke the mizzenmast. As soon as I got free of the broken masts I sent the men to the pumps. We made no water. I went in a boat alongside the steamer to ask for assistance. The commander of the steamer had at the same time sent a boat alongside, but on my asking his name and that of his vessel, I could not ascertain it, orders having been given to his men to that effect. His carpenter was in the boat. Seeing that the commander was not inclined to help us, I told him in energetic language that I should keep close to him till he towed us into safe anchorage. He then sent some of his men to get up our broken tackle. Meantime one of the machine men informed me that the steamer was the San Jacinto frigate from New York.

"The commander informed me that he had orders to search every Ship, and asked me for my papers. Having reiterated my demand to be taken in tow, as otherwise we should have drifted and been inevitably lost on the coast of Bahama, he finally consented to tow us to Havana. He sent some men on board the Jules et Marie with a cable. After great solicitations I at last succeeded in procuring from one of the officers the name of the frigate and of the commander.

"On the 4th of November, about 5 A. M., being about fifteen miles from the Havana lighthouse, one of the American crew hailed us, and told us to unship the cable they were towing us by. I replied that we were too far from land, and hoped they would be kind enough to take us into port. They then cut the rope, the remnant of which I have in my possession, and left us, with scarcely any wind, to drift in a current which would soon have carried us on shore. I got up all the sails I could, and the wind, happily, getting in the north-east, I reached the entrance of the port, where a tug steamer came to our assistance. We anchored about noon.

"By the present report I protest in the most solemn manner against the commander of the steamer for the damage he has caused me. I have drawn up this report on the 5th of November, reserving to myself the right of amplifying it, being now suffering from the disaster which has befallen me."

MEETING OF MARYLANDERS IN RICHMOND.

At a meeting of Marylanders held at the Spotswood Hotel, in Richmond, Va., on Saturday evening, the 23d November, 1861, the Rev. J. C. McCabe, D. D., was called to the chair, and Major J. A. Weston, appointed secretary. The meeting was largely attended, and numbered among those who took part in the proceedings, many of Maryland's best native and adopted sons.

The chairman then stated that the call had been made in consequence of the fact, which has been communicated to us, of the decease, early this morning, of our friend and fellow citizen of Maryland, Capt. Richard C. Mackall, of Calvert county, in the 28th year of his age, and, after dwelling feelingly, touchingly and truthfully upon our loss, and the many virtues of the departed, upon motion of Capt. Wm. D. Brown, a committee of five was appointed, including the chairman, to prepare resolutions appropriate to the occasion.

The chair appointed Capt. Wm. G. Brown, Lieut. G. M. Emack, Maxey E. Hughes, and A. Austin Smith, Esqrs., the committee, who retired, and in a short time reported the following preamble and resolutions:

WHEREAS, It has pleased the Great God, who is "too wise to err, and too good to be unkind," to take out of this world the soul of our deceased brother, Capt. Richard C. Mackall, of Calvert county, so lately moving in our midst, a noble son of Maryland, a good man, and a type and embodiment of a true gentleman; and

Whereas, while it is our duty to bow to the Divine will in this our sad bereavement, deeply deploring the event, and weeping that we are thus deprived of such an ennobling companionship, and the glorious cause of Southern Rights such an unselfish and ardent defender, we submit unmurmuringly to this deep affliction, and acknowledge that the Hand that has thus stricken and smitten is that of a kind Father; therefore, be it

1st. RESOLVED, That in the death of Captain Richard C. Mackall, Maryland has lost a gallant and worthy son, the Southern Confederacy a warm and ardent defender, the Christian Church a faithful and devoted follower of Christ, and we a friend and brother, whom to know was to love, whom to name was to praise.

Resolved, That the following gentlemen be appointed pall bearers:

Colonel Richard H. Mercer, Colonel Thomas I. Hall, Jr., William Woodville, Jr., Maxey G. Hughes, George Douglas Mercer, Henry Sindall, and W. C. N. Carr, Esqrs.

On motion, the preamble and resolutions were unanimously adopted. JOHN COLLINS MCCABE, J. A. Weston, Secretary. Chairman.

P. S.—The funeral of Captain Mackall was very largely attended, the Rev. John C. McCabe preaching the funeral sermon, and the Rev. D. Peterkin participating in the services, and his mortal remains (with a beautiful cross, formed by gentle hands, of flowers and evergreens, on his manly breast) rest amid the peaceful shades of Holywood. "*Sit tibi, terra levis.*"

His family and friends in Maryland may rest assured that our friend received every attention during his illness, and all honor and respect in his sepulture.

SMOKED SALMON.
HAMS 10c., very fine.
Choice Green and Black TEA,
Part of the Black at 50c.
Cumberland, Eng. Adamantine Brands,
Havana Cheroots,
Champagne Wines, &c.
For sale by
W. H. McLEAN,
52 N. Charles street

ISRAEL & Co.
IVORYTYPES.
WATER-COLORED AND MEZZOTINT PHOTOGRAPHS,
125 BALTIMORE STREET.
jul14-tf

KINDLING WOOD! KINDLING WOOD!!
SAWED AND SPLIT WOOD OF ANY SIZE
At Office of City Steam Fire Wood Mill,
No. 3 NORTH STREET.
JAS. H. JOHNSON
a10

WILLIAM F. OWENS,
205 BALTIMORE STREET,
Has just received a NEW, CHOICE, and COMPLETE assortment of
FALL AND WINTER
FURNISHING GOODS
FOR
GENTLEMEN,
Cartwright & Warner's celebrated English Merino UNDER-SHIRTS AND DRAWERS.
Scotch Wool, Red and Scarlet Flannel Goods of every sized and quality.
SHIRTS MADE TO ORDER
by our improved p