G. A. WEBB, Proprietor.
No. 42 CHARTRES STREET.

Terms of the Bee.

DAILY PAPER (one year in advance) $12.00
COUNTRY PAPER, semi-weekly, one year (in advance) 5.00
In all cases the subscriber must give one week's notice in writing before he can be allowed to discontinue.

The New Orleans Bee.

RATES OF ADVERTISING.
One Dollar for every TEN lines of each language, on the first insertion, and half that price for each subsequent one. No Advertisement to be charged less than one dollar in each language.
☞ Advertisements in two languages will be charged one dollar for every TEN lines for each language for each insertion.
☞ The proceeds of Annual Advertisements are limited to advertisements strictly within the line of their business, and in extent to one square every other day.

OFFICIAL PAPER OF THE STATE ..... NEW-ORLEANS, FRIDAY MORNING, NOVEMBER 21, 1851.

No 1618 Vol. X.—NEW-ORLEANS. Vol XXX—Whole No 6693.

The New-Orleans Daily Bee.

Official Journal of the State, General Council, First Municipality and Board of Liquidators.

Friday Morning, Nov. 21, 1851.

The Trial of Mr. Thrasher.

Our files of Havana papers failed to arrive yesterday, but we learn from a correspondence in the *Picayune*, that the trial of Mr. THRASHER took place on the 12th instant,—if that may be termed a trial which was from first to last an insulting mockery of justice. It appears that Mr. THRASHER was arrested on the 16th October, his papers seized, and himself incarcerated in close confinement, until the period assigned for the investigation of the charges against him. These seem to be little else than trumped up and baseless allegations, accusing him of the following high crimes and misdemeanors:

1. Hostility to the Government and perversion of facts in letters sent to American papers.
2. Illicit correspondence with the piratical organs, Delta, Picayune and Sun.
3. Frauds on the post-office, by getting letters directed from steamers.
4. Sending the so-called declaration of independence to New Orleans.
5. Having two letters in cypher, such as used by the pirates.

No proof, beyond the merest surmise and suspicion founded on trifles of utter insignificance, was adduced against the prisoner, and after the Court had questioned Mr. THRASHER without eliciting any reply that could be tortured into a confession of guilt, the prisoner was informed that his sentence was recorded and sent up for the approval of the Assessor and the Captain General, and was "*eight years at hard labor in Spain.*"

The correspondent of the *Picayune* concludes his account of this flagitious affair as follows:

This case, from first to last, has been carried on in direct and flagrant violation of all Spanish law. The Codigo de Comercio, article 19, says all foreigners, even not domiciliated, may employ themselves in trade, in accordance with rules laid down in treaties, and when such rules are not laid down, shall enjoy all the privileges and immunities which Spaniards enjoy in the country where the foreigner comes from. Article 22, of the Bando de buen Gobierno, says "no foreigner shall reside more than three months in the island without taking out a domiciliatory letter." Article 30, of the new regulations, says the domiciliatory letter is that which authorizes foreign subjects to reside more than three months, employing themselves in commerce or any other useful industry. Article 32 prescribes a fine of from fifty to one thousand dollars for delinquency in this matter. The letters of domicile expressly state that the letter is good for five years, and at the expiration of which time the foreigner must become naturalized or leave the island.

In September of last year the Government refused to allow Thrasher to edit a paper, because he owed no allegiance to the Queen, in direct violation of the *Codeo de Comercio*. In September of this year, they again infringed the same law, and probably upon the same grounds, although none were given.

They now claim him as a Spanish subject and try him by court-martial in time of peace and quiet, in direct violation of treaty stipulations and their own laws. He is condemned under proceedings, every step of which is illegal. They now demand clemency for him, will but a year ago was a foreign subject.

In short, every step has been an infraction of law, treaty and previous decisions. The Americans here hope that at last the supineness of our Government will be thrown off, and an example given for future guidance in similar cases.

We take it for granted that the Government of the United States will institute a searching scrutiny into all the circumstances of this dark transaction. If the statements set forth by the writer for the *Picayune*, be true—and in their minuteness and circumstantiality they bear the impress of fact—the case will be one of such flagrant grievance and tyrannous oppression towards an unoffending American citizen, as must provoke an immediate and imperative demand for atonement; and in default of that, a prompt and energetic retribution. If Mr. THRASHER has not forfeited his citizenship, he is entitled to the full protection of the American flag, and the whole nation will be wounded by the atrocious injustice of which he has been made a victim. We confidently anticipate from the Federal authorities such action as will vindicate the National dignity and assert the rights and immunities guaranteed to the citizens of the Republic, in whatever clime fortune or chance may have directed their steps.

LOUISIANA.—By a dispatch in the *Picayune*, we perceive that BORDELON's majority is 460, and Judge MOORE's 696. Bossier and DeSoto parishes not yet heard from.

☞ The Hon. H. S. FOOTE, Governor elect from Mississippi, accompanied by the Hon. JOHN D. FREEMAN, Representative elect from the third District of Mississippi, arrived at Mobile on Tuesday last, on their way to Washington. They were called upon by many of the citizens of Mobile.

☞ The Hon. J. W. L. CHILDERS, formerly Mayor of Mobile, died in that city on Tuesday last, after a protracted illness.

RISE IN THE TOMBECKBEE.—A despatch from Cahaba, states that news had been received there, by stage, from Gaineseville, up to Friday afternoon at 2 o'clock, that the Tombeckbee river had risen, at that point, two and a half feet, and that it was still rising, as a heavy rain was going on.

☞ We learn from our N. York exchanges, that on Sunday afternoon, J. Kearney Rogers, M. D., one of the most eminent surgeons in the United States, suddenly died at his residence in that city.

ADDITIONAL NEWS BY THE CAMBRIA.—We find in the Charleston papers some additional items of news transmitted by the Cambria. They are telegraphed from New York under date of the 14th.

NEW YORK, Nov. 14.

The Cambria arrived at Boston this morning, and her mails have gone South. Baring's Circular quotes American Stocks as inactive; U. S. Sixes of 1862, 100 1-2 a 103, Bonds of 1867 105 a 105 1-2. Coupon bonds, 1864, 111 a 112, &c. &c. &c.

The Socialists in England are furious against Kossuth, but are fearful to give expressions to their sentiments. The French are about to bombard Nabah in Morocco, on account of a refusal by the Emperor to compensate a French merchant for pillaged property.

The steamer Africa sustained but slight damage, and was to sail on the 8th. A free passage was offered to Kossuth on the steamer Washington and accepted. Her departure is deferred to the 14th, to allow Kossuth to attend the Polish and Hungarian ball on the 13th.

A compromise is expected between the French President and the majority of the Assembly. M Corbin has refused to accept the office of Minister of Justice. The President was about to make an appeal to the Assembly to hasten the Presidential election. De Joinville has withdrawn from the candidacy.

The new Ministry caused great dissatisfaction, and it is thought that a portion will retire before the meeting of the Assembly. The Minister of War has issued an address to the army, urging them to sustain the laws and repress rebellion.

Spain has sent a hundred pieces of artillery to Havana for armament of the forts along the coast of Cuba.

RUSSIA.—An extensive conspiracy has been detected among the nobility of St. Petersburg against the Emperor, and a number of the implicated have been arrested.

Kossuth's reception in London was of the most flattering character, his passage through the city being a continued triumph. A large crowd gathered about the Times' office, and burnt copies of that paper. Great preparations were making at Liverpool for his reception. An enthusiastic monster indignation meeting was held on the 31st in favor of Kossuth, and against the Times. Lord Dudley Stuart will deliver an address on the occasion of his reception.

NEW YORK, Nov. 14.

The President has instructed Judge Sharkey to proceed immediately to Havana, and demand the release or immediate trial of Mr. Thrasher as an American citizen, and the Spanish Minister has been informed of the character of Judge Sharkey's instructions.

☞ Lord Byron's sister, the Hon. Mrs. Lee, died lately in St. James Palace, London. She was the lady to whom Byron addressed the beautiful verse beginning

"Through the day of my destiny's over,"

LATER FROM CALIFORNIA.

Arrival of the Empire City.

NEARLY A MILLION IN GOLD.

The steamship *Empire City*, Captain Tanner, arrived yesterday from New York, via Havana, having sailed from the latter port on the 17th inst.

She brings nearly a million of gold, of which $400,000 in the hands of passengers, and the following amounts on freight: $32,000 Louisiana State Bank; $9,000 Adams & Co.; $3,400 Warneken & Kirchoff; $600 J. Waterman & Co., and $150 to W. H. Hutchins.

The steamship Philadelphia left Havana for Chagres on the 17th inst. The steamer Illinois sailed for New York on the 16th. On her outward passage she met with an accident, and for fear of detaining the mails and passengers, Captain Hartstein put in to Havana, and transferred them to the Georgia, which sailed immediately for New York.

Chagres is represented as being perfectly quiet. The Governor of New Granada had stationed one hundred soldiers in the Fort, with the view of preventing further disturbances.

The *Empire City* brings 585 passengers, and the California mails.

By this arrival, we are in receipt of our regular files of San Francisco papers to the 15th October. The intelligence, however, is not of any great importance. From the mining Districts, the accounts are generally good, and the yield of gold appears to be steadily on the increase.

SACRAMENTO AND VICINITY.—We copy from the Times and Transcript, the following extract from a letter dated Jackson, Calaveras county, October 4:

EXCITEMENT AT JACKSON.—Great excitement exists here just now, caused by the discovery of rich and extensive diggings in the immediate vicinity of this place.

About two months ago a company of twelve laid claim to a quartz lead, on a hill a mile and a half from Jackson, and have ever since been digging industriously in various parts of the hill. Some miners being led to believe that the company were not in pursuit of quartz, but had found rich placer diggings, went to work to sink a hole. The company came upon them armed with pistols, drove them off, and filled up their hole.

The party driven off went among the miners in the vicinity, represented the case, raised a strong party, and went on to the hill and took up claims. The news spread, and while I am now writing, hundreds are flocking to the spot and taking up claims. The diggings are very extensive, and said by those acquainted to resemble the rich diggings at Mokelumne Hill—It is further said, and generally believed, that the quartz company of twelve have already taken out large amounts from some half dozen holes.

Subsequently, the miners held a meeting and adopted resolutions dividing the lead into small claims, in accordance with the usages of the mining regions.

From the Union we take the following:

SUTTER MINING COMPANY.—The Sutter Quartz Mining Company, forty miles above Marysville, and near Feather river, are erecting the most extensive machinery of any company in the country. They have two engines of 45-horse power each, and weighing 7393 pounds, five mortars, weighing 1250 lbs. each; thirty stampers, weighing 500 lbs. each; cams weighing 120 lbs. each; boilers forty feet long and four feet in diameter. The machinery were formerly used on the Mississippi river.

A GIANT HAUL.—On Wednesday last Mr. Sayers took out $2281 at one pinful. This great haul was made at the Yankee Slide, near Grass Valley City, on the Middle Fork.

More discoveries have been made on the hill back of Georgetown.

The Colomia Dammig Company have suspended operations for the season, have made a total failure. We understand, however, they intend to prosecute the work next season.

MINING ITEM.—We find the following in the Marysville Herald:

A very rich lead of gold-bearing quartz has recently been struck at the head of Oregon Gulch, five miles from Long's Bar, on Feather River. It is said to be the richest in the country. Great excitement exists in that vicinity. People are leaving rich claims in the rivers to prospect and work it.

GOLD SPRING—NEVADA.—In the last few days some new and rich diggings have been discovered at Gold Spring. It is found that the river on the side of the mountain will pay from five to ten cents to the pan, from the surface to the bed rock. There is a company now engaged in bringing Hangtown creek along the side of the hill, by which means an abundant supply of water will be afforded.

The miners on the Middle Fork, from the place to Mormon Island, with a very few exceptions, have done well this season. At Missouri Bar, about five miles above Salmon Falls, on Thursday last, the Bedford Quartz Company got $500 at one pinful, and from four to five ounces is a frequent yield to the shovelful of dirt. A company, working at Salmon Falls, have averaged from seven to eight dollars per day for three months.

THE CONVENTION.—It at last appears to be agreed upon that the Convention of the Southern counties to consider the proper steps to be taken towards securing, if possible, a division of the State, shall assemble at Santa Barbara on the third Monday of October. The citizens of Los Angelos were to assemble on the 8th, to nominate delegates for the Convention. Other counties are taking the same step. A meeting was held at San Luis Obispo on the 4th October, at which delegates were chosen.

The Stockton Journal complains of an increase of stabbing cases, and a general disorderly time in that city and vicinity. It says:

Last Friday, three men were shot in the vicinity of Stockton; on Saturday evening, an attempt was made to shoot two men, without provocation; and the same night, a Mexican was most inhumanely butchered in a house in the outskirts of the city; and on Sunday morning, an attempt was made to shoot a gentleman, for no earthly reason that he could conceive of. We do not know that we have mentioned all the cases yet; but these we know of, for they are the subject of conversation by every body.

We glean the following additional items of interest from the same paper:

MINING NEWS.—From a private letter to a mercantile friend, we learn that the miners up in the vicinity of Mariposa, and particularly around Guadaloupe, are doing a rushing business in digging up the precious metals.

Two Mexicans, in counting up their receipts for two days labor, were somewhat astonished to find that they had a surplus of fifty ounces to divide between them. After making a fair distribution, one of them whispered his secret to another hombre, and the next day all three took out four ounces apiece.

Lumps weighing from three to ten ounces are very plenty in that neighborhood. All the diggers seem well satisfied with the result of their daily toil, and there is sufficient room for a few more.

GOLD NEWS.—A gentleman called on us yesterday and exhibited a letter from a friend of his in the mines, dated at Sandy Bar, or Yankee Slide. It gives a glowing account of the success of the mines in that region, and that some $30,000 per week is taken from the slide, and that it is not uncommon for a claim of 15 feet to yield from $1,000 to $2,500 per day.—Gray City, however, is represented as yielding very poorly. From every region we hear the most cheering news.—*San Francisco Courier.*

NAVAL.—The U. S. sloop-of-war Vincennes sailed from San Francisco on the 13th October, on a cruise to the southward and to the Sandwich Islands. The following is a list of her officers: Commander Wm L Hudson, Lieutenants Dominick Lynch, J N Barney, M C Perry, Jr, John Wilkinson; Purser, A Welch; Surgeon, E J Ruter; Lieutenant W S Boyd, commanding Marines; Assistant Surgeon S A Engley; Acting Master, C C Badger; Passed Midshipmen, W O Crain; Midshipmen, G D Hand, J C Sullivan; Commander's Clerk, J Hudson; Gunner, E Mask; Carpenter, W Leighton; Boatswain, W B Forrester; Sailmaker; T Tatem.

THE TIDE OF TRAVEL.—The San Francisco Courier has the following article on the subject of California emigration:

For the last month or two it has been evident to the most casual observer, that the departures from our port have largely exceeded the arrivals. This has been the case during the months of September and October since 1849, and it is but rational to expect it. Miners in the mountains or in the river beds, in anticipation of the winter season, leave their claims, and since the means of travelling to and from the Atlantic are becoming so cheap and speedy, they find that, during these months, they can make a visit home with little additional expense more than is necessary to keep them here. On the other hand, there is less immigration, for the good reason that the fall of the year is very correctly looked upon as a bad time in which to arrive here. We have conversed with many of those who have gone to the Atlantic during the past months, and nine out of ten have expressed their intention of returning again to California. Very many have gone to bring out their families, and in three or four months, the tide of travel will turn. There is every indication that the immigration to this State, next year, will exceed that of any previous one, as we are aware of arrangements making at the present time to bring a large number of persons over the plains.

At present there is a greater number of steamers and sail-craft up for Panama and other ports down the coast, than at any former time. Many persons design stopping at Acapulco and passing through Mexico, which is represented as a pleasant route to those who are not in particular haste.

OREGON.

The Pacific mail steamship Columbia arrived at San Francisco on the 14th ult., having left Oregon on the 12th October. She brought $64,000 in specie.

The most important news by this arrival is the particulars of a treaty concluded by Messrs. Parish, Spalding, and Dart, with the Indians on the Southern boundary of Oregon. The section of country purchased by this treaty, is said to be equal to the Willamette Valley. It is thought that the terms are such as to secure the peace of the Indians in future. We quote the following extract from the report of Anson Dart, concerning it.

"Treated with four bands of Indians who owned the country from near the southern boundary of Oregon on the Pacific ocean, to the Coquille river, which enters the ocean about 80 miles north of the southern boundary of this purchase; extending back from the coast more than 60 miles, making over two and a half millions of acres, all of which is represented as good farming lands; large tracts of which are very heavily timbered with white cedar of a large growth. There are many fine mill streams on this tract. The whole amount of this purchase is $28,500 payable in annuities, no part of which is to be paid in money. The Indians of this part of Oregon appear to have no knowledge of the value of money. They are highly pleased with the idea of receiving a large portion of the payment in clothing, being almost naked. No treaties have been made with the Indians of this country, where they seemed so well pleased with the trade with Government. The whole cost of this tract of country is less than one and a half cents per acre."

☞ The Oregon papers contain a full account of the unfortunate expedition of Mr. T'Vault and party, by which it was supposed that nine persons had been massacred by the Indians, but, as will be seen by later accounts below, only five persons were killed. The affair took place near the mouth of the Coquille river. The party were attempting to find a road from Port Orford to the mines. Mr. T'Vault is in Oregon City, and designs to fit out a new expedition immediately.

NEW AND IMPORTANT DISCOVERY OF GOLD MINES.—From parties, who have just returned from a tour of exploration, we learn that gold has been found near Saddle mountain, which is plainly seen from almost any point near the mouth of the Columbia river, it being about fifty miles south east of Astoria. These gentlemen report the quartz rock to be abundant in that region, as well as the black sand and other indications of gold. Several fine specimens were found and brought to Astoria by Mr. Pease, the sheriff of Clatsop county, and other gentlemen. We learn also that gold has been found north of Puget's sound, on the Coast Range, in several places, and that parties are now fitting out for the mining operations in that region.

Thus it appears that gold exists along the whole line of the Coast Range, from the Gila river, in South ern California, to Queen Charlotte's Island, north of the boundary line of Oregon. To what extent is yet unknown, as but few examinations have been made. The time is not far distant when this whole country will swarm with adventurers in eager pursuit of the glittering ore, of which California, in its palmiest days, will only be the prototype.—*Oregonian.*

China.

The ship *Heber* arrived at San Francisco on the 13th ult., in 57 days from Whampoa, bringing fifteen of the Hong Kong Gazette to the 20th August.

Steps are being taken by a Dr. McGowan to induce the Chinese to run an electric telegraph on the coast, for the facilitation of commerce.—He has published a book on the subject. The proposed termini of the telegraph are not mentioned.

We learn by the friend of China that the barque Trident arrived on the 18th of August, with a cargo of coals from Labuan.

This is the first of a series of vessels engaged by the Eastern Archipelago Company to transport the produce of their mines to Victoria.—And for several months to come importations of at least two hundred tons per month were expected.

The settlers in Labuan are reported to be in good health. The Trident took her cargo at Port Raffles, about ten miles from the seat of Government. The coal is found in large quantities, and of an excellent quality, about five feet below the surface of the sward, at no greater distance than a quarter of a mile from the sea beach. Some five hundred Malays are busily engaged in excavation, in loading the buffalo-drawn wagons, and in transporting to vessels requiring cargoes.

The papers are otherwise mostly filled with war news, detailing either the successes of the Imperialists or the Rebels.

Late from the Sandwich Islands.

By the arrival of the schooner Golden Rule, at San Francisco, 18 days from Honolulu, dates have been received up to Sept. 12.

The Island of Kahoolawe was on fire throughout its whole length, (14 miles) the shrubbery having been accidentally fired by some fishermen. It is uninhabited except by a few convicts.

ERUPTION OF THE VOLCANO.—We learn from a gentleman just returned from Hawaii, that the action in the crater on Manua Loa, commenced last week, has resulted in an extensive eruption of molten lava, which is flowing off in a southwest direction of about three miles in twenty-four hours. Its appearance from on board ship, at a distance of 60 or 70 miles, was sublime and grand beyond description. From the course taken by the stream it is thought it will reach the sea somewhere to the southward of Kealakekua.

Several gentlemen have left Honolulu to witness this wonderful eruption, which it is quite probable will continue to flow for several weeks to come.—*Polynesian.*

THE RIOT AT CHAGRES.

A few days since telegraphic despatches were received, announcing that another great riot had taken place at Chagres, in which several Americans were killed. The Panama *Star*, of the 29th ult., contains the following account of the affair:

On Sunday morning, through Gregory & Co's Express, sent forward with its usual despatch by Messrs. Evers & Waterman, from Chagres, we were placed in possession of the following authentic account of a most disgraceful and dangerous riot that occurred at Chagres on the 23d instant. We immediately placed the news before our readers in an extra.

On yesterday the Herald appeared containing a postscript, in which it is stated that from twenty to thirty Americans were killed and over one hundred natives. The authority for this statement is from passengers. We are quite confident that the intelligence we issued is as much more reliable and truthful account of the affair than the exaggerated stories told in the Herald.

It is sweet rumor that Gov. Diaz will leave here to day or to-morrow at the head of 100 of the National Guard, for the purpose of restoring peace and order at Chagres. We trust that he will succeed in any such endeavor.

CHAGRES, Oct. 24, 1851.

To the Editor of the Star:

The Boatmen's Club of Chagres have for some time past claimed the exclusive privilege (which was not recognized by the inhabitants) of taking passengers to and from American steamers. Some short time ago, they committed an outrage upon some natives, who infringed upon their arbitrary laws, and a few of the principals in the matter were arrested and given up to the Alcalde.

Some natives and a large number of blacks from San Domingo and Jamaica, carried passengers to and from the next steamer that arrived without molestation. This time, when the California came down the river a number of blacks, principally from San Domingo and Jamaica, brought their boats over to our side, and in an altercation with an American for crossing his boat, it was found that they were all armed.

They marched down the town and shot a man opposite the Consul's office. The Consul attempted to arrest the blacks and was fired at himself and obliged to retire within his office. The inhabitants, who were quite unprepared, shut their houses, and the blacks, after keeping possession for about an hour, retired to the other side of the river. Upon representation to the Alcalde, he stated that he was unable to prevent the St. Domingo and Jamaica negroes from committing outrages, they being too numerous for any force he had at his disposal, and that he would give authority to the people on this side to arrest the principals whenever they could.

The next morning (yesterday) the boats came over and ten men were appointed to arrest those who were active in the riot the day before—Those were fired on from the boats, and the fire was returned with interest. The negroes then manned the guns on the fort, and, after some time, when they had got the range of the houses, made some very respectable holes in them. A few of them were picked down with rifle balls from our side, but they did not stop firing until we got two cannon from the American steamer. Some arrangement has been made this morning with General Gonzales, but I can't say what it is.

POSTSCRIPT.

The arrangements with General Gonzales, the alcalde, and captain of the port, was that the guns of the castle should be spiked and all hostilities to cease. The Americans had the two guns mounted, and the balls red hot, to burn the town of Chagres. The natives, seeing this, were anxious to come to terms. It was said by General Gonzales that fourteen natives had been killed and about twenty wounded, some of them will die.

Some others are missing; perhaps twenty or twenty-five of the natives have been killed.—One American, who was eating on the Chagres side, was killed by the natives, and one wounded in the office of the United States Consul.—All the natives were moving up into the fort for safety. The principal execution by the Americans was done with rifles; they picked men from the guns at the Castle. At one time all the natives had left the guns, except two.

The natives destroyed some of the American boats that were lying on the Chagres side.—The passengers remained on board the steamers one day on account of the riot. The castle was taken by the natives from the commander by force. The Americans of Chagres are making up a purse to purchase ammunition, &c. It is well for the natives that the Americans had not more rifles.

THE UNITED STATES AND SPAIN.—The intelligent and well informed Washington correspondent of the Charleston Courier, writes as follows in relation to the negotiations now going on between Spain and the United States. It is difficult to believe that the Spanish Government can be in earnest in insisting on her foolish demands.

WASHINGTON, November 11.

I learn that dispatches of much interest from Mr. Barringer, our Minister to Spain, were yesterday received. Their purport has not transpired, but it is sufficiently well known that the Spanish Government has offered distinct terms on which they will release all the American prisoners. Something is known as to the present state of the negotiation between this Government and Mr. Calderon, the Spanish Minister. The obstacle to its conclusion is that Mr. Calderon is instructed to demand that the Spanish flag be saluted, at New Orleans, upon the arrival of the Spanish Consul at that city, with twenty-four guns. This is considered by our Government as inadmissible. If Mr. Calderon will make no other terms, nor accept such reparation as has been offered, the negotiation must come to a pause. Bent on war, Spain, it seems, insists that, as the insult was to the flag, satisfaction must be made by saluting the flag. The Consul's flag was taken from his office and torn to pieces. If it had been firing at the time, the indignity which it sustained would have been the greater.

The same individual is not to return as Consul. Our Government offers to receive the Spanish Consul who may be sent, with courtesy and respect; to disown the acts injurious to the late Consul and his flag, and to compensate him and the Spanish residents for the losses they incurred. If these terms are not the saying is, the negotiations can be closed, and friendly relations between the two countries restored.

I learn that by the Baltic, a letter has been received from Kossuth, addressed to the Secretary of State, in which I am understand, as to the tone and contents of the letter, it will be more some unpleasant impressions made upon the public mind, as to Kossuth's department and character.

The letter speaks in the most flattering strain of compliment of the officers of the Mississippi, and particularly of Capt Long Kossuth, while he speaks his comrades on our shores, and commends them to our hospitality, expressed his regret at the loss of the glorious opportunity to come to the United States in the same ship which this Government had sent for him, and in which he had embarked. He says that it was necessary for him to visit England and therefore he had left the Mississippi, but that he will, after a while, come to the United States, and spend two or three months here.

Ex Senator Benton left this city for Missouri, last evening, and will not return till next autumn, when he will resume and finish his book.

WASHINGTON, Nov. 12.

There is some foundation for the belief that Don N. Calderon de la Barca, the Spanish Minister, intends to ask his passports if his demands be not fully complied with. He has probably stated, in conversation with some of his friends, that he expects to be obliged to go home. His instructions are to leave, and also to withdraw all the Spanish Consuls from parts of the United States, in the event of the refusal of this government to comply with the demands of Spain. Everything, and even more, than Spain requires has been tendered to her, except in one matter—the salute required, upon the reinstatement of the Spanish consular flag. The matter stands now just as it has for several days. The President has the papers before him and has given no final decision on the matter. Official interviews and notes between Mr. Webster and Mr. Calderon have occurred. Mr. Webster having made all the overtures that he has to make on his part, and having refused to comply with the demand for the salute.

In our intercourse with Tartary, pagan, we have required the same thing as Spain in demands of us. In the case of Mr. Carr, Consul at Tripoli, who had met with some insulting treatment from the Captain of the Port, it was required that, when he should be arrested, the flag should be saluted. She was done, and immediately after that ceremony, the Tripolitan flag was saluted from an American ship-of-war. But in that case the offender was committed by a public officer who was, in consequence of it, deprived of his command by the Bey. In the New Orleans case, the Spanish Consul's office was assailed by an irresponsible mob. He sustained no injury from any federal or local authority. No officer is, at all events, amenable in this government for the outrages that were committed. For this reason there would be no propriety in directing a national salute to the Spanish Consular flag. The insult was not national, and therefore it requires no national atonement. All that the government can properly do is to denounce the act, and compensate the parties for any losses they sustained. This will undoubtedly be the judgment of the country.

If pain is mad enough to seek in this demand, a pretext for war, then this is a serious matter. But this can scarcely be the fact. It may be some days yet before a solution is found of this diplomatic difficulty, but the best informed and most judicious persons here think that it will be settled.

FREE BANKING.—The character of this system which is destined to engage the early attention of the Legislature, is well set forth in the following article taken from a late number of the New York *Express*—

"This system dispenses with all chartering, or express grants of power from the State. Any citizen or company of citizens may establish a Bank, by complying with the legal requirements, being upon all. Each Bank is responsible for its own management, and required to fill none but its own voluntary obligations. Capital may be invested in one to any extent which experience shall prove profitable, and the amount increased or reduced, as circumstances shall render available.

Banking is placed on the same footing with other avocations, and subjected to the same incidents of profit and loss, capacity or incapacity. Those who understand it and prosecute it according to sound principles, do well by it, those who mismanage or neglect their business are pretty certain to lose by it, as in every thing else. The State does not make itself in any manner responsible for the Banks, and will not borrow money to sustain, or pass suspension acts to favor them. What it does is simply to require of each Bank ample and available security deposited in its own vaults, under the care of its chosen officers, for the whole amount of each Bank's circulating notes; and to make this secure, it allows no bills to be issued until examined and countersigned by one of its officers, who by his signature attests that public securities adequate to such notes' redemption, have been deposited with the State, and cannot be withdrawn until the notes shall have been redeemed and cancelled.

Of course the Bank may be broken by incompetency or roguery in its management—but the holder of its bills is nevertheless secure of the payment generally of the whole, and at all events of very nearly the face of the notes. He hears that the Bank has stopped, with unconcern—for he knows that the wherewithal to redeem the bill he holds is in the custody of the State's proper officer, and is sacredly pledged to such redemption. His loss at the worst can hardly amount to six cents on the dollar—and several banks established under this system have broken and wound up, yet redeemed all their notes at one hundred cents on the dollar.

Such is the Banking system on which the currency of New York rests securely now, in spite of the premature prediction of its ruin. It may not be perfect in its details, but its fundamental principles are sound, and will abide any test to which they may be subjected. Adversity may try, but cannot subvert them, and will rather serve to show how errors of detail may be corrected, and the system rendered still more secure and beneficent.

THE GREAT EXHIBITION AND RAILROAD TRAFFIC.—In a business point of view, the impetus given to railway traffic in England by the great Exhibition, has been one of the most striking results. Prior to the Exhibition there was, during the present year, an increase in the receipts of the eight metropolitan lines of £156,027, or 9.05 per cent, over the same period of 1850. The increase of other lines in the United Kingdom up to that time was £3o5,904, or 14.39 per cent. During the twenty-three weeks of the Exhibition the increase in the metropolis lines was 28 per cent, in the other lines only 8.42. The total increase on railways in the United Kingdom for seventeen weeks ending 3d May, was £461,941; for the twenty-three weeks of the Exhibition, ending on October 11, it was £1,107,180, of which £321,863 was on the metropolitan lines, and only £785,317 on all the others. The rate of increase, as exhibited by the first seventeen weeks of the year, if continued through the twenty-three weeks of the Exhibition, would have been only £264,360; but, since the actual amount received during the twenty-three weeks exceeded that amount by £557,483, it is fair to conclude that this latter sum represents the amount received by the metropolitan railways in consequence of the Exhibition. The aggregate traffic of all the railways in the United Kingdom, from January 1st to October 11th, exceeds that received during the same period last year by £1,861,614, and is nearly three millions greater than during the same period of 1849.

NAVAL GUNNERY.—The London Times in the course of some reflections on the treatise of Naval Gunnery of Sir Howard Douglas, says that no important alteration is made in foreign armaments, no new species of ordnance is introduced, but its nature is studiously examined and its efficiency tested at Portsmouth. The late Industrial Exhibition attracted several specimens of both large and small arms, of "most formidable appearance, and of awful alleged destructiveness." Of the former, the iron rifled cannon, to be loaded at the breech, for the purpose of firing cylindro conical and cylindro-conoidal shot, invented by Major Cavalli, a Sicilian, and Baron Wahrendorff, a Swede, attracted most attention. Sir Howard Douglas gives the results of experiments made last year to test the comparative merits of these and the ordinary British 32-pounder gun. In respect of range the former had greatly the advantage at a high elevation.

"At the efficient service elevation of five degrees, with charges of 8lb., the ranges, and also the deflections of the different projectiles, were nearly equal to one another, and the like is true with charges of 10lb. At elevations of 10 degrees the ranges of the foreign guns exceed those of the English 32 pounder with charges of 8lb., by 340 yards; and with charges of 10lb by 690 yards; and at elevations of 15 degrees the excess was with charges of 8lb. about 790 yards; and with charges of 10 lb. about 1,000 yards. The deviations were always in the direction of the rotation of the projectiles; but they were so variable in amount, that no allowance could be made for them in laying the gun with respect to the object.

"It must be admitted that the Wahrendorff gun has considerable advantage in respect of range over the English 32-pounder at a high elevation; but it ought to be observed that the practice is in that case very uncertain. Such guns cannot enter into the armament of shipping-war, but they may be used with advantage for flanking defences in casemates, or in coast batteries for firing at objects at great distances."

There is no novelty in cannon being loaded at the breech. The Chinese artillery is so constructed; and in Europe there are many old pieces—well authenticated specimens of a fabric in that respect similar. And the same is doubtless true in respect to small arms. But says the New York *Journal of Commerce*, we cannot agree with the London Times that, therefore, Colt's revolvers "are only an old invention reproduced," though it may be, as that paper states, that "in the United Service Museum a visitor may see, in a petronal of the time of Charles I, a revolving circular breech containing six chambers with one barrel, which by the action of the hammer, cause the circular breech to revolve sufficiently to bring the axis of the next chamber into the axis of the barrel of the pistol. Thus the pistol may be fired six times, without other motion than cocking the lock and raising the pan." It may be true that the idea of a revolver had been so adequately conceived as the above description would imply; but it is quite obvious that the weapon had no existence as a practical invention till Mr. Colt constructed and brought it into use. And the distinction contended for by Sir Howard Douglas, which would represent it as adapted rather to the defence of individuals than to the naval and military services—rather useful to the traveler in savage countries—than to the soldier in regular warfare—is entirely unfounded, and an argument in disparagement of the most destructive and altogether efficient weapon of all known small-arms. The want of candor exhibited in this instance tends to weaken confidence in the author's comments on other foreign inventions.

But the most remarkable argument ever brought into a discussion of this nature, is that advanced by the London Times against the adoption of the *Zundnadelgewehr*, or *needle gun*, recently introduced into the Prussian army, and which has been used successfully in actual fight. After an expression of distrust because of its complicated and delicate internal structure, that journal cape the climax of its condemnation thus:—

"This weapon is loaded at the breech, from which, after protracted firing, an imperfect escape of gas takes place, not only in the face of the firing party, but to an extent annoying to the left-hand neighbors.

Surely the writer must be a descendant of that perfumed lord, who made the gallant Hotspur

"Mad
To see him shine so brisk, and smell so sweet,
And talk so like a waiting-gentlewoman,
Of guns and drums and wounds,—O villainous smell!"

The Prussian rifle possesses a most extraordinary range. A good marksman using it, is nearly sure of his aim at 800 yards, while at 1,000 it will do effective execution against a body of troops. It is claimed for it that it will drive artillerists from their guns; but Sir Howard Douglas doubts its efficiency to that end.

He thinks that special care shot would prove an overpowering antagonist of infantry, acting in swarms en *tirailleur*, disseminated throughout the battle held in the manner in which it is proposed to employ infantry armed with long-range rifle-muskets.

The French are said to be experimenting with a new weapon of naval warfare, called *boulets asphaltants*, because they develope a deleterious gas which immediately suffocates all human beings within the sphere of their agency.

ANOTHER HUMBUG.—The New York correspondent of the Charleston Courier writes that another humbug has been started under the name of the "Merchant's Protective Association." This seems to have been gotten up by a set of gentlemen, whose names are not to be found in "*The Directory*," with the exception of one or two. This Protective Association distributes diplomas to all those who they can catch in their trap. Their idea is that they issue these diplomas and send them over the United States, stating that by the payment of ten dollars, a membership for two years can be obtained.

This diploma purports to give the members a standing and credit among the merchants of New York and other places. Now, there really is no harm in this, but it is a system of levying black mail upon the unguarded in this way. A gentleman is told that unless he joins this association, if he comes to New York, these men will black ball him; and generally speaking, a man just starting in business does not like to face such a feature. But by the payment of $10 this diploma is issued to him, and he sails under the guidance of this Protective Association. Now, I have taken some pains to ferret this matter to the bottom, and I have found it. On the 7th day of July, it seems, this Association was formed. Upon the 9th day of July, the diploma, which I have in my possession, was sent to a gentleman in Chillicothe, Illinois, was dated, and numbered 3780. This certainly looks like a pretty fair 5 mens for two days with an unfledged Association. How many of these 3780 responded with their ten dollars I am not able to say. But in a few days thereafter I found in the post office that a letter had been paid for postage in one day upon diplomas. A few days ago, being in a store of some importance in this city, a gentleman walked in, an entire stranger to my man in the house, asked to look at some goods, and informed the proprietor that he wished to buy for "part cash and part upon the credit of eight months."—The gentleman very frankly told him that he was a stranger to him and would like to have some reference; whereupon Hoosier, as he was from the Hoosier State, lugs out his diploma, for which he had paid ten dollars, and said—"There, you cannot refuse a man who holds one of these! I suppose, can you?" My friend, the merchant answered, that it would take something better than a ten dollar diploma to pass his face in this market. Now, this thing the country ought to know, and therefore I have detailed the facts.

LORD PALMERSTON AND THE NEAPOLITAN GOVERNMENT.—PRINCE CASTELCICALA, the Neapolitan Minister in London, has addressed a letter to Lord PALMERSTON, accompanied by a pamphlet reply to Mr. GLADSTONE, which the Prince requests Lord PALMERSTON will distribute among the British diplomacy abroad, as he took pains to do with Mr. G.'s pamphlet. Lord PALMERSTON rejoins, that he cannot comply with the request, inasmuch as the letters do no credit to the writer, or the Government which they support; and concludes by saying:—

"It might have been hoped that the Neapolitan Government would have received those (Gladstone's) letters in the spirit in which they manifestly were written, and would have set to work earnestly and effectually to correct those manifold and grave abuses to which their attention has thus been drawn. It is obvious that, by such a course, the Neapolitan Government would do more to frustrate the designs of revolutionists, and to strengthen the monarchical institutions of their country, than could be effected by the most rigorous proceedings of the most vigilant Minister of the Police. But the Government of Naples will be much mistaken if it imagines that a pamphlet, consisting of a flimsy tissue of bare assertions and mere denials, prized up with coarse ribaldry and commonplace abuse of public men and political parties, will accomplish any useful purpose or render any real service to the Government on whose behalf it appears to have been written. And I must take leave to observe that there are admissions, direct and indirect, in Mr. McFarlane's pamphlet, which go far to establish the consciousness which he professes an injunction to overthrow.

"PALMERSTON."

MR. PEABODY'S DINNER TO EXHIBITORS.—Mr. Geo Peabody, the eminent American merchant in London, gave a splendid entert