THE MARYLAND NEWS SHEET.

VOL. I---NO. 83. BALTIMORE, FRIDAY, DECEMBER 27, 1861. PRICE TWO CENTS.

SEE FOURTH PAGE.

LATEST NEWS.

TELEGRAMS.

LATER FROM EUROPE.

THE STEAMSHIP NIAGARA OFF CAPE RACE.

The Death of Prince Albert Confirmed.

ST. JOHNS, Dec. 25.—The royal mail steamship Niagara, from Liverpool on the 14th, via Queenstown on Sunday, passed off Cape Race at eleven o'clock on Monday evening, but owing to the telegraph line being out of order to this station, the news has just been received. The royal mail steamer Asia arrived at Queenstown on the 15th inst.

His Royal Highness Prince Albert died at eleven o'clock on Saturday night, of typhoid fever.

Sir E. Bowater, who was in charge of the young Prince Leopold, died on Friday, the 13th inst.

The Paris *Patrie*, speaking of the Trent affair, says:—"It is asserted that France and the other great Powers have been consulted by England on this subject, and they have expressed the opinion that the conduct of Captain Wilkes, of the American Navy, was in violation of the rights of a neutral Power."

COMMERCIAL INTELLIGENCE.

LIVERPOOL COTTON MARKET, December 13.—The sales for the week amount to 35,000 bales, including 9,000 bales to speculators and 4,000 bales to exporters. The market closed firmer at a decline of ⅛d. The sales for to-day (Friday) are estimated at 5,000 bales, the market closing dull at the following (authorized) quotations:

	Fair.	*Middling.*
New Orleans	12d.	10¾d.
Mobile	11¾d.	10¾d.
Uplands	11¾d.	10¾d.

The stock of cotton in port is estimated at 597,000 bales, including 240,000 bales American.

Breadstuffs are quiet but steady.

Provisions are firm.

LONDON, Dec. 13.—Consols closed at 93⅝@93¾; the increase of bullion in the Bank of England for the week amounts to £128,000.

FURTHER FROM EUROPE.

Arrival of the British Transports Australasian and Niagara at Halifax.

THE BRITISH AND FRENCH PRESS ON THE TRENT AFFAIR.

HALIFAX, Dec. 26.—The steamer Australasian arrived at Halifax to-day with 1,265 soldiers, with a field battery, etc.

Per steamer Niagara, which also arrived here to-day, it is intimated that about 12,000 troops will be sent to Canada. Two battalions of the Guards were expected to sail on the 18th in the steamers Adriatic and Parana.

The Paris correspondent of the London *Globe*, says that Count Thouvenel's despatch to M. Mercier, the French Minister at Washington, is known to have confined the Federal Executive to the simple dilemma:—Are the Southerners belligerents or Rebels? They have been flatly refused any rights in the first capacity and in the second the right of asylum acquired by political refugees has been set at naught, and France must make the case of the Trent substantially her own.

The Paris *Presse* says that General Scott's mission appears to have been arranged so as to allow him time to fulfil it before the ultimatum of England is remitted, and perhaps modify the nature of this step on the part of England.

The *Pays*, on the contrary, asserts that the English ultimatum will be of an absolute character.

The *Times* publishes a letter from Thurlow Weed, defending the American Government, and Mr. Seward in particular, from the alleged charge of hostile intentions towards England.

The *Times* says that England asks nothing from America but that she shall abstain from actual outrage; and that, if committed, she shall make reasonable reparation. If not, the alternative will not come in the desired form of protracted negotiation.

No cavalry or horse artillery for Canada will be sent till Spring.

The London *Herald* takes strong grounds against the *News'* arguments in favor of arbitration, and says that negotiations cannot be listened to while Messrs. Mason and Slidell are detained as prisoners.

The Sheffield "Foreign Affairs' Committee," had petitioned Government to visit its high displeasure on Capt. Moir and Commander Williams, for having, in the Trent affair, violated the Queen's Proclamation, and thereby show to America that England's neutrality is strict and impartial.

Prussia has rejected Denmark's proposition for a settlement of the Holstein question.

COMMERCIAL INTELLIGENCE.

LIVERPOOL, December 14.—Cotton closed flat, but prices unchanged; sales 4,000 bales.

Breadstuffs closed quiet but steady.

Provisions closed firm.

Consols closed at 93¾@93⅞.

THE SLIDELL AND MASON CASE.

Reported Departure of Messrs. Slidell and Mason for Liverpool.

BOSTON, December 26.—The Cunard steamship Europa, which sailed for Liverpool yesterday, stopped at Fort Warren, and it is rumored, with some appearance of truth, that Messrs. Mason and Slidell were put on board. The authorities at the fort refuse to say anything about the matter. It was rumored here, also, on Tuesday, that they were to take passage in the Europa, and her stopping at the fort gives color to the rumor.

[SECOND DESPATCH.]

BOSTON, Dec. 26.—The rumored departure of Slidell and Mason is discredited. It is said that the report arose from her stopping off the fort to discharge her pilot.

Mason and Slidell.

BOSTON, Dec. 26.—It is certain that the report about Mason and Slidell having sailed for Europe, is not correct.

FROM WASHINGTON.

Capture of Confederate Vessels and Confederate Agents on the Coast of Texas.

WASHINGTON, Dec. 26.—Despatches from Commander Ridgely, cruising off the coast of Texas, have been received at the Navy Department, from which it appears that early in December he captured the English schooner Victoria, of 72 tons, from Point Isabel, with a clearance from the Confederate authorities, having run the blockade. The vessel was sent to Key West. Seven of those on board took the oath of allegiance, and six were detained as enemies of the United States.

The schooner Eugenia Smith was also overhauled but permitted to depart, no contraband articles being found on board. The persons of two Confederate agents were, however, searched, viz: Thos. S. Rogers, of Texas, and Mr. Zachary, of New Orleans. The papers found clearly implicate them as Confederate agents seeking to make their way to Mexico, and thence to other points.

Affairs at Panama.

WASHINGTON, Dec. 26.—The Flag-Officer of the Pacific Squadron, writing from Panama, under date of December 13th, says: "All remains quiet at Panama and throughout the Isthmus. The recent recognition of the Musquito Government by the authorities of Panama seems to have tranquilized the public mind, and produced a general feeling of security not experienced for many years past."

New Proposition for the Solution of the Contraband Question--Berdan's Sharpshooters, &c.

WASHINGTON, December 26.—Prominent members of Congress are considering a new proposition for the solution of the "contraband" question, in order to avoid the expense of supporting crowds of slaves in idleness, and to furnish the American mills with cotton. They take the grounds that the Indian territory west of Louisiana and Arkansas was ceded to the United States by treaty, and on certain conditions. Without provocation they have violated the treaty and "levied war" on the United States, thus rendering the treaties null and void. The country thus reverting to the Government embraces the valleys of the Red, Arkansas and other rivers, and contains about twenty millions of acres of cotton land, of unsurpassed fertility, capable of producing about fifteen millions of bales of cotton per annum.

It is proposed to apply the principle of "Benton's Florida Armed Occupation Act," and send all "contrabands" to this territory, and apprentice them to the settlers upon these cotton lands, leaving the question of their final disposition to be settled by Congress at the close of the war. All contrabands, as fast as they come into camp, to be promptly forwarded thither.

The country is approached from St. Louis through Springfield, a distance of three hundred miles. The remainder of the railroad from Rolla, through Springfield to Fort Smith, can be completed in twelve months.

It is stated that the plantations of the Choctaws and Chickasaws alone could fully employ the American mills, even in the first year of the experiment.

The Secretary of War has ordered, for Colonel Berdan's Brigade, the "Spencer Magazine Rifle." This gun fires eight times without charging, and can be re-charged, and ready for eight additional rounds in about the same time that the ordinary musket can be loaded once. In appearance it is not unlike the "Sharp rifle." There is not the least leakage of gas, and all the parts work freely.—Neither caps nor primers are required, the detonating powder being in a metal cartridge with the powder and ball. This rifle has been tested by Colonel Berdan and the Ordnance Board. These expensive weapons will not be given to any other corps. It is understood that the order was made at General McClellan's personal request.

By careful examination, it has been ascertained beyond doubt that nine-tenths of all the sickness in camp is caused by sleeping upon the ground, and the neglect being so susceptible of improvement causes much dissatisfaction among the soldiers.

Fire at the Government Stables, Washington —Nearly Two Hundred Horses Burnt to Death.

WASHINGTON, Dec. 26.—To-night a fire broke out in the Government stables near the Observatory. They contained over six hundred horses, between 150 and two hundred of which perished. Of a train of 162 horses belonging to a Massachusetts regiment, only eleven were, it is said saved. Some of the animals were so shockingly burnt that it was judged humane to shoot them, in order to relieve them from their suffering.

It is supposed that the conflagration resulted from carelessness. So quickly were the flames communicated to the various racks filled with hay, that the horses in the stalls were nearly all at the same time suffocated. The scene was sickening and offensive.

The remainder of the horses not immediately near the fire were either loosed or broke their fastenings and wildly ran in different directions, but were pursued by squads of cavalry with a view to their capture.

A large quantity of harness and a house occupied as a dwelling by the teamsters were also destroyed. This large loss affords an additional argument for the employment of steam fire engines which has long been contemplated.

From the South Side of the Potomac.

WASHINGTON, Dec. 26.—Information received here to day from General McCall's division is to the effect that early this morning our pickets extending towards Drainsville were driven in. At the latter place the Confederate forces, it is believed, have been largely reinforced. Hence, increased watchfulness on the part of our troops has become necessary.

United States Marshal for North Carolina.

WASHINGTON, Dec. 26.—The President has nominated to the Senate Charles H. Foster, of North Carolina, to be Marshal for that District.

IMPORTANT FROM MISSOURI.

Success of the Expedition Sent to Lexington.

OTTERVILLE, Mo., Dec. 24.—The cavalry which General Pope sent to Lexington have returned. In addition to the two ferry boats and the Confederate foundry which they burned, and the Confederate officers and privates captured, previously reported, they killed the notorious Arkansas Robinson and drove every band of Confederates from the country for miles on either side of the route. They report the country quit of the Confederates.

Confusion in the Confederate Price's Camp

JEFFERSON CITY, Dec 24.—A gentleman who has been with the Confederate army several weeks arrived here to-day, and reports that on Thursday last Price's camp at Osceola was thrown into confusion by the news that the Union troops were upon them. They beat a hasty retreat, and when last heard from were at Hammansville, hurrying south

Arrival of a Thousand Confederate Prisoners at St. Louis.

ST. LOUIS, Dec. 23.—About a thousand of the Confederate prisoners taken by General Pope arrived here late last night, and were allowed to remain in the cars until this morning, when they were escorted by their capturers, under Colonel Davis, to Dr. McDowell's Medical College, where they will be taken care of for the present.

Destruction of the Bridge over Salt River.

WARRENTOWN, Dec. 24.—By arrivals from Mexico we learn that the bridge over Salt River, which is the largest and most costly on the road, except that at Perrgue, which the Confederates previously spared on Friday night, was entirely destroyed on Sunday night. The station house at Jacksonville was also burned, together with four or five cars. The repairs progress rapidly here. The bridge is repaired, and the culverts between here and Jonesburg and the track at that place will be to-morrow, if the men are not interrupted, and the repairs of the telegraph line keep pace with those of the road.

The Damage to the North Missouri Railroad.

WARRENTOWN, Mo., Dec. 24.—The damage to the North Missouri Railroad may be summed up as follows:—Bridges at Sturgeon, Centralia, Mexico, Jeffstown and Warrentown burned; also one station and perhaps twenty cars, from fifty to sixty culverts, large and small; three or four water stations, 10,000 ties, from 200 to 300 telegraph poles and five miles of iron destroyed, and ten miles of wire rendered useless.

Two trains, one having eight car loads of hogs and several car loads of hemp, and two cars of merchandize, are in the possession of the Confederates. Four engines are lying where they can be seized by them.

Some of the men who belonged to the trains have arrived here, from whom I learn that the persons who did the damage are yet encamped along the road, about five hundred being at High Hill, and other bodies at or near Martinsburg, Mexico, Centralia, Sturgeon and Allen. At Centralia they were within half a mile of the Berge Sharpshooters and destroyed a bridge and water station. Two freight trains were captured within four miles of the camp of a detachment of the same force.

At Renick the work was directed by practical railroad men, and the right course was always taken to make the destruction complete. Where the track was taken up the rails were removed, the ties gathered in piles and set on fire and the rails thrown across the pile, so that when the centre of the rails became heated the weight of the cold ends bent them so as to render them useless.

In destroying the bridges the fires were kindled [illegible] the bridge down, and the trestle guides which spanned the open culverts were burned, as were also the frames on which the water tanks stood usually.

The houses of railroad men and of all Union men in the vicinity of the road were surrounded, and the inhabitants assured that no harm was intended them while they remained indoors.

We hear of scarcely any pillage, or any other outrage beyond the destruction of the road and telegraph line.

The damage to the road cannot fall short of $300,000; and at least one month will be required to repair it so that trains can pass.

FROM FORTRESS MONROE.

Important Southern News--Mr. Faulkner Takes Despatches to the Confederates in his Pipe-stem—The Battle at Drainesville—Later from New Orleans.

FORTRESS MONROE, Dec. 24, P. M.—By the arrival back of the George Washington from Craney Island we learn some interesting news from the South. As our vessels neared the batteries at Craney Island, with 249 prisoners and the bodies of two others, we were met by the William Seiden, but in consequence of the high sea running at the time the staff officer in charge asked that the Selden should signal the Confederate force to know if we could not come nearer in, as it was unsafe to attempt to transfer at our anchorage. The request was granted, and our boat rowed about a mile further up and the prisoners from Fort Warren were safely transferred to the Confederate steamer.

Thirteen ladies, four men and eight children returned with us as refugees from the South. From one we have the positive assertion that ex-Minister Faulkner actually carried despatches from his colleagues in Fort Warren to the Confederate authorities at Richmond, and that he concealed several in the stem of his large pipe, and put a number in the shape and likeness of cigars.

On board the Selden we observed two little boys dressed in grey uniform. One of them had upon his cap the initials "Y. G.," and the other "F. R." The former stands for "Young Guard," and the latter for "Fearless Rebels," two companies of cadets formed in Norfolk for the defence of the Southern honor.

The bridges that were burned by the Unionists in East Tennessee have not yet been repaired. Boats are used for ferrying the passengers across the stream, so as to make connections.

News from Confederate Sources--The Expected Battle at Bowling Green--Seven Vessels Sunk off Charleston--The Fight at Drainesville.

FORTRESS MONROE, Dec. 24.—The United States steam transport Ericsson sailed for New York early this morning.

The flag of truce sent out yesterday afternoon did not return till evening on account of the high wind. Thirty-two passengers were brought down, most of them ladies and children. They go to Baltimore to-night.

We take the following news from yesterday's Norfolk papers:

A despatch dated Nashville, December 23d, announces that 900 Federals have crossed Green river and are marching to Hopkinsville. The Confederate force there is 3,500 men, under Gen. Clark, of Mississippi, but reinforcements are on the way from Clarksville.

Passengers from Bowling Green say that 17,000 Federals had crossed the Green River up to Friday.

It is supposed that Bowling Green will be advanced upon from three sides simultaneously, with a force of 60,000, and that a decisive battle will be fought there.

A despatch from Savannah says that seven old whalers of the stone fleet were sunk in the Charleston channel on Friday.

The Tennessee Legislature adjourned on the 21st instant to the 20th of January.

The resolutions in relation to the accession of Maryland to the Confederacy have been modified by Congress in secret session, so as to declare, that no peace ought to be concluded with the United States which does not insure to Maryland an opportunity of forming a part of the Confederacy.

A private despatch, received at Richmond on Sunday, says that the Confederate steamer Gordon has run the blockade into one of the Southern ports, with a cargo reported to consist of coffee, salt, and West India fruits.

One hundred and seventy-five Federal prisoners were expected to leave Richmond on Monday, for Salisbury, North Carolina, and another party during the week.

The Richmond *Examiner* admits that the battle at Drainesville was no inconsiderable disaster.

The Virginia Legislature has adjourned to the 6th of January.

The Rome (Georgia) *Southerner* says that an attempt was made, on the 16th instant, to burn the State railroad bridge over Petit's creek. The incendiary was sentenced to be hung.

All the Charleston insurance companies, excepting the Elmore, have gone into liquidation.

In Richmond, exchange on New York is at 6@6½ premium and is nominal. Silver is selling at 25, and gold at 35 per cent. premium. Sales of the Confederate bonds of the fifteen million issued are made at 99.

Reported Skirmish at New Market Bridge.

The Confederates crossed New Market Bridge this morning and burned a house. A despatch was received at headquarters this morning announcing that a skirmish was going on, but it was subsequently contradicted. The 20th regiment was sent out and firing has been heard here, but it is thought that no actual fighting has taken place.

Heavy Cannonading Heard on the Coast of Long Island.

STONINGTON, CONN., Dec 26.—All day heavy cannonading has been heard in the direction of Gardner's Bay, Long Island. A messenger from Fisher's Island reports a mysterious light last evening in that vicinity.

From New Mexico.

KANSAS CITY, December 24.—The Santa Fe mail, with dates to the 9th inst., arrived here to-day. The Territorial Legislature was convened on the 2d, and on the 4th Governor Connelly read his annual message to a joint session of both Houses.

The Governor recommends all the Indian tribes to be placed on the reservations, under very strict regulations, as the only way to prevent the constant recurrence of troubles with them, and he recommends that those laws be modified or repealed. In relation to the national strife, he says:

I am proud to say that my loyal political fellow citizens of New Mexico have manfully responded to their country's call, and contributed more than a fair proportion of armed men for her defence.

The evidence of devotion to the Union cause is flattering from the fact that when the strife began, and for some time after it had been in progress, it was presumed by the principal movers of the scheme that our territory would join them in their attempts to pull down the pillars of a free Government, and rejoice with them in the midst of the wreck and desolation produced by their evil machinations.

He advises a thorough revision of all the territorial laws, and says many of the provisions of the law for the protection of slave property in New Mexico are unnecessarily severe and rigorous.

The patriotic outpouring of men has removed all cause of suspicion which may have existed in the minds of some countrymen in the loyal States, and brought us to the position we occupy. A more patriotic demonstration of fidelity to our institutions cannot be given than that which New Mexico has given. Be it for weal or for woe, it is the position she will occupy to the end.

An Indian force still remained at Fort Fillmore, but they have not ventured to come north of the Jornanda. I am glad, however, to say that our army now in the field is in a strength sufficient not only for the protection of our people north of that district, but to expel the invaders from our limits. This will be done as soon as supplies and transportation can be accumulated at Fort Craig in quantities sufficient to answer the demands of the army destined for operations in that quarter. The military commander has made some wise and judicious distribution of the troops now remained for the protection of our frontier during the absence of the forces employed in the recapture of the forts disgracefully surrendered into the hands of the enemies of our Government.

Important News from the South.

CHICAGO, Dec. 24.—The Memphis *Appeal* of the 19th instant has the following:

A Richmond correspondent says, in addition to the $250,000 appropriated by the Confederate Congress for the relief of the Charleston sufferers, the Legislature of Virginia will appropriate $200,000. Collections also were taken up in all the churches on the 15th inst.

The Georgia Legislature appropriated $100,000 for the relief of the Charleston sufferers.

The correspondent says that to such a frightful extent has violence increased in Richmond that the city bids fair to become as infamous as ever Baltimore or Naples was. Shootings and stabbings are every day occurrences.

The Memphis *Appeal* publishes telegraphic reports of the foreign news, and remarks:—What will be the course of the trembling tyrant at Washington we are unable to say, but presume he and his astute advisers will return to take up the gauntlet so fearlessly offered by Great Britain, and think that the action of the Federal Government will engender such a state of sentiment in France and England as to secure the speedy recognition of Southern independence.

The Confederate account of the Green river fight places the Union loss at ninety-five killed and one mortally wounded. The same exaggeration characterizes the report of the battle of Camp Alleghany, in Western Virginia. Gen. Milroy is reported killed. The Union loss is set down at 500 killed. The Confederates acknowledge 20 killed and 57 wounded.

The *Appeal* rejoices at the movements of the radical abolitionists in Congress; and, speaking of the emancipation schemes of Messrs. Stevens, Bingham, Sherman and others, it says: "Our people rather like this species of logic, inasmuch as it gives victories for us which the bayonet and bullet will be paid to achieve."

The Fort Smith *News* of the 12th has discouraging news from the Indian country. The Creeks, Cherokees and Seminoles are deserting the cause, and large numbers have joined Opahloyholo, who is encamped on the Big Cove of the Arkansas, with four thousand Indians, well armed with rifles, revolvers and knives, naked to the waist. To oppose this force the Confederates had a small force under Col. Cooper, who was clamorous for reinforcements. A battle is daily expected, as the two armies are only a few miles apart.

The Fort Smith *News* of the 12th learns from the telegraph operator at Fayetteville that about one hundred Union men had been arrested in Madison and Carroll counties.

The New Orleans *Delta* of the 12th says that the news announced in the general orders forbade the transmission of General Phelps' proclamation, and threatened to fire into any boat that attempted to carry it.

The Nashville *Union* of the 12th has the gratifying assurance that Lincoln's message had produced a complete revolution among Union men.

Arrival of the Baltic--Later from Fort Pickens and Key West--The Privateer Sumter Blockaded by the Iroquois.

NEW YORK, December 26.—The steamship Baltic from Fort Pickens, where she landed the 75th New York regiment, and sailed thence on the 19th inst., and from Key West on the 22d instant, has arrived. She left at Fort Pickens the steam frigate Niagara. The gunboat Wisahickon left on the 17th for Ship Island. The sloop-of-war Richmond left Key West on the 21st for New York to repair machinery.

Affairs at Fort Pickens were unchanged. Some deserters had reached there who report great distress and discontent in the Confederate forces.

Intelligence has been received that the U. S. gunboat Iroquois has the privateer Sumter blockaded in Cienfuegos harbor.

The gunboat Flambeau was also off the port of Nassau, N. P., where the Confederate steamer Isabel was.

From Nassau, N. P.

NEW YORK, Dec. 25.—Nassau, N. P., advices to December 11th, state that the steamer Isabel arrived there on the 8th inst., and the Gordon on the 9th, with cotton, from Charleston, having run the blockade. The steamer Gladiator had also arrived from Liverpool, with fire-arms and ammunition. All came in with the Secession flag flying and were warmly welcomed. It was rumored that the authorities at Nassau would not allow the Gladiator to land her fire-arms.

A brig from Liverpool, with a cargo of salt, had also arrived for the purpose of procuring a pilot to assist her in running the Southern blockade.

The schooners Lady Alger, Caleb Stetson, and E. W. Perry had arrived from Philadelphia. The two latter, which were laden with coal, will not be allowed to land their cargoes for war purposes, and were obliged to lay off the port.

American steam gunboat had arrived off the bar on the 12th inst. Also a ship flying the British colors, but which was reported to be the Eliza Bonsell, from Havana, bound to Nassau, for cotton. The bark Marriana, from St. Thomas for London, was also in port.

From Port Royal.

NEW YORK, December 25.—The steamer Marion arrived here to-day from Tybee Island on the 20th, via Port Royal harbor on the 21st inst. She carried seven companies of the 7th Connecticut regiment, and a large quantity of stores, &c., to Tybee; also General Wright and a part of his staff. While discharging her cargo opposite the Lighthouse at Tybee, Fort Pulaski opened fire with shot and shell. One of the latter exploded when near by, without doing any damage.

General Stevens, whose brigade had been reinforced by the 76th and part of the 45th Pennsylvania regiments, was expected to make an advance to seize a point on the Charleston and Savannah Railroad. General Wright will probably assume command on the Tybee. Six hundred of the New York 46th regiment were there before his arrival. The steamer Vanderbilt and the bark Texas arrived at Port Royal on the 21st. Sixteen vessels of the Stone Fleet were sunk off Charleston harbor.

News from Kentucky.

CINCINNATI, Dec. 23.—The *Commercial* has a despatch from Frankfort, Ky., saying that Hon. W. C. Anderson, formerly member of Congress, died to-day.

Governor Magoffin, contrary to expectations, had approved of all the bills presented to him.

There was no further news from Somerset.

Arrival of the Arago.

NEW YORK, Dec 26.—The steamer Arago, with General Scott among her passengers, arrived here at 5.30 P. M. Her news is anticipated. She brought full files of papers but no mails, which are on the Edinburgh.

A Confederate Vessel Captured.

NEW YORK, December 26.—The Confederate schooner Fashion was captured by the United States sloop of war Ethan Allen, Nov. 25, and sent to Key West.

THE RUMORED ESCAPE OF COL. CORCORAN.—We are strongly inclined to doubt the authenticity of the statement published in the *Times* of Tuesday, from a soldier who claimed to have just returned from Charleston, concerning the alleged escape of Col. Corcoran. There are very many points in the narrative which are open to suspicion. The Union prisoners, according to previous reports, were confined in the new prison, which was not within the district destroyed by the fire; and it certainly does not seem likely that three or four hundred of them would be left in an open room, from which they could so easily make their escape as they were represented to have done in this narrative. We have hitherto understood, also, that it was not the wounded among our prisoners who were removed to Charleston, but those who were best able to bear the removal. There are other features of the case which incline us to the belief that Lieut. Hurlburd is indulging in some flights of fancy in the report which he made of his adventures in Charleston, and that he has really been no further South than Richmond.—*New York Times, Dec. 26.*

On Saturday the Prussian Minister gave a diplomatic dinner to the Orleans Princes. The representatives of royalty, forgetful of the careless of the social law, "*dum veneris Romane Romano vivito more*," seated Prince de Joinville and the other Princes above Gen. McClelian.

The Episcopal Church at Lee, Massachusetts, was burned to the ground on Tuesday evening. Loss, $4,000.

THIRTY-SEVENTH CONGRESS....FIRST SESSION.

SENATE.

WASHINGTON, Dec. 26.—Several petitions were presented from Massachusetts and Illinois for the abolition of slavery by the war power; for the establishment of a national foundry at Rock Island, Illinois, and one from citizens of Iowa for the appointment of homeopathic physicians as surgeons in the army.

On motion, it was resolved that when the Senate adjourn it adjourn until Monday next, and when it adjourn that day it be until the Thursday following.

Mr. HALE, of New Hampshire, introduced a resolution relative to our affairs with Great Britain, as follows:

RESOLVED, That the President of the United States be requested, if not incompatible with the public interest, to transmit to the Senate copies of despatches and instructions which have passed between this Government and the Government of Great Britain, or between the Government or any of its functionaries, relative to the seizure of Messrs. Mason and Slidell on board the steamer Trent, to be transmitted either in open or Executive session, as he may judge best.

Mr. HALE said he had read in the public papers, and heard from various sources—for he had no confidential relations with the Administrations—which was not his fault, he being disposed to be a confidential as any body—he had heard, he said, that the Cabinet had yesterday under consideration a public question of more importance to this country than any that had ever arisen. The Administration, he feared, was about to commit what to his mind appeared a most fatal act in the surrender, upon the imperious demand of Great Britain, of the persons, Mason and Slidell, who were seized on board the Trent.

If we did that we should surrender all that had been won by the revolution. It would make us vassals of Grea Britain. We should lose the respect of foreign nations and be humbled in our own eyes. He would go as far as any one to preserve peace if it could be done with honor. But if Great Britain had demanded the surrender of these prisoners he would meet it at once, by a declaration of war. He would not wait for her to make war.—Peace at such a price would be too dear. It would be more dangerous than war. He repeated that peace was desirable if it could be preserved with honor. He would be willing even to abide by an arbitration of the question.

But if Great Britain had made this demand, it was because she was predetermined to wage war. If we were to be humiliated let it be after a war, and not before it. But let us not be humiliated first, and destroyed afterwards. Talking with the Senator from Indiana, Mr. Lane, at breakfast this morning, that Senator remarked that his State had furnished sixty thousand troops for the civil war, and would double that number immediately to meet this quarrel with England. That was the feeling of the whole North, and he would tell this Administration that if they trifled with the public sentiment on this question they would encounter a fire in the rear that would utterly confound them. On the motion of pettifoggers, whom they call law officers of the Crown, a war was to be made, but he did not believe that in such a war our cause would be hopeless.

There will be one advantage in a war with England. We can proclaim to every individual on the earth, with an appeal which shall strike to the heart of all. Some fears had been thrown out that Louis Napoleon would join in a contest against us. He had no fears of it. If Louis Napoleon had one desire stronger than another, it was that he might have the opportunity of wiping out the stain of disaster to the French at Waterloo. There were innumerable men everywhere who would rejoice in the occurrence of such a war, that they might vindicate their own rights and the principles of liberty.

The people of Canada, the people of Ireland, the French nation, the lovers of liberty even in England, would sympathise with us. Let England make this war, and his word for it, it would be the beginning of her downfall. This country would come safely out of such a contest; but even if it should prove disastrous, we would give save our honor. Francis I. after the battle of Pavia, wrote back, "we have lost all but honor." That honor which he had saved was the foundation of the future glory of France. So would it be with us. If we saved our honor we could lose all else, and yet rise again in power and glory. If the war must come, let it come, and let us thank God that he had made us instruments in His hands to work out His own cause.

Mr. HALE now said he would withdraw his resolution, but

Mr. SUMNER (who is Chairman of the Committee of Foreign Affairs) desired to say that he thought the Senator had spoken too swiftly on this subject.

Mr. HALE had asserted that England had made an arrogant demand—this was hypothetical. How, he asked, did that gentleman know it—how did the Senate know it—how did the country know? He did not so know, and he thought the time for speaking and action would be when the facts were presented—when the case came practically before them. The gentleman had said he was in favor of arbitration; Mr. S. rejoiced to hear it, and he would say that he himself was in favor of doing all in that regard that it became us to do. He doubted not the matter was in safe hands. But he wished not to be considered as saying that even arbitration had been suggested, or was under consideration. He made no utterances in behalf of any at this time, but that a spirit of conciliation consistent with honor would be manifested, we had every reason to believe—of that we could feel confident.

Mr. GARRETT DAVIS, of Kentucky, gave notice of a bill to declare all persons alien enemies who have taken part in the rebellion, and sacrificing all their property, debts, privileges, &c.

Mr. HARLAN, of Iowa, presented a bill authorizing the President to establish provisional governments in all the seceded States, which was referred, on his motion, to the Committee on Territories.

A message was received from the President, stating that he had signed the bills to provide courts-martial in the army and for organizing the staff of the army, regular and volunteer.

Mr. HOWE, of Wisconsin, introduced a bill to repeal the fugitive slave acts of 1856 and 1793.

On motion, the Senate adjourned.

HOUSE OF REPRESENTATIVES.

A communication from the Secretary of War in relation to the repairs of the Surgeon General's office, corner of Fifteenth and F streets, was referred.

Mr. STEVENS, of Pennsylvania, said as there was not a quorum present he moved that the House adjourn until Monday next, which motion was agreed to.

WAR ITEMS.

FROM WASHINGTON.

Special Washington Despatches to the New York Herald

AFFAIRS ON THE UPPER POTOMAC.

Information from Williamsport represents all quiet in that vicinity. The report is confirmed that the main body of Jackson's forces has retired to Martinsburg, and probably to Winchester, leaving on the Virginia neck, opposite Williamsport, a small body of troops, while others are performing picket duty above and below that point, not in all over 200 men. Early on Monday morning a man who emerged from the ruins of Colston's mills with a firebrand in his hand, having been seen making his way to the cribwork of Dam No. 5, evidently to destroy the wood work, was shot down by a sentinel belonging to Colonel Kenly's command, on the Maryland side. Colonel Kenly's regiment now guards the Potomac from Dam No. 5 to Hancock, connecting with General Kelly's pickets at the latter place.

HEALTH OF GENERAL M'CLELLAN.

The health of General McClellan is not yet sufficiently restored for him to resume active duty; but although forbidden by his physicians to leave his house, his energetic mind controls and directs all the operations of our vast army.

ACCIDENT TO COLONEL BERDAN.

Colonel Berdan was seriously injured to-day.—He was trying a breech loading rifle about to be adopted for one of his regiments of sharpshooters. The charge blew out the breech, making a severe contusion of his right cheek and fatally injuring the right eye.

The Main Channel of Charleston Harbor Destroyed.

The special correspondent of the New York *Tribune*, on board steamer Cahawba, off Charleston, writes under date of Dec. 21, as follows:—

The main channel of approach to Charleston harbor has been destroyed. Sixteen stone-filled hulks, placed checkerwise across the passage, in the deepest water, just at the inner and outer edges of the bar, are the mediums through which this righteous retribution has been measured out. Thus another strong blow has fallen upon the headstrong people of South Carolina, the effect of which must be more humiliating than any they have yet received. They have no means of resenting it, and their haughty rebellious spirits must fret and chafe beneath the weight of the heavy hand which has been laid upon them.

The vessels which have been sunk left Port Royal last Tuesday, under the direction of Fleet Captain Charles H. Davis, of the Wabash. They were nearly all condemned whalers—some of them sixty and seventy years of age—the quecrest, quaintest specimens of ship-building afloat. Lazily, one by one, under the influence of a strong ebb-tide, these antiquated crafts dropped out toward the bar, each anchoring where she happened to be when the flood-tide set in. The steam transports Cahawba, Philadelphia and Ericsson were detailed to accompany the expedition, and the steam frigate Mohican, and gunboats Pocahontas and Ottawa were appointed to convoy it.

The Agricultural Department of the Patent Office has imparted a great stimulous to fruit and vine culture. The demand on the department for grape vines amounts almost to a mania, and next year five hundred thousand grape-cuttings will be rooted.

The Rev. Green North, of Harper's-Ferry, who has been imprisoned in Fort Warren since early in the summer, has been released in exchange for the Rev. Mr. Mines, of Bath, Me., who was captured at Bull Run.

George Lee, whose property in New Orleans has just been confiscated by the Confederates, committed suicide at Ballston Spa, N. Y., a day or two since. The loss of a hundred thousand dollars caused him to become insane.

It is said that the Secretary of the Treasury has ordered the devices of our national coin to be so changed as to signify the religious faith of the nation, and its trust in a Supreme Being.

EUROPE.

JEFF. DAVIS' MESSAGE IN ENGLAND.

WHAT HER CABINET AND POLITICIANS THINK OF AND HOPE FROM THE PAPER.

From the London Post (Government Organ), Dec. 7.

The principal intelligence conveyed by the Edinburg from America consists in the message of the President of the Southern Confederation, and we are glad to notice the friendly tone in which it treats of the relations of the South with this country, while we are embarked in a critical negotiation with the North; and while we are also about to enter upon our intervention in Mexico, a country bordering upon the Southern States. This is, in fact, the only satisfactory and significant information that the present American packet has brought. The "Trent question" remains in *statu quo*. The opinion of the law officers of the Washington Cabinet, which is now repeated, had reached us by the Persia on Monday last; but the popular excitement which the question had provoked appears to have in some measure cooled down.—For the moment, therefore, Southern politics arrest our chief attention. The message of President Davis to the Southern Congress is, in our judgment, the more satisfactory for the firm and determined attitude in which it confronts the Unionist party and the Cabinet of Washington; for if we conceive the conquest of the South be next to impossible, it is by the exhibition of Southern strength rather than of Southern weakness that peace is to be restored between the two belligerents. President Davis recounts that throughout seven months of hostilities the Confederates have almost uniformly held their own, and that in several instances they have thrown their opponents into a defensive attitude.

President Davis is therefore fully entitled to the bold ground which he assumes when he declares that "the South will be content to live at peace with the North, but that the separation is final." He adds that the South will accept of no compromise. He is now, perhaps for the first time, in a position to make use of this language. Indeed, one is led to ask, after the trial and exhaustion of our money designs, and the expenditure of so much money on the part of the North, what is yet to introduce decisive features into the campaign? The Federals have enjoyed immense advantages in point of men and money, and also (as we showed yesterday) in drawing warlike supplies from this country, through their superior command of the sea. President Davis will no doubt derive fresh confidence when he reads the two royal proclamations which, in the latter respect, have now placed the North and South on a footing of equality. But there has been scarcely a single State overrun by the Northern army during the whole course of the campaign, and it is much questioned whether the naval expeditions of the Federal Government to Hatteras and Port Royal have done much more than slightly to reduce the privateering activity of the South. The assertion of the Southern President must, therefore, be admitted to be substantially true, that "the reconstruction of the Union, which the Federals seek to effect by force of arms, has become more and more palpably impossible." He maintains, also, that the causes which brought about the separation not only remain in full force, but have been strengthened since the civil war began. With a view of observing strict neutrality between the contending States, we have carefully refrained from officially recognizing the South; but the time has certainly arrived at which we cease altogether to believe in the possible reunion of the States, and at which we must, at all events, recognize the independent Confederation of the South as an actual fact.

President Davis speaks with just indignation of the seizure of his Envoys to the Courts of France and England; and there is a passage in this part of his message which throws a probable light on the distinctive mission on which Mr. Slidell and Mr. Mason were sent to Europe. He remarks, with some evident pride, that the Confederate States have been content to fight their own battle, and have solicited no assistance from foreign powers. But he declares that they have a right to bring before Europe the question of the application of the existing blockade of their own ports to the acknowledged principle of international law, that blockades, if they are to be respected by third powers, must be effective. He is about to represent to the European governments, accordingly, the total inefficiency of these blockades, and to put the assertion upon evidence. It is a fair inference that this was one of the questions upon which Messrs. Slidell and Mason were sent to Europe. But there is another statement in our present American intelligence which threatens to put the blockade question in a light altogether new. It is announced that twenty-five vessels have set sail, apparently from New York, heavily loaded with stones, with the view of their being sunk at the mouth of a Southern harbor. Now, in all probability ingress or egress would be as difficult at a Southern port, with five-and-twenty sunken vessels in front of the harbor, as it was at Sebastopol, where the Russians sank several of their ships with the view of preventing the entrance of English and French vessels of war. But if the Federal Government desire by this expedient to relieve their own ships by thus blocking up Southern ports, they must be perfectly aware that there is at once an end of the blockade in every instance in which their new plan is to apply. Sunken vessels will not constitute a blockade, let them be as "effective" as they may; and whenever the Federal Government shall thus substitute sunken vessels for its ships-of-war, then the blockade is at once terminated by the consent of all nations.

We draw attention to the rational and friendly manner in which the Southern President alludes to the attitude maintained hitherto towards America by this country, because we regard our relations with the Southern States as