THE MARYLAND NEWS SHEET

PUBLISHED BY

CARTER & NEILSON.

TERMS.

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BALTIMORE.

FRIDAY, MARCH 7, 1862.

WAR AND OTHER NEWS.

In the Senate of the United States there was nothing done of any special consequence.

In the House of Representatives a bill was passed providing for the organization of the staff attached to divisions of the army of the United States, both regular and volunteer. A message from the President of the United States relating to the emancipation of slaves, was then taken up and ordered to be printed. A bill was reported authorizing the Secretary of the Treasury to purchase coin, and for other purposes. Its consideration was postponed. The franking bill was then called up and debated in Committee of the Whole.

In the State Senate—Evening session, Wednesday—the debate on the Treason bill was resumed. On the vote being taken it was passed, yeas 13, nays 8.

In the House of Delegates a bill amending the election laws of Baltimore, was taken up for a second reading, and various amendments were adopted.

In the State Senate yesterday nothing occurred that is worthy of notice.

In the House of Delegates a large number of bills were passed, the Treason bill being the most important.

An interesting debate, on the Trent affair, occurred in the English House of Commons on the 17th ultimo. The question being on the supplementary estimates, which included an appropriation for meeting the expense of sending troops to Canada pending the settlement of the Mason-Slidell imbroglio. Mr. Bright undertook to criticize the conduct of the Government in regard to the manner in which it had acted towards the Government of the United States. He called attention to the fact that, whilst the language in which the restoration of the Southern Commissioners was demanded, was entirely courteous, it was supported by a demonstration of the most warlike character. "It is not customary," he said, "in ordinary life, for a person to send a polite messenger, with a polite message, to a friend or neighbor, or acquaintance, and at the same time to send a man of portentous strength, wielding a gigantic club, and making every kind of ferocious gesticulation, and still to profess that it is done in the most friendly and courteous manner." Yet such, he charged, had been the course adopted by her Majesty's Ministers. The speech of Mr. Bright created numerous exclamations of dissent, and in one instance raised a laugh of derision from the Treasury bench. Eloquent as he is, he evidently met, in this instance, with no sympathy in his defence of the Federal Government.

The reply of Lord Palmerston was in his happiest vein, light, airy, humorous, sarcastic. He took up every argument adduced by Mr. Bright, and either turned it into ridicule or confronted it with an explanation which, supported as he was, not only by the members of his own party, but also by a large majority of his political opponents enabled him to triumphantly vindicate the course pursued by the Government.

The London *Morning Herald* denounces the sinking of more stone laden ships in Charleston harbor, in the strongest possible language. It is characterized as an act "which might justly be treated as a *casus belli* by any or all nations having commercial relations with the port so assailed."

According to the London *Times*, "a financial crisis" is imminent in this country. There is a prospect, we are told, that it will be witnessed within the next ninety days. In view of the issue of one hundred and fifty millions of irredeemable notes, the *Times* expresses some surprise that the premium on gold should not have advanced, ere this, to more than three-and-a-half per cent. This anomaly the *Times* imagines must arise either "from the profound ignorance of the mass of the American population on questions of finance, or from a secret but general conviction that the whole struggle will be ended in some lame but sudden manner, long before the Government extravagance has reached its projected extent."

The New York *Herald*, on the authority of a letter from Key West, states that a Confederate steamer laden with cotton was captured recently off Pass L'Outre by the United States steamers Brooklyn and South Carolina.

A despatch from Petersburg to the Richmond *Enquirer* confirms the report that the steamer Nashville ran the blockade, with a valuable cargo for the Treasury and Post Office Department, and gives, on the authority of an officer, an account of the trip and of the *ruse* which was successfully practised to deceive the blockading squadron.

Some skirmishes have taken place in Missouri and Arkansas, in which the Confederates under Price have been successful. They surprised Capt. Montgomery's company at Kletsville, killing only two and wounding one, according to the report. They then fled, but managed to carry off with them seventy horses. In the same vicinity two wagons loaded with army stores were burned by the Confederates.

The New Orleans papers are as belligerent as ever. The *Delta* calls upon men who feel alarmed about their property to defend it with the sword. The *Crescent* declares that if the Southern cities are taken, the people will retire to the mountains and swamps, and there maintain a warfare which must ultimately prove successful. Sixty-two United States vessels are said to be in the neighborhood of Ship Island, and large bodies of Federal troops are reported to have been landed on Britton and Chandelier Islands.

From the Washington *Star* we learn that a skirmish took place near Poblick on Tuesday last, between a party of Texan Rangers and a company of Heintzleman's division. The *Star* accuses the Lieutenant-Colonel in command of having led his men into a trap. The Federal loss is set down at three killed and one wounded. Among the former were a captain and a lieutenant.

The Confederates are reported to be concentrating a large force on the Lower Potomac. It is believed that the Confederate army on the Potomac has been largely reinforced since their recent defeats in the South-West.

On the Upper Potomac, Leetown and Lovettsville are announced to be in possession of the Federal troops. The official despatch states that the enemy is in full force at Winchester, and that formidable earthworks, mounting sixty guns, have been constructed on this side of the town. The work on the railroad is progressing rapidly, every point between Harper's Ferry and Cumberland being strongly protected. The bridge at the Ferry, it is supposed, will be completed in about ten days. Bunker Hill has been occupied by Federal troops as the extreme outpost on the west. Ashby's cavalry endeavored to cut off a party of Federal cavalry near Berryville, but failed in the attempt. A similar attempt was made to outflank Colonel Geary, near Lovettsville, but the Confederates are said to have been driven off without a battle. A few Confederate prisoners have been taken by scouting parties.

THE GOTTSCHALK CONCERTS.—The peace excitement of the day in this city is the forthcoming concerts of Gottschalk. His marvellous execution and originality of composition stamp him as the greatest performer upon the piano-forte of our time. His early successes, which all lovers of music must remember, are as nothing to his brilliant performances of to-day. New York and Philadelphia have been musically comatose under the depressive influence of the war until his arrival. But no sooner does he make his appearance than a musical *furore* is created almost unparalleled. It was our good fortune to hear him in New York, and the sweet sounds which he eliminated from the piano still linger in silver notes upon our ear. How elaborate, how splendid are his efforts; with what power does he sweep the keys; how clear and exact every note, and how dazzling is his entire performance! Then we are to have Brignoli, the best tenor in this country, who will sing the most delicate airs in his vast *repertoire*; besides the charming Miss Hinkley, and the splendid Mancusi and Susini. Altogether it brings us back to the memory of the Sontag, Thalberg and Piccolomini concerts which were so immensely popular. It would be well that those who are desirous of engaging seats should do so at once, as already the demand has been very great. For ourselves we look forward to two of the most delightful entertainments ever given in this city. Seats may be secured at Wm. H. McCaffrey's Music Store, Baltimore street.

EUROPE.

AMERICAN MATTERS ABROAD.

MR. BRIGHT AND LORD PALMERSTON ON THE AMERICAN QUESTION.

INTERESTING DEBATE IN THE HOUSE OF COMMONS.

In the House, on the 17th ult., Sir H. Willoughby asked whether the £973,000 to be voted for these Supplementary Estimates was the whole charge which the country would be called upon to pay, and whether the House would have an assurance that money voted for one purpose should not be applied to another.

Sir G. Lewis said it was impossible for the Government to say at the present time whether the estimate would cover the excess of expenditure; but, as far as their information went, they believed the estimates would be sufficient. As to the transfer of items from one branch of the estimates to another, the practice was in accordance with the existing law.

Mr. Bright—Sir, before you leave the chair, I should like to make two or three observations on this vote. I am not going to object to the vote, of course. I have had too much experience of such matters to attempt any such thing [a laugh]; but after the prodigious sums voted last year and the year before, I think we are now driven to consider whether the expenditure of an additional million is necessary or wise. Now, I am not about to find fault with her Majesty's Government, as regards the recent transaction with the Government of the United States, so far as I see anything or expect to see anything, in the blue books containing the correspondence between the Foreign Office in England and that Department of the State at Washington. So far as the despatches signed by Lord Russell go, I make no complaint about them. It does not appear to me that the request made to the American Government was one which they could reasonably have objected to, or the language in which it was couched such as they were entitled to complain of. Therefore, so far as that goes, I have no charge to bring against her Majesty's Government; but it does appear to me clear that there was great inconsistency between the conduct of the Foreign Office as exhibited in those documents, and the conduct of certain other departments of the Government. It is not customary in ordinary life for a person to send a polite messenger with a polite message to a friend, or neighbor or acquaintance, and at the same time to send a man of portentous strength, wielding a gigantic club, and making every kind of ferocious gesticulation, and still to profess that all this is done in the most friendly and courteous manner. This is what has been done by Her Majesty's Government in this case; and I am about to explain for a moment why I think this million has been worse than thrown away. Besides being thrown away, it leaves behind it consequences of much more value or much more harm than the million itself. The House will recollect that at the very time when the Cabinet was said to be meeting to discuss the form of despatch to be sent by the Saturday's boat to America, there appeared in the newspapers which are the especial organs of the Government, language of the most violent and offensive character; and that instantaneously—probably the very day the despatch was written—steps were taken, both as regarded the army and the navy, exactly as if the despatch itself had not been a courteous demand for compliance with a just request, but rather a declaration of war. Now, the effect of that in this country must be very obvious. It created an almost universal impression that there was something which the Government knew and which the country did not know. Though nobody but the Government could imagine that a cause of war could arise out of that question, it was supposed that the Government knew war to be inevitable, or that they intended war, if war could by any possibility be made out of it.

Looking to what occurred at the time, I suppose that the answer to be given to me will be based on either of two theories, which I venture to say are about as false and about as ignorant as any ever offered to Parliament in justification of any proceedings. Certain organs which affect to represent the Government—and which are sometimes the slave of the Government and sometimes its master—stated that the Government at Washington, and Mr. Seward especially, were anxious to get into a war or difficulty with this country, if they could do so, in order to get out of the war with the South, and under cover of war with England to make a peace or terms of some kind—I suppose, by acknowledging the independence of the Southern States. That is one of the theories. Nothing could be offered to rational men more absurd or more impossible. Mr. Seward cannot make war. The President himself cannot make war. Mr. Seward and the President together cannot make war, but the President and Congress can make war.—Therefore, we may be perfectly certain that it did not rest in the brain of any one man, however eminent, however ingenious, to consent to the dismemberment of the United States under cover of a war with us. Then it was stated again that the Government of America was so entirely under the influence and direction of the mob that they could not listen to the courteous demand of the English Government; that, in fact, what we wanted was not to overawe the Government, but to overawe that mob which in the United States may be supposed to overrule and overawe the Government. [Hear, hear.] I see that I have hit the point exactly which honorable gentlemen have imagined to themselves; but honorable gentlemen who have watched the history of the United States from the beginning to this hour must know that there never has been a great nation in which what is familiarly termed "mob law" is less known or has less influence. ["Oh, oh!" Wherever men have votes, club law and mob law necessarily disappear.—["Oh, oh!"] I confine my observations entirely to the Free States of the North; but if any honorable gentleman thinks that I am not fairly describing the fact of the case, I ask him to look at the circumstances that have occurred. He must know that the Government at Washington, whether in the removal of a distinguished and popular General, or in the removal of a Minister, or in the recognition of the fairness of the demand of our Government for the surrender of two men, perhaps more hateful to them than any other two individuals in the world, have not hesitated to do what they considered to be right. I say that, looking at these things, the man must be prejudiced beyond all power of conviction who thinks that the Government of North America have been influenced by the action of the mob to any extent beyond that which is found to prevail in this country, and in almost every other country in Europe. Now, the noble Lord at the head of the Government will have this advantage over me, of course, and so will any of his friends who may take a different view of this affair—they will say, and I cannot prevent them from saying, that whether they were wrong or not in their policy, that policy has been crowned with certain success. [Hear, hear.] But that is not always conclusive of a policy being right. I have not the smallest doubt that what made it a question whether those men would be surrendered and war avoided was, not the tenor of the despatch, but the articles in the Press known to represent a section of the Government, and the movements and operations of troops and ships, which were understood as a menace to Washington. Every man who has access to the shelves of the Foreign Office knows that, when a question as to the right to take those men came to be considered, whatever use might be made of English precedents, nothing whatever could be said if you adhered to American practices and principles. And it is clear to any man who read the speech of Mr. Sumner in the American Senate—in which speech he collected known at our Foreign Office—that the American Government would have been utterly unable to resist the demand of the English Government, in accordance with American practices and principles, however courteously that demand might have been made.

It was, indeed, very well known to those who were at Washington at the time, that the influence of those military preparations was not felt upon the Government and people of the United States, but on the Ministers who represented the European Powers; for I have reason to know that there were not fewer than two of the Ministers of the European Powers at Washington who expressed their decided opinion that there was an intention on the part of some section of the Government, or of some powerful classes in this country, if the opportunity offered, to engage in war with the United States, [a cry of "No! no!"] and the effect of that statement and opinion was this, that every man who felt himself aggrieved or humiliated by the course taken by her Majesty's Government asked himself, "Shall I gain anything by this surrender, or shall I wait for some other opportunity for the action of hostility so apparent?" I do not bring this charge against the Government of this country, or say that they intended war; but there were many persons in this country who were led to that conclusion. I think it likely that the noble Lord at the head of the Government, bringing down his traditions from a time of past war, when right and justice were little regarded by the most civilized nations of Europe, thought that the only mode of securing what he wished was by this great demonstration of force. Now, I believe that on this question, as on some others, and on this more than others, there is no other powerful Government in the world that is so uniformly disposed to abide as far as possible by known and defined law as the Government of the United States; and when I heard that this demand had been made, with my knowledge of their previous course in respect to these questions, I had no doubt whatever that the matter would be amicably arranged, except that the menaces from this side might make it difficult for them to concede the demand of her Majesty's Government.

As to the effect of these demonstrations on English interests I wish to say one word. I will not count up how much the fall in stocks, railway shares and other securities amounted to, but in one market alone, that of Liverpool, the effect of what was done, not on board the Trent, not by the despatches of the Foreign Office, but by the warlike preparations of the Government, was to reduce the value of one article alone to the extent of 23,000,000 sterling. I have not seen it myself, but I have heard of a letter from Bombay or Calcutta, which states that on a certain day, when the news arrived that war between England and the United States was imminent, a complete paralysis took place in the trade of Bombay and Calcutta; and from that time up to the period of the latest advices that paralysis continued, to the great loss and inconvenience of persons engaged in the commerce of that country. Then when news arrives from Australia, we shall, doubtless, hear that from the moment when war appeared to be likely or possible, not an ounce of gold was shipped to this country. No man could know that an Australian ship would not meet with an American man-of-war or privateer; and, doubtless, the panic that prevailed in India would also be felt in Australia. This is a view of the question worth looking at. Your people are employed by the operation of this commerce and the security of the capital embarked in it; and when there arises between two friendly countries any transaction like this unhappy accident of the Trent, [a laugh,] I do not know whether any one on the Treasury bench laughs because I call it so. [A pause, during which the honorable gentleman directed his gaze upon the front Ministerial bench.] I say it was an unhappy accident. As regards the United States Government and our own Government, it was nothing but an accident; and no one knows this better than the noble Lord at the head of the Government.

And when accidents of this or any kind arise that can possibly cause jarring between the two countries, it is the policy and the duty of the Government, in the first place certainly, to try all those moderate and courteous means which it would like to have tried itself before it has recourse to measures which send a paralysis through all the ramifications of the greatest commerce of the world, and create immense loss among almost all classes of the people. Now I may say with the utmost satisfaction and truth that the noble Lord at the head of the Government was not more pleased than I was at the favorable termination of that untoward event. If the noble Lord believed that there was no course by which war could be prevented but that which he took, it would be very harsh and unfair to blame him. But, knowing how much the United States Government are bound up and connected with the humane principle of international maritime law, he might have trusted much more to their desire to act in accordance with international law, than to the force that had been brought against them. We shall do well to remember that the Power which is for a moment partially disabled and crippled, yet which gives its support to the Washington Government, consists at the present moment of 22,000,000 of people. These Northern States, ten, twenty and thirty years hence, will increase as rapidly as they have ever done before in population and power. They are our countrymen to a great extent. We have few enemies there, except those who left these shores with feelings of discontent against this Government because their grievances were not removed. And it is worth our while, on all moral grounds, and on grounds of self-interest, that we should, in all our transactions, acknowledge our alliance and kinship with such a nation, and not leave behind an ineradicable and undying sting, which it would take many years, perhaps a generation or two, to remove.

The war of Independence, eighty years ago, left such a sting; the war of 1812 inflicted similar mischief. The course taken by the Government, if not in the demand made, not in the despatch by which that demand was accompanied, not in the courteous manner in which Lord Lyons managed the negotiations—[cheers]—but in the instantaneous and alarming menace of war, coupled with the offensive charges made every day by the Press which supported the Government, tended to leave on the mind of every American a feeling that England had not treated the United States in that magnanimous and friendly manner which they had a right to expect from us. I am glad to see that a remarkable change has operated day by day, both in this House and out of it. It is obvious that since the course taken by the American Government has been known, a great change has taken place in the opinion of this country. It has become more friendly to the Washington Government, for people now see that it is a real Government, not ruled by a mob, or disregarding the law, but struggling to maintain the integrity of a great country. They see in that country the home of every man who wants a home, and, moreover, they believe that that greatest of all crimes that any people in the history of the world has ever been connected with, the crime of keeping in slavery 4,000,000 of people, is, under the providence of a Power very much higher than that of a Prime Minister of England, or the President of the United States, marching on, as I believe, to its entire abolition.

Mr. Baxter could not concur with Mr. Bright in condemning the measures of the Government, which showed that Great Britain was in earnest. So far from the event creating bitter feelings in America, he believed it would in the end, and before long, lead to a much better understanding between the two countries.

Lord Palmerston—I am not going to answer the latter part of the speech of my honorable friend who has just sat down; that is a topic which will be more properly handled by my right honorable friend near me (Sir G. C. Lewis), when he comes to make the statement about the estimates. But I am unwilling to let a longer time elapse without making some observations on what has fallen from the honorable member for Birmingham. I said on a former occasion that it was desirable in this House that we should not only pass laws and vote estimates, but should be the organs of the opinions and feelings of large masses of the community. I go further, and I admit that it is sometimes useful that this House should hear the views and opinions of individuals, and to-night we have had an example of the singular opinions of one instead of the general opinion of many. [Laughter.] But I think it must be admitted that the opinions which my honorable friend has expressed are as nearly as possible confined to himself. [Laughter.] Sir, my honorable friend does justice to the course which the Government pursued in making the demand for redress from the American Government. Upon that point there is no difference of opinion. [Hear, hear.] He has done full justice to the considerations which influenced my noble friend at the head of the Foreign Office when he instructed Lord Lyons to make the communication, and to the delicacy, judgment, and good taste with which Lord Lyons complied with his instructions. [Hear, hear.] It is well, therefore, to know that the ground is cleared of any objections upon those preliminary points. But my honorable friend thinks that we were wrong in those military and naval preparations which have been made; that we were wrong in sending out troops who went with us while I think he called "ferocious gesticulations." [Laughter.]

I do not know to what particular circumstance he alludes, but the weather was cold when they were going, and if they did make "ferocious gesticulations," it must have been for the purpose of warming their hands. [Laughter.] But the point of my honorable friend's argument is this, that the United States were bound by various obligations of international law to give up those persons who were on board the Trent, and that in the course which they took they were not swayed by mob influence. My honorable friend says where everybody is a voter, there can be no mob. I do not quite agree in that theory. [Hear, hear.] But he contends that the United States Government were bound by their own principles to do that which we asked them, and that they were quite free, nor was any control exercised over them by any class of the community. But, now, I would just ask him, if the United States Government held all along that they were bound by their own principles to disavow any act contrary to those principles, and, therefore, to afford redress, why did they keep those four gentlemen in prison? [Cries of "hear, hear."] Was it because, as he stated, that these gentlemen happened to be the objects of great hatred to the United States Government, for that is not the reason why an act of injustice should be committed? [Cheers.] Why should those gentlemen be kept in prison, who, according to the acknowledged principles of the Government, were entitled to their freedom from the first moment? [Hear.] It is to my mind, true, that the United States Government had not come, in the earlier stages of the matter, to the decision that this was an act which they must disavow, and that they were bound to restore those persons. [Hear, hear.]

But my honorable friend says that no compulsion was exercised upon the United States Government; that as to war, Mr. Seward and Mr. Lincoln could not make it upon their own authority—we know that very well; it requires the sanction of the Senate—and that therefore it was quite foolish and criminal in us to take measures calculated to provoke a war with the United States. But had we no ground for thinking that it was very doubtful whether our demand would be complied with? [Hear, hear.] And will any man tell me who remembers the indignant feeling throughout the whole country at the insult and outrage which had been committed, that the people of Great Britain would tamely have submitted to a refusal? [Cheers.] Well, then, if that refusal came we should be bound to extort by the usual means that compliance which had been refused to a more courteous application. [Hear, hear.] Well, what reason had we to think that a refusal would not be given? My honorable friend cannot have forgotten transactions so recent and events so fresh in the memory of every one. Why, what was the tone and temper of the Northern States? We know that Captain Wilkes had done this act upon his own authority, and that the United States were quite at liberty to disavow it if they chose. Mr. Adams told my noble friend that in a despatch which he received from Mr. Seward it was stated that the United States were free to act as they pleased, and that its conduct might depend upon that which the British Government might think fit to follow. The despatch went no further.

Mr. Bright—It did go further.

Lord Palmerston—I don't know that. Well, Captain Wilkes declared that he had done the act without authority and instructions. But did the people, did the public of the United States hesitate as to whether what had been done was right or wrong? [Hear, hear.] It is well known that Capt. Wilkes was made a hero of; and for what? Why, the reason was distinctly avowed and put forward—viz: because he had had the courage to insult the British flag. [Hear, hear.] There was a great ovation at Boston, where, I believe, persons holding judicial situations, among whom was a person in high office, the Governor of the State, joined in the general chorus of approbation. [Hear, hear.] But you may say that that took place at a public meeting, and that we have heard many foolish speeches made at public meetings, and a great many opinions there expressed which were not backed or re-echoed by the rest of the country. [Hear, hear, and laughter.] But did things stop there? When Captain Wilkes went to the theatre in New York the whole audience rose, as they might have done at the entrance of a great liberator of his country; they rose in honor of Capt. Wilkes, and cheered him, I believe. [Hear.] Well, were the American Government entirely free from participation in such demonstrations? With respect to some Governments, it is said that one Department does not know what another Department does, and it is sometimes made a reproach here that Departments conduct their affairs at cross-purposes; but in America the Naval Department—the Secretary of the Admiralty—actually approved Capt. Wilkes' conduct, and thanked him, and only ventured to hint that Captain Wilkes had shown too great forbearance, and hoped that the example would not, in that respect, be brought into a precedent in future. [Hear, hear.] Then, the House of Representatives, if I mistake not, voted thanks to Capt. Wilkes, and approved his conduct. [Hear, hear.] Here, then, were the American public, the Government, a branch of the Legislature, all approving the act committed. Well, with all these facts before our eyes, should we have been justified in supposing that a mere courteous application, asking the American Government to have the goodness to deliver the four captured persons into our hands, would have induced them to say, "The whole American people see that we have insulted your flag and are glad of it; but as you ask for the prisoners as a favor, as a favor we assent to the delivery?" I really think that we should have been deserving of condemnation and censure as short-sighted men, not actively alive to the interests of the country, if we had simply rested our case on the demand. [Cheers] Moreover, it is well known that it was generally said by persons in America, and also I believe by some Americans in this country, that the four prisoners were not to be delivered—"that they won't and shan't be given up."—What was considered by the Americans to be our weak point, and what was the circumstance which made the United States always more difficult to deal with by England than by France? It was the thought that Canada and the British North American colonies were defenceless. [Cheers.]

What, then, was it our duty to do? It was to strengthen them, and make the Americans see that we were able to defend ourselves on that point which they thought to be the most vulnerable and most easily accessible to them. [Hear, hear.]—*That* was not "ferocious gesticulations." ["Hear, hear," and laughter.] It was simply a defensive measure—[hear]—it was simply strengthening that part which had been weak and might be attacked, and the knowledge of the weakness of which might induce the Americans to maintain that position which they had up to that moment occupied—to retain these men in prison and refuse to comply with our demand for their restoration. [Hear, hear.] Therefore, so far from her Majesty's Government being obnoxious to blame, I think that the Government are deserving of commendation for what they did; and, though they performed no more than their duty, they performed it promptly and efficiently, and have met with, I believe, the approbation of the country at large. [Cheers.] I think, then, that the censure of my honorable friend, the member for Birmingham, is not deserved, and that what we did was not at all calculated to provoke the Government of the United States. It was simply a measure which it was our bounden duty to take, seeing the uncertainty of the result of the communications carried out from this country. So far from any feeling of ineradicable irritation between the two countries being engendered by the course pursued, I believe that a contrary course would have produced such a result. If her Majesty's Government had submitted to a declared insult, no doubt a vote of censure would have been passed on them. Still the act would have been done, and a sense of humiliation and degradation would have been perpetually in the minds of at least the present generation, on account of the gross and unatoned-for insult committed against the country. I agree with my honorable friend who has just sat down, that the course actually pursued is one much more likely to produce peace between the two nations. There start up from time to time between countries antagonistic passions and questions of conflicting interest, which if not properly dealt with would terminate in the explosion of war.

Now, if one country is led to think that another country, with which such questions might arise, is from fear disposed on every occasion tamely to submit to any amount of iniquity, that is an encouragement to hostile conduct and to extreme proceedings which lead to conflict. It may be depended on, that there is no better security for peace between nations than the conviction that each must respect the other, that each is capable of defending itself, and that no insult or injury committed by the one against the other would pass unresented.—[Hear, hear.] Between nations, as between individuals, mutual respect is the best security for mutual good-will and mutual courtesy; and, therefore, in my opinion, the course pursued by the Government is one much more likely than that suggested by my honorable friend, the member for Birmingham, to secure the continuance of peace. [Loud cheers.]

The House then resolved itself into a Committee of Supply.

THE FINANCIAL CRISIS IN THE NORTHERN STATES OF AMERICA.

From the London Times.

The accounts from America this week merely confirm the prospect that within less than ninety days a financial chaos must be witnessed. So plain is the case that one or two of the most respectable journals have at length dared, notwithstanding the danger of such a course, to venture upon predictions concerning it. Referring to the bill authorizing the issue of an additional £30,000,000 of irredeemable notes, the *Journal of Commerce* announces that "more than the whole of this is due to contractors, who need immediate payment, both for the sake of their own necessities and the credit of the Treasury." On behalf of the Government it had been urged that, as the contractors have made enormous gains, they can afford to wait, but it is shown that, if this is to be the mode of practice, no honest or responsible men will have anything to do with Government business, and that all the expenditure of the State will necessarily henceforth pass only through reckless and unprincipled jobbers. The admission made in the recent Report of the Committee of Ways and Means that the public debt will be £120,000,000 in July next, with immense liabilities still undischarged, and that £210,000,000 will be required before July, 1863, was believed even to be short of the actual exigencies of the period; yet there was not a single tangible proposition before Congress with respect to it. Hence it is remarked, "The entire failure of a great majority of our public men, both in and out of Congress, to comprehend the necessities of the case, is doing more to dishearten the people than all other causes combined." It seems quite clear, however, that the ignorance of the mass of the American population on questions of finance is profound, or that the premium on gold would long ere this have advanced to more than 3½ per cent. The only other explanation that can be suggested for the anomaly is, that there may be a secret but general conviction that the whole struggle will be in some lame but sudden manner brought to a premature end. The rate of exchange during the past few days had ranged only between 113 and 114; but as the State of Pennsylvania was to pay its dividend on the 1st inst., and £500,000 would then have to be remitted to Europe, a very great rise was considered imminent. The leading financiers of New York had been to Washington to prescribe, and also with the vain hope of inducing Mr. Chase not to make the Treasury notes a legal tender. There was still an attempt among all parties to delude themselves with the idea that nothing is wanted but an ample system of taxation, but the practical suggestions in that direction were feeble, the latest proposals being for the introduction of "taxes on knowledge" in the shape of stamp duties on newspapers and a charge of three-halfpence sterling on every telegraphic message. At the departure of the steamer the stock market was gloomy, on account of the mishaps that had occurred to the Burnside expedition and the statements that the roads were still in a condition to preclude any advance by the army of the Potomac. The actual bargains, however, recorded by the Board, furnish, it is said, no guide to the inherent position of the market, since large sales would be found impracticable on any terms.

THE DESTRUCTION OF CHARLESTON HARBOR.

EXPLANATIONS OF EARL RUSSELL.

In the House of Lords, on the 14th ult., the Earl of Stanhope rose to put a question to the Foreign Secretary, in reference to a report which had just reached this country that a second squadron of ships, laden with stone, had been despatched by the Government of the United States, to be sunk in Maffitt's Channel, in front of Charleston harbor, and also that a third squadron, laden in a similar manner, was in progress of equipment for a similar object. He wished to know from the noble Earl whether he had received any despatches from Washington in confirmation of that report, and, if so, what course he intended to take in the matter. The former despatches of the noble Earl had laid before the American Government in so comprehensive a form, and with such unanswerable arguments, the considerations which ought to guide them in regard to such enterprises, that he had hoped that it had settled the question. [Hear, hear.]

That despatch seemed to be a most worthy sequel to the policy with respect to American affairs, which all parties were agreed in thinking had done so much credit to the noble Earl, and had so fully vindicated the honor of the country; and to the approbation which had already been bestowed on that policy he begged to add his humble meed of praise. It was difficult to see how the sinking of large ships laden with stone on banks of mud at the entrance of a harbor could end in anything else but the permanent destruction of that harbor; and it was on that ground, as far as he could understand, that the measure was originally put forward and afterwards justified. The permanent destruction of a harbor was not justified by the laws of war. [Hear, hear.] War undoubtedly sanctioned many grievous acts, but it did not sanction any act of this kind. [Hear.]

The permanent destruction of a harbor was not an act of war of man against man, or of nation against nation, but it was an act of war against the bounty of Providence, which had vouchsafed harbors for the advantage of commerce and for the civilizing influences of intercourse between one people and another. [Hear, hear.] On this ground we were well entitled, and were bound to enter our protest against such acts. [Hear, hear.] He wished to hear from the noble Earl whether these reports were well founded, and, if so, whether he had taken or will signed to take any steps in the matter. He should also wish to know whether the noble Earl had received any communication from the Government of France on the subject, and whether the Government of France, to his official knowledge, had made any similar representations to the Government of the United States with respect to the destruction of the port of Charleston.

Earl Russell said the Government had no official information on this subject subsequent to that which had already been laid on the table of the House. However, the sinking of vessels at the mouth of a harbor was an operation of so much importance that he could not but believe that the reports which had appeared must have some foundation. He was happy to hear the noble Earl's protest against the sinking that these were commercial harbors, and that in time of peace, when there was severe weather, vessels of all nations, even those not ultimately destined for them, ran there to find refuge, to destroy them was undoubtedly an act of barbarity. The noble Earl would have seen that the reply of the American Government was that these stone-channel to aid the blockade, but that they were not intended for the permanent destruction of the harbors.

In conversing with the American Minister at Court, that was the view he took. He said that the permanent destruction of Charleston harbor was impossible; that the two rivers which formed the harbor would be sure to make a channel, and that it was impossible, even if it had been intended, to effect the permanent destruction of the harbor. That, he said, however, was not the intention. The intention was only to make a temporary obstruction, and when peace was restored that obstruction would be removed. That, he believed, was the view taken by the American Government. There had been some communication between her Majesty's Government and that of France on this subject, with regard to which the Government of the Emperor took the same view as that of her Majesty. But whether France had made any official representation on the matter to the Federal Government, he was not able to say.

A BLAST FROM THE TORY ORGAN.

From the London Herald.

The Federal Government is again at its work of hostility to mankind. More stone-laden ships have been sunk in Charleston harbor, to complete the destruction which was intended, but not achieved by the first expedition. What have their friends to say for them now? The excuse urged for their atrocity by Americanized Englishmen has been, in plain words, want of success. We were told that they had not completely blocked up the harbor; they had only injured it. Some of their advocates had the impudence to assert, or the inconceivable folly to believe, that no more than this was intended—that it was desired, not to destroy the entrance, but to make it difficult and dangerous, with a view to facilitate the operations of the blockade. If it had been so, it is not easy to see that the crime would have been thereby lessened. To deprive the world at large of a gift of nature so valuable as an excellent harbor, is an outrage on civilization, and an offence against all commercial nations. It is a violation of neutral rights similar to that involved in the paper blockade which it is intended to assist—an attempt to deprive neutral vessels of that trade with one belligerent which cannot be lawfully interrupted by the other, except under certain well-defined conditions, which such an operation is expressly meant to evade. It is, therefore, an act which might justly be treated as a *casus belli* by any or all nations having commercial relations with the port so assailed. But the sinking of ships with a view not to close the entrance but to render the navigation perilous, is a crime of a much more atrocious character. It is an endeavor to expose to risk of shipwreck vessels only liable at worst to capture, and seamen not liable to any penalty whatever. It is, in one word, a practical conspiracy against neutral seamen if they attempt to enter a harbor which by all the laws of nations they have a perfect right to enter if they can—a trap laid for the lives of the subjects of friendly Powers, such as could not legitimately be employed even against civilian enemies, and, therefore, an act which would put its perpetrators outside the pale of civilization, and entitle neutrals to deal with them not merely as enemies but as pirates.

FROM THE SOUTH.

Arrival of the Steamer Nashville.

From the Richmond Enquirer Extra.

PETERSBURG, March 1.—The Confederate States steamer Nashville reached Beaufort, North Carolina, yesterday morning, at seven A. M., from Southampton, having successfully eluded the blockading steamers at the entrance of the harbor, one of which—the Albatross, it is supposed—fired some twenty or thirty shots at her without effect. She brings about $3,000,000 worth of stores, chiefly for the use of the Treasury and Post-office Departments. From an officer of the Nashville we gather the following account of the trip:

Leaving Southampton at 4 P. M., on the 3d of February, within full sight of the Tuscarora, which had but just returned from a six days' cruise outside of the harbor, and was then engaged in coaling up, the Nashville steered for Bermuda, and, after successfully weathering a terrific gale of six days duration, which disabled one of her engines, reached her destination at two P. M. on the 20th ultimo, without having caught so much as a glimpse even of the eight vessels of war which had been expressly detailed by the Lincoln Government to effect her capture, and whose vigilance had been stimulated by the offer of $200,000 as prize-money for the "rebel" steamer.

Supplying herself with coal, the Nashville departed from Bermuda at eleven A. M. on the 24th ultimo, under the pilotage of the master of a Southern schooner which had run the blockade a few days before with a cargo of turpentine and rosin, and who expressed the fullest confidence in his ability to conduct the ship safely into port. On the 26th ultimo she encountered, on the margin of the Gulf Stream, the Yankee schooner Robert Gilfillan, Capt. Smith, bound from Philadelphia to St. Domingo with an assorted cargo of flour, pork, butter, cheese and other provisions. Removing from the schooner such of her cargo as was deemed valuable, and transferring her crew to the steamer as prisoners, the prize was fired, and in a few minutes completely destroyed.

About dawn on Friday morning the steamer reached the vicinity of her destined harbor, off which was espied a Yankee war steamer, apparently in watch of the approaching vessel. It was the crisis of the trip; and its perilous nature may be understood when it is known that the entire armament of the Nashville consisted of two rifled six-pounders, while that of her antagonist consisted of several formidable guns of immense calibre and range.

Nothing daunted, however, but with every energy wrought up to the highest pitch of determination, the gallant commander of the Nashville, displaying the "Stars and Stripes" at his masthead, and with it a signal flag, which, in the uncertain light of the morning, was well calculated to blind the Yankee commander as to the real character of the stranger, bore down his vessel to be steered boldly towards the blockading steamer. The manœuvre was promptly performed, and the Nashville was almost within musket range of the Yankee, but between her and the harbor, when Captain Pegram ordered the Stars and Stripes to be lowered, and in their stead the Stars and Bars of the Confederacy displayed at fore, main and peak. This defiant movement of the Nashville was almost immediately after responded to by the Yankee, who, as if now recognizing the "rebel" steamer, fired a volley after her and started, in rapid pursuit, firing as rapidly as the guns could be loaded and discharged; but the eager agitation of the Yankee gunners marred their aim, and the shots fell far wide of our noble steamer, which was then dashing onward under a full head of steam, and in a comparatively few minutes was safely within range of the protecting guns of Fort Macon, and beyond the range of her chagrined pursuer.

From Beaufort Captain Pegram and Paymaster R. Taylor, of the Nashville, proceeded to this city, from whence they started for Richmond in the nine o'clock train this morning.

My informant speaks in glowing terms of the kindness of the English people, who showered upon the crew and officers of the Nashville all manner of sympathetic attentions. As an instance of the good feeling of the English towards us, and of their confidence in our cause, it is related to me by an officer of the Nashville that £400,000 sterling—$2,000,000—was at one period advanced to the Nashville by a single English mercantile house. All classes are loud and earnest in their expression of sympathy for the confederacy, and of detestation of the "Yankee nation."

The ladies of England are especially prominent in their manifestations of favor and regard for the South, and are designated by my informant as the "fiercest secessionists" he ever saw. It was rumored in England, and the rumor confidently reported here by Captain Pegram, that the independence of the Confederacy would be first recognized, and that right speedily, by Bleglum.

The following is a list of the officers of the Nashville:—

Commander—R. P. Pegram.
Lieutenants—J. W. Bennett and W. C. Whittle.
Acting Master—J. H. Ingraham, Jr.
Paymaster—Richard Taylor.
Surgeon—J. L. Ancrum.
Midship