OBSERVER.
FAYETTEVILLE.
THURSDAY EVENING, FEBRUARY 12, 1863.

THE FINANCIAL POLICY OF THE STATE.—We need scarcely invite the public attention to the following able and interesting letter of Chief Justice Pearson on the above and kindred subjects:—

RICHMOND HILL, Feb 3d, 1863.

Editors of Observer:—I have read with attention the facts and suggestions stated by your correspondent in reply to the brief remarks made by me in a letter to the Senior Editor, in reference to the measure authorizing the issue of $1,500,000 State notes. It seems to me that the view taken by him is not sufficiently comprehensive. Of what moment is it that State notes command a small premium? a difference to be attributed to the fact, not that State notes are good, but Confederate notes are worse, which very difference will tend further to depreciate the latter? As long as State bonds can be disposed of at par for Confederate notes, the State will lose nothing; so a necessity to prevent loss cannot be urged as a ground for striking this indirect blow at the credit of Confederate notes. Your correspondent does not assail the broad position, "Let the States issue treasury notes, and Congress continue to issue Confederate notes, and as a matter of course, a general bankruptcy must follow." The magnitude of the evil of a depreciated currency, cannot be over estimated. Even now there is no standard of value; hence the extortion and speculation of which such loud complaints are made by the people. How is the war to be carried on? At the present depreciation, the Confederate States expend $5,000,000 to purchase army supplies that ought to be procured for $1,000,000. Let the depreciation go on, it will take 10 millions—20 millions 40 millions to buy the worth of one million. Depreciation, like a stone falling, increases its momentum in geometrical proportion. Such was the case in the revolutionary war. The Confederate States must issue notes as long as they have any credit, even should it take one hundred dollars to buy a pound of powder; and considering the tremendous proportions of this war, if it is to be carried on with a depreciated currency, who can estimate the accumulated amount of the public debt?

The danger should be met *in limine*, and discarding all temporary expedients, a blow should be struck at the root of the evil. *The credit of the Confederate States must be maintained.* I am pleased to see that the authorities at Richmond fully appreciate the importance of this subject; and I believe it is fully appreciated by the people also, and have no doubt if it is deemed necessary, in the wisdom of Congress, in order to support public credit and carry on the war (which since the policy of emancipation has been adopted by our enemy has become a war not merely for independence but for our existence,) the people will cheerfully submit to a tax of *one-fifth* of their annual productions and income of every kind. Many now pay that amount indirectly, as the price of food and other necessaries of life; but it goes into the hands of extortioners and speculators, and every good citizen will be easily convinced that it is better to pay the amount to the government, and thereby enable it to remove the cause of the evil. When England was fighting France and most of the other powers of Europe, her people submitted to a war tax of four shillings in the pound. It was enough for them to know that their country called for the sacrifice.

Another source of supply, "particular loans," that is, borrowing on bonds or other security not to circulate as money, has been tried; but I fear from the solicitude to obtain the endorsements of the States, it is nearly exhausted; at all events, it can only be relied on to a limited extent. The remaining source "general loans," that is borrowing from the public by notes "to bearer," to circulate as currency, is the most important, and its efficiency depends on maintaining public credit. The question is, ought the State to adopt any measure which will cripple this resource by interfering with its full exercise? I put my objection to the issuing of notes by the State, on two broad grounds:

1st. Only a given amount of notes can be suspended in circulation. The amount varies. In stirring times, like the present, it is much larger than in times of quiet; still, it is a fixed rule of trade that only a given amount can be suspended in circulation, and if it be exceeded, depreciation follows as a matter of course, like the deposite in a supersaturated fluid. So, admitting the point of saturation to have been reached, it is clear that every note put in circulation by a State excludes its amount of Confederate notes, or causes depreciation *pro tanto*, and thus cripples this resource of the Confederate States. I appeal to history in support of this conclusion. No one can read the 4th vol of Marshall's Life of Washington, and not be convinced that the emission of notes by the respective States was one of the principal causes of the depreciation of Continental money. "In 1780 Congress earnestly recommended to the States to suspend the future emission, and take measures to call out of circulation the paper already issued by them, as it produced general depreciation; this recommendation was unheeded." (Marshall 212.) Depreciation, notwithstanding the temporary expedients resorted to, affected State, as well as Continental money; and would, in all human probability, have proved fatal to the revolution, but for the timely aid of France, both *in money* and men. In framing the Constitution of the U. S., our ancestors endeavored to profit by their bitter experience. Full power is conferred on Congress "to borrow money on the credit of the U. S." This power it is conceded embraces both particular loans and general loans; but in regard to the States, while the power to borrow money by particular loans is not interfered with, there is a prohibition against general loans, or issuing notes "to bearer" to circulate as money. "No State shall emit bills of credit." This prohibition is manifestly made for the reason that the emission of bills of credit would cripple that resource of the general gov't which is principally to be relied on in emergencies. The same full power to Congress, and the same prohibition in regard to the States is contained in the Constitution of the Confederate States. Is not its wisdom fully proved by the condition of our currency? Does not the reason now apply with full force, and should it not be observed, not simply as the dictate of sound policy, but as "*the supreme law of the land.*"

Or, if we suppose this prohibition not to apply so as to forbid the States from issuing notes to circulate as money, still it must be conceded the soundness of that conclusion is questioned by many, who attribute it to "a necessity," in the outset of a war of "gigantic proportions," for which neither the States nor the Confederate States were prepared. This necessity having in a great measure passed away, as the Confederate States bear the expenses of the war, is it not the part of wisdom for the States to refrain from the exercise of a doubtful power which obviously interferes with an undoubted power of the Confederate States, the unrestricted exercise of which is indispensable in order to raise funds to carry on the war.

It is said, State bonds will cripple the resources of the Confederate States by diminishing the number of lenders. That may be true to some extent, but there will be a counteracting benefit to a larger extent. By taking Confederate notes for bonds, credit is given to them; and their use for the purposes of the State will increase the capacity for holding them in circulation, and thus a larger amount may be issued, without danger of depreciation.

If the States depart from their peculiar sphere, there is reason to apprehend that the Confederate States will do so likewise. When one body in a system leaves its place, it is apt, by the laws of attraction or repulsion, to disturb some other body of the system. The heavenly system is so arranged by the laws of its Creator, that each body is forced to revolve in its own peculiar sphere; hence all is harmony.

Our political system is the work of man. It harmonizes in theory, but in practice, if the States disregard a prohibition, that act may lead to usurpation of power by the Confederate States in order to counteract the effect. In plain words, it is already suggested that to force up the credit of Confederate notes, and drive State notes out of circulation, Congress should make Confederate notes a legal tender! The supposed power of Congress to interfere with the private concerns of the citizens of the States, and to impair the obligation of contracts by the wholesale, is deduced by this course of reasoning: "There is an express prohibition that no State shall make any thing a legal tender but gold or silver, or pass any law impairing the obligation of contracts. There is no such prohibition as to Congress—therefore, Congress has the power"!!—leaving out of view the fundamental principle that Congress has no power that is not conferred by the Constitution; hence, no prohibition was necessary: whereas the States have all legislative powers except such as are prohibited; hence as to the States, a prohibition was necessary. "Where there is a will, there is a way." The human mind is so constituted, that if convinced a certain measure is necessary to attain a great good, or avert a great evil, it can with facility make suggestions and draw conclusions so as to persuade the judgment to overrule or disregard any obstacle that may be in the way. This is particularly the case when passion is aroused, by the fact that some unwarranted act of others has caused the good to be less easily attained, or the evil less easily averted. So I was not surprised to learn that the emission of such large amounts of State notes is made the ground on which Congress, as a matter of necessity, and in order to preserve unimpaired its exclusive power to issue notes to circulate as money, is urged to make such notes a legal tender, in order to force up their credit and drive State notes out of circulation; although in calm moments, when there is no such disturbing cause, every one's conscience will tell him that, apart from all constitutional provisions, such an interference with the private rights of the citizen is a plain violation of every principle of moral law and of natural justice. In an emergency, for instance, when an army is in the country, my goods may be impressed, or my house destroyed, for the public safety, but the principle does not extend so as to give power to deprive A of his debt, and discharge B of its payment, for the collateral purpose of sustaining the credit of a depreciated currency. In England's greatest trial, 1797, when every one believed the safety of the nation depended on maintaining the credit of the Bank of England, Mr. Pitt did not attempt to make the notes of the Bank a legal tender in payment of debts; but was content with the provision that no creditor should have the right of holding his debtor to bail, and thereby compel "an appearance," without which there could be no judgment, if the debtor had tendered payment in the notes of the Bank; and this power was put on the ground of a suspension of *the remedy*, which did not affect *the right*. (Miller's Hist. Eng., cont. Hume & Smollet, pages 421—699.) Strange as may seem the proposition that Congress has power to discharge a debt, either qualifiedly by stopping interest, or absolutely by the extinction of principal and interest, upon a tender of Confederate notes, and that not merely of debts hereafter to be contracted, but of existing debts contracted before the Confederate States had a political existence; yet the proposition has been announced, and there may be reason to fear that many will be able to *persuade themselves* that it is right, and not inconsistent with the Constitution; particularly if passion be roused by the emission of large amounts of State notes, to which, with too much truth, will be attributed the depreciation of Confederate notes, and the consequent inability of the Confederate States to avail itself of its resources to the fullest extent.

These are the reflections of one who is in a great measure removed from the agitations of the day, but is viewing with deep solicitude every event which may influence the fate of our country; and who cherishes the hope that the wisdom of her statesmen may equal the valor of her troops.

Yours, &c. R. M. PEARSON.

HISTORICAL.—The interesting nature of the facts, not less than the high character of the writer, induces us to give more space than usual to a communication in these war times, on the condition of North Carolina anterior to and at the adoption of the Constitution of the United States. The writer, in a private note, suggests that we might embody the substance of his article in an Editorial paragraph, but we prefer to give it in extenso, as he has written and compiled it, not that we think it at all sustains—even if that were the author's intention—a right of secession, (which, though really the same in effect as revolution, has in party controversies acquired a technical meaning different from it;) but because it does show that just previous to the adoption of the Constitution in 1788, North Carolina was an isolated and independent State. This is not the time, as we have heretofore said, to enter upon a discussion of either the correctness of President Davis's assumption in regard to secession, or of the magnanimity of its introduction at this juncture. We give all that the go-by while the war lasts and while it is the great duty of every one, from the President down, to give every thought and energy to its successful prosecution. For the present at least, and in reference to our own Confederacy, we may well assent to the poet's proposition:—

"For forms of government let fools contest:
That which is best administered is best."

A SHOWER BATH.—After the unbounded rejoicings over the signal naval victory at Charleston,—the certain sinking of one of the yankee ships and probable sinking of two others,—it is very like a shower bath, a wet blanket, or any other shock of the nerves, to find that the sinking was only in the sanguine imaginations of our friends, and that all the yankee ships are safe, though somewhat damaged, in harbor at Port Royal.

Truly is it hard to get the truth in these times.

GUARANTEE OF CONFEDERATE BONDS.—The South Carolina Legislature at its session in December agreed to guarantee its proportion of $200,000,000 of the Confederate debt. At its present adjourned session it repealed that law and passed another to guarantee its proportion of $500,000,000, that proportion amounting to $34,482,758 62, according to the representation of that State in the House of Representatives of the Confederate Congress, omitting the States of Missouri and Kentucky in the calculation.

MAGISTRATES.—The Winston Sentinel controverts some statements which it imagines that we made about the Magistrates of Forsyth county. We made no statement about that or any other county. A member of the Legislature made a statement as to his own county and upon that we took occasion to give expression to our disapprobation of allowing politics to influence judicial appointments. The Sentinel can settle the local question with its member. But it is very evident that the 52 magistrates appointed for Forsyth were *not* appointed "to cheat the Confederate Government out of soldiers," by assigning "men enough in one county for a respectable company of troops to a position outside of the Conscript Law." For before appointing Magistrates it was agreed to appoint none liable to conscription. We have no doubt its idea that 52 were appointed so as to make a majority of traitors on the bench is equally unfounded. But it will make a pleasant item for the Richmond Enquirer to serve up for the encouragement of the yankees.

It is proper to remark that the other States to which we have referred formed their "State troops," "State line" or "Reserves" out of persons not subject to the Conscription.—*Wil. Journal.*

We suppose that this is intended to create the impression, at least by implication, that North Carolina is the only State which *has* sought to form Reserves from persons subject to conscription. If so, there is a singular ignorance prevailing in the War Department at Richmond, whose head lately advertised in Florida papers that persons "subject to the Conscription" must volunteer in companies to be raised and kept in Florida for home defence, *or* be conscribed into the Confederate service. It may seem queer to the Journal, but it is our opinion that about a matter of this sort the War Department is likely to have more accurate information than itself. We believe there is no doubt that Georgia is enrolling conscripts, and has already placed them in service. The Georgia papers ought to know, and they printed the law lately passed authorizing the State troops and have already mentioned its practical results. How many men between 18 and 45 there are in the State forces of Virginia, South Carolina and other States we cannot tell, but we should like to have the question settled. Probably some of our representatives at Richmond might obtain the information by resolutions of inquiry.

We make these remarks, now as heretofore, only in defence of our State from unjust imputations. In other respects we have had no share in all the turmoil about the Ten Regiments, mainly created by an impudent meddler in another and half yankee State. We share in the councils of neither the Confederate nor the State authorities. Sometimes we do not think either altogether free from error in matters connected with the conduct of the war. But we have no means of knowing upon what information their action is based. Shall we denounce them? By no means. We yield cordial support and generous confidence to the Richmond authorities. We think it right to do the same by our Governor and Legislature, who are as truly patriotic and quite as much entitled to our respect as the President and Congress.

CONGRESS.—The only thing of interest on Monday was the passage by the House of a bill abolishing flogging in the army.

On Tuesday, the bill changing the exemption law was defeated.

THE RALEIGH MAIL.—The contractors write to us in explanation of the late arrivals of the stage from Raleigh that "the roads are so bad, it is almost impossible to get over or through them at all. We are constantly having to prize out wheels sunk below the centre."

GENERAL ASSEMBLY OF NORTH CAROLINA.

The Raleigh papers, received very late to-day, bring us the proceedings on Monday evening and Tuesday.

In the Senate on Monday evening, bills and resolutions were passed: in relation to *habeas corpus;* authorizing a Special Court in Randolph; in regard to Statute of Limitations; increasing Governor's salary to $5000 and Treasurer's chief clerk to $1500; in favor of E. M. Wellborne; incorporating Yadkin Valley and Western Railroad; increasing salaries of Adj. Gen's clerks to $1000.

On Tuesday, bills and resolutions were passed: in favor of John Rosemond,—W. W. Happer, L. W. Kornegay, and of the Clerks and Doorkeepers ($100 to former, $50 to latter.) A bill to punish aiders and abettors of treason was rejected 16 to 12. Cases of that sort, it was said, should not have cognizance in the State Courts, as, belonging legitimately to the Confederate Courts, an accused person would be subject to two indictments for the same offence.

In the Commons, on Monday night, bills and resolutions were passed, amending an act relative to common schools; for relief of families of deceased soldiers, and providing for a roll of honor; an engrossed bill from the Senate, authorizing courts to be held elsewhere than the county seat (the C. H. having been destroyed by the enemy;) a bill from the Senate amending the Revised Code relative to the writ of habeas corpus. This last gave rise to considerable discussion, Messrs. Fowle and Grissom for, and Messrs. Person and Shepherd against the bill.

On Tuesday, bills and resolutions were passed: in favor of Doorkeepers and clerks; of John Spelman ($13 50 for printing;) concerning Bladen Sheriffs and securities; to amend charter of Asheville; in favor of Capt W. W. Clements' Cavalry Company; bill to amend an act of the present session to prevent the distillation of spiritous liquors. To prevent slaves from trading in spiritous liquors. A bill chartering the Greenville (S. C.) and French Broad railroad was rejected after much discussion.

On Tuesday afternoon, bills and resolutions were passed: protesting against seizure of A. & N. C. R. R. iron by C. States; to regulate sale of liquor in Bladen; incorporating Orphan's Educational Board; and some private bills.

The Legislature adjourns this afternoon at 4 o'clock.

CORRESPONDENCE OF THE FAYETTEVILLE OBSERVER.

RALEIGH, Feb'y 11.

Business has been hurried through this week, but among the many bills laid on the table there were but few which would not have been so disposed of weeks ago had the calendar in regular order been taken up, as there were a number of bills on Extortion, &c., which were also summarily disposed of in one report from the Committee on Extortion. There is not now upon the file of the House of Commons a single bill not acted upon.

To-day, in the House, a couple of bills on Extortion were tabled; some other little matters attended to; a bill supplementary to the act entitled Revenue—makes arrangements for holding courts to appoint assessors &c. The squabble concerning the Revenue Bill was decided by the adoption of a system of taxing slaves, that "each slave shall be taxed according to his individual value as assessed by the same assessors who assess the value of the land." This is simple plain ad valorem. Much is due to the industry of Mr. Shepherd for his untiring exertions in bringing this bill to proper shape and attending to the many duties of Chairman of the Committee of Finance. In fact I may with truth say that no member of the House has been more attentive to business and more earnestly endeavored to serve the interests of the whole State as well as those of his constituents than he.

The greater part of the session of the House was taken up in discussing a county bill from the west.

The Senate rejected the bill to create the North Carolina Iron Works Company, yeas 10, nays 17. Before the vote was taken on it an amendment was agreed to giving the privileges that the bill conveyed "also to the Sapona Iron Works Company."

Why will not the many moneyed men of Fayetteville take up the thing themselves? There is not a well managed Iron Works in the South which is not making at least from 200 to 300 per cent. profit.

No other business of importance was transacted in that body.

Both Houses hold sessions to night, but they will be short as the House has no business to do.

THE INSANE ASYLUM.—Dr. Fisher reports to the Board that there were on Nov. 3, 1862, (the date of his report printed by the Legislature,) 195 patients under his care. Of these 112 are males, and 83 females. Two years ago there were 179 patients, of whom 89 have been discharged, viz: 88 recovered, 6 much improved, 22 not improved, and 23 died. The institution is now full, many having been reluctantly refused admission, and in the male departments operations are necessarily restricted to treatment of those already in the Asylum and such others as may seek admission according to priority of date for vacancies occuring.

There have been 506 patients since the organization of the Asylum; 480 from North Carolina, 13 from Virginia, 3 from S. C., 4 from Alabama, 1 each from Georgia, Mississippi, California, Tennessee, Texas and Florida. Among the patients now under treatment 4 are insane in consequence of "the war," and 1 a victim of the John Brown raid.

The expenditures for 1861 were $38,336 70, and in 1862 $45,459 32. The receipts in 1861, $40,629 86; in 1862 $46,586 80. $64,500 of the receipts are from the State; the remainder from pay patients.

COMMON SCHOOLS.—Mr. Wiley reports that returns were made him in 1862 from 65 counties in whole or in part. From these returns he makes the following summary of the more important statistics:—

Financial.—The receipts reported in sixty counties—(and these include balances from former years)—amounted to $220,312 99. The disbursements in these counties were $117,924 50; and the amount on hand $104,336 46.

General Statistics.—The whole number of children reported in 46 counties was, males 57,157, females 54,890; males and females together 6,755—in all, 118,802. The whole number of districts reported in 58 counties was 2,621. The number of children who were reported as attending school in 57 counties, was 52,018, of whom 29,122 were males and 22,838 were females, and 58, sexes not distinguished. The number of licenses granted to teachers and reported to me was 1,233; of which 962 were to males and 271 to females; the number of schools reported was 1,556, and the average length of the schools was 2 and 4-5 months. Schools were held in a number of counties from which I have not received reports. I feel warranted in asserting that the whole number of children who attended the Common Schools of the State could not have been less than *sixty-five to seventy thousand.*

WORK FOR THE RICHMOND ENQUIRER.—This Richmond organ has so far failed to avail itself of an opportunity to grind out a new tune on "a plot" to destroy the Confederacy, to bring on a collision between a State and the Confederate authorities, &c. &c. It rung the changes on these imaginations of its own when a proposition was before our Legislature to raise a State force, but somehow it has ignored the proceedings of the South Carolina Legislature, where, on the 4th inst., it was formally proposed to retain for a still longer period, the eight regiments of Reserves which have been actually in the State service for three months past, the regiments to elect their own field officers, &c. This horrible proposition was only defeated by a majority of 5 in the South Carolina Senate. And yet the Enquirer is silent!

And while this is going on in the South Carolina Legislature, one of its wiseacres, doubtless deceived by the Enquirer's imputations against North Carolina, is announcing in a speech in that body that he "is slow to believe that the State of North Carolina is under the control of a party adverse to the government." The member will be wise neither to be slow nor fast to believe it. It is false.

From the Coast.—A soldier at Fort Caswell writes on the 6th inst:—

"Old Fort Caswell is still living under the Confederate flag, and our boys are in fine spirits wishing to meet the enemy at all times. In fact we are very well prepared to meet them as they have given us ample time to fix for them. Four blockaders are lying off in sight of the Fort."

MARRIED.

At Fort Fisher, on the 1st ult., by the Rev. B. F. Jessup, Mr. ALEXANDER THOUS, a native of France, to Miss NARCISSA CRAIG, of New Hanover county, N. C.

January 5th, 1863, in Louisa county, Va., at Cherry Grove, (the residence of the lady's father,) by the Rev. Mr. Turner, Mr. W. C. ELAM, of the Ashland Artillery, to Miss D. A., eldest daughter of Chas. Travis Poindexter, Esq.

In Montgomery county, 27th ult., by N. McInis, Esq., Mr. J. C. CHANCY to Miss YARY HOGAN, daughter of James and Charity Hogan, all of Montgomery Co.

In Wilmington, 10th inst., by Rev. Mr. McQueen, Col. WM. J. MARTIN, of Hillsboro', to LETITIA, daughter of Mr. Miles Costin of Wilmington.

LATEST WAR NEWS.

Port Hudson.—PORT HUDSON, Feb. 10.—Information has just been received from the pickets that a portion of Sibley's command encountered the enemy at Indian Village to-day routing him after a severe fight. The enemy admit a loss of one thousand in killed, wounded and missing.

Positive information from Baton Rouge has been received that an Irish Brigade and negro Regiment have been sent below. Total force of the enemy there is 19,000. Deserters are continually arriving here.

Skirmish in Virginia.—RICHMOND, Feb. 11.—The Lynchburg Republican of yesterday says that a rather severe fight took place at the Rappahannock bridge, in Culpeper county, on Friday last, between a portion of Hampton's cavalry and a body of abolitionists, who had been sent to destroy the bridge. The vandals partially succeeded in their design, but before it was fully executed our men came upon them, and, after a hot fight, drove them off, with the loss of four killed, some eighteen or twenty wounded, and thirteen prisoners. Our loss was one killed, seven wounded and two missing. The enemy was pursued some miles from the river, but so rapid was their flight, that but little damage was done them on the retreat; nearly their whole loss being sustained in the fight at the bridge.—*Examiner.*

From Fredericksburg.—FREDERICKSBURG, Feb'y 10.—The sounds from the enemy's lines have, in a measure, subsided, and the arc of fire which hitherto by night has denoted the locality of their camps has almost disappeared. The Yankee army has certainly been in motion during the past few days, but evidently not with the intention of an attack in front, though their batteries on the opposite bank have exhibited an unusual number of guns, and the hills have bristled with more bayonets of regiments on drill than heretofore have been visible. Yesterday morning nearly a brigade formed on the lawn in front of the Chatham House, and filed down the hillside almost within a stone's throw of our men, who, attracted by the sight, gathered in groups on the banks of the river, and gazed defiantly at the mercenary host.

Your correspondent is of the opinion that these demonstrations are made for the purpose of concealing movements in some other direction. Not that it is believed the enemy have any design to change their base of operations, for the extensive wharves at Acquia Creek, warehouses along the line of railway, and extraordinary hospital accommodations, all indicate their present point of occupation as permanent, and the centre from which will radiate their assaulting parties.

Cor. Rich'd Examiner.

CHARLESTON, Feb. 10.—The impression prevails here that the enemy will attack Savannah before Charleston, but the military authorities differ in their opinions.

Exciting events may soon be looked for from Savannah, according to private information.

The new ironsides dissappeared yesterday from the blockading squadron. It is believed she has gone to join the grand armada.

Bragg and his Generals.—We learn from an unquestionable source, that on the arrival of Gen. Bragg at Tullahoma, he addressed a circular letter to his Generals, in which he desired to know if there was any foundation for the rumor prevailing, that there was dissatisfaction and a want of confidence in him, existing in the army? All the Generals with the exception of Withers and Cheatham replied in the affirmative, stating that such was the case, and that it would be to the interest of the service if Gen. Bragg would ask to be relieved.

It is further stated that none but Generals Polk, Withers and Cheatham concurred in the proposition to retreat from Murfreesboro', all the other Generals not only being opposed to it, but the majority of them were not even consulted on this point. General Withers in his statement in this regard was therefore entirely mistaken.—*Chas. Courier.*

Deserters.—Two deserters are under sentence for Military execution in General Walker's district, in this department. We hope there will be no occasion for repeating such examples.—*Charleston Courier.*

DEATHS OF SOLDIERS.—Jan'y 1st, in the hospital at Scottville, Va., from the effects of a wound received in the Fredericksburg battle on the 13th of Dec. James A. Houston, Co. A., 57th Reg't, in the 32d year of his age, a citizen of Rowan county.

Near Gordonsville, Va., 18th November Mr. Allen E. McDonald, in the 26th year of his age, of Capt Kelly's Co., 35th Reg't, and was in the battle at Newbern, below Richmond, Malvern Hill, Reduction of Harper's Ferry and Sharpsburg.

At Danville Va., 14th ult., Mr. Dan'l C. McDonald, in the 20th year of his age, a member of Capt. Horne's company, 33 Reg't and was in the battle of Sharpsburg.

Killed in the battle of Fredericksburg, Va., William R. McKay, of Co. D, 61st Ga. Vol's, a native of Richmond county, N. C.

In Richmond, 1st instant, Capt. W. Washington Chenault, of the 49th Reg't N. C. Vols., aged 25 years.

At the hospital in Raleigh about the 10th of September, 1862, of Measles, Joseph W. Emerson, of Chatham county, in the 25th year of his age, a private in Capt. White's company, 56th Regiment.

At the Chimborazo Hospital, Richmond, Jan. 16th, Jesse M. Watkins, private of company B, 1st regiment.

In the battle of Fredericksburg, December 13th, Mr. Jesse Lippard, private in company C, 48th regiment.

In Chimboraza hospital, 14th December, Wm. A. Collins, in the 22d year of his age, a volunteer in company C, 48th regiment.

At Garysburg, Dec. 9th, of Pneumonia, Joshua Horn, of Co. C, 63d Reg't, aged 26.

At Chimborazo Hospital, Richmond, Jan'y 16th, Jesse M. Watkins, of Co. B, 1st Reg't.

In Wilmington, 27th ult., David F. Croom, aged 21, of Capt. Taylor's Co., stationed near Wilmington.

In Transylvania county, Jan'y 20th, A. R. Lyon, aged 20, of Co. E, 25th Reg't.

On the battle field near Fredericksburg, 13th Dec'r, Serg't J. W. Luther, a native of Randolph county, N. C., aged 26 years and 5 months, of Co. L, 22d Reg't.

Co. E, 61st Reg't, has adopted resolutions of respect for the following members who have died, viz:

Serg't Major Hill, who fell on the battle field at Kinston, December 14th, J. J. Wadsworth, who died in the Hospital at Greenville, Moses Spivey, at the Wilson Hospital, R. L. Suggs, at the Raleigh Hospital, E. P. Rutledge, and R. M. Moore, in the Hospital at Goldsboro.

FOR THE OBSERVER.

At the Hospital in Staunton, Va., on the 7th December last, Alexander C. McMillan, of Robeson county, aged about 27, a member of Co. C, 7th Reg't. He had been ill for near three months, at Winchester and Staunton, of fever, erisypelas and chronic diarahœa. The physician who attended him in his last moments writes to his afflicted family, that "he was conscious that life was fast ebbing out, but as a follower of the meek and lowly Saviour he bore his afflictions with much fortitude. He spoke of death as gain." He leaves a wife and two small children to mourn their irreparable loss.

FOR THE OBSERVER.

In the General Hospital at Wilmington, on the 28th September 1862, Nathan T. Edge, in the 28th year of his age. He was a member of the Bladen Artillery, and a resident of Bladen county, N. C. The deceased leaves a mother and two sisters and a large circle of friends and relatives to mourn his untimely death. He was a consistent member of the Methodist Church. Precious in the sight of the Lord are the death of his Saints.

A SOLDIER.

FOR THE OBSERVER.
TRIBUTE OF RESPECT.

At a meeting of Co. I, 31st N. C. Reg't, Capt. J. A. D. McKay was called to the Chair, and Lt. Wm. Pearson requested to act as Secretary.

On motion, Allen B. Parker, Wm A. Dewar and R. D. Lanier were appointed a Committee, who reported the following preamble and resolutions which were unanimously adopted:

Whereas, It has pleased Almighty God in His infinite wisdom, to remove from our Company, by death, our friends and comrades-in-arms, Lt. Wm. O. Tutor and private David W. Johnson, who departed this life on 28th and 29th ult., therefore be it

Resolved, That in this dispensation of Providence, the Confederate States service has lost two brave, devoted and faithful soldiers, and Co. I, of the 31st N. C. Reg't, an efficient officer and one of its best members, who were among the first to tender their services to resist the power and tyranny of Abraham Lincoln.

Resolved, That while we mourn the loss of our friends, who, by their faithfulness and zeal, had won the confidence and esteem of their fellow soldiers, we acknowledge the hand of an All-Wise Being, and bow in submission to his decree.

Resolved, That we extend our sympathy to the bereaved parents and relatives of our late comrades, in this their hour of grief.

Resolved, That a copy of these Resolutions be sent to the parents of each, and to the Fayetteville Observer, and N. C. Presbyterian for publication, and that the Raleigh papers be requested to copy.

ALLEN B. PARKER,
WM. A. DEWAR, Com.
R. D. LANIER,
J. A. D. McKAY, Ch'mn.

WM. PEARSON, Sec'y.
CAMP WHITING, N. C., Feb. 6.

FOR THE OBSERVER.

CAMP COOKE, HOLLY SHELTER SWAMP, NEW HANOVER, N. C., Feb'y 5, 1863.

Messrs. Hale:—Permit me through the columns of the Observer, to return for the members of my company, their grateful acknowledgments for the following contributions: 52 quilts from Ladies' Soldiers' Aid Society, Asheboro'; 5 carpet blankets, Mrs Dr J M Worth; 2 fine woolen counterpanes, Mrs Frank Hoover; 2 comforts, Mrs Nancy Hoover; 2 prs woolen socks, Mrs Dr Colton; 2 prs woolen socks, Mrs Hugh McCain, Sr; 1 pr woolen socks, Miss Emma A Keerans; $5 cash; 7 prs shoes, Dr J M Worth.

Many of the Company, for the want of sufficient clothing, have passed scarcely a night since the battle of Sharpsburg, without being compelled to get up frequently to warm themselves by the fire. All are now comfortably supplied. I hope the consciousness of having relieved from this inconvenience those who have made and are still making untold sacrifices for the cause, and who, after the duties of the day, that they may be prepared for the next, require uninterrupted rest during the night, will afford a gratification to our kind and liberal friends that will repay the trouble they have taken in contributing to our comfort.

Respectfully, A. C. McALISTER,
Capt. Co. F, 46th N. C. Reg't.

DIED,

At Laurinburgh, on the 6th inst., in the 70th year of her age, Mrs. NANCY MIDDLETON, consort of James Middleton, Esq. The deceased had been a consistent member of the Presbyterian Church for 43 years. This estimable lady was distinguished for kindness, hospitality, and for that charity which "suffereth long and is kind." PASTOR.

In Chatham county, suddenly, supposed to be of disease of the heart, on the 26th ult., JAHAZA ATWATER, in the 53d year of his age.

On Friday, the 6th inst., at his residence in Greensboro', Wm. HENRY CUMMINGS, in the 64th year of his age.

In Columbus county, Feb'y 7th, Mrs. MARY MEARS, at the advanced age of 87 years.

FAYETTEVILLE MARKET.—Feb. 12.

REVIEW OF THE MARKET.

Bacon—Old 55 to 60, new 45 to 50. Lard 40.
Beef 20 to 25 by the side; 15 to 25 at retail.
Butter 75 to $1.
Beeswax 60.
Chickens 35 to 50.
Copperas 1 25 to 1 50.
Cotton 18 to 20 cts.
Cotton Yarn $3 to $4 per bunch.
Dried Fruit—Apples 5c. per lb.; peaches 12½. Green Apples $5 per bushel.
Eggs 35 to 40 per dozen.
Flour—Several small lots on market to-day; brought $8 to $8 75 for super.
Forage—Fodder $3 per hundred; Hay $2. Shucks $2.
Flaxseed 2 50 to 2 75 per bushel.
Grain—Corn 3 50. Wheat $5 to 5 50. Rye 3 50 to $4. Oats 2 25. Peas 3 50.
Hides—Green 50, dry $1.
Iron—Swedes 50.
Leather—Sole $3 per lb., Upper 3 50.
Liquors—Corn Whiskey $20 per gallon; Apple Brandy $18; Peach Brandy $18.
Molasses—N O $6 per gallon.
Nails—$1 per lb. at retail.
Pork 38 to 40.
Potatoes—Irish 4 50 to $6; Sweet 2 25.
Rice, 12½ by the cask.
Sugar retailing at 75 to $1.
Salt 20 to 25 cts per lb.
Fayetteville Sheetings, 36 to 60 cts. Osnaburgs 40 to 60 cts.
Spirits Turpentine 40 to 50 cts. per gallon.
Tallow 60. Wool 1 50 to 1 75.
Corrected by PEMBERTON & SLOAN.

WILMINGTON MARKET, Feb. 11.

The market is very poorly supplied with provisions of all kinds, the supply here being barely sufficient for present demand, and prices rule very high.

Beef cattle 25 to 30. Bacon, new 55 to 60. Butter $1 to $1 25. Corn 2 75 to $3. Flour, super $34 to $35. Lard 45 to 50. Molasses $6 to $8. Sweet Potatoes $3 50 to $4. Pork 37½ to 40. Pea Nuts $6 50 to 7. Salt $6 to $8. Sugar 70 to 75 by hhd. Fayetteville Factory sheetings 60 to 65. Tallow 65 to 70. Wood $10 to $15. Yarn $6 to $7.

Your Country is calling you!

HAVING been detailed on recruiting service for a few days, I am authorized to announce the partial suspension of the operation of Conscript law, so as to permit Conscripts and others so disposed to volunteer in Companies to suit themselves. Thus by volunteering you will all avoid being forced into the Conscript camp. I am anxious to receive recruits for Capt. J. R. Murchison's company from Cumberland county, or if desired, I will receive any who wish to join any other companies in this command. To those who wish to avoid being forced into the war, I make an earnest appeal to them to come forward, volunteer like true-hearted patriots in the cause of their country, to aid in driving back the invading foe entirely from our soil.

I shall be happy to meet any who feel disposed to volunteer at the following times and place:

In Harnett, at Alexander Morison's, Feb'y 14th.
" " " " " 21st.
" " " " " 28th.

D. A. PATTERSON,
Lieut. Co. E, 8th Reg't N. C. T.
Feb'y 11, 1863. 2-3tpd

Fayetteville Water Works.

THE citizens of the town of Fayetteville will be furnished with Water at the following rates, the payments in every instance to be made semi-annually in advance. Mr. Wm. Brown, my Agent, will be around in a day or two to collect the bills now due.

TERMS.

For Hotels, $30 to $60;
Livery and Hotel Stables, $15;
Bar Rooms and Eating Houses, $15;
Banks, $15;
Private Boarding Houses, $15;
Dwelling Houses, $8 to $12;
Stores and Shops, $6 to $8;
Drug Stores, $10;
Barbers' Shops, $10;
Lawyers and Doctors' Offices, $5.

Wagoners from the country, and all transient persons, are privileged to use the water gratis.

JOHN W. BAKER, Jr.,
Sup't Fayetteville Water Works.
Feb'y 11, 1863. 2-4t

300 Negroes Wanted.

THE Undersigned desire to hire Three Hundred hands to work on the grading of the Chatham Railroad.

The line runs through a healthy country, on a high ridge, and all hands employed on the road will be well fed and cared for. We will hire either by the month or the year. Apply to us at Cary, 8 miles west of Raleigh, or at Haywood, or Lockville, Chatham county, N. C. I. N. CLEGG & CO., Contractors.

References: K. P. Battle, Pres't Chatham R. R. Company, Raleigh, and W. J. Hawkins, Pres't Raleigh & Gaston R. R. Company, Raleigh.

Feb'y 10, 1863. [R. S.] 2-19t

A BEAUTIFUL SITUATION.

I OFFER my Plantation for sale, containing 323 Acres, situated on the north side of Lower Little River, Eight miles south-east of Carthage in Moore county. The said Land is well adapted to the cultivation of all kinds of produce. A part of the cleared land is fresh and in a high state of cultivation. A comfortable Dwelling house, with all necessary out houses in good repair.

Any person wishing to buy can see me on the premises, or address me at Reedy Branch, Moore county, N. C. ANGUS McNEILL.

Feb. 11. 2-4tpd

25 Negro Men wanted,

TO work on the W. C. and R. Railroad, grading near Rockingham—safe from the enemy and healthy.

Address the subscriber at Elizabethtown, Bladen county, N. C.

H. H. ROBINSON.
Feb'y 10, 1863. 2-4t

PLOWS! PLOWS!!

NO. 10 Plow Casting for sale at the Eagle Foundry, by D. ANDERSON.
Jan. 19. 95-itf

AVON E. HALL,
Forwarding & Commission Merchant.

WILL give quick despatch to goods consigned to him. Particular attention given to all produce sent him for sale. Consignments of Naval Stores, for sale or shipment, solicited.
[illegible]

Single copies of the Observer can be procured by non-subscribers, at the Bookstore. Price 5 cents.

Executor's Sale of Real and Personal Estate.

THE Undersigned, Executors of the last Will and Testament of Rhodes N. Herndon, late of the County of Granville, and State of North Carolina, deceased, will, on the 17th day of MARCH next, at the Court House door in the town of Oxford, sell to the highest bidder, for cash, the REAL ESTATE, NEGROES and PERISHABLE PROPERTY belonging to the Estate of the said deceased in said County of Granville. Said real estate consists of a Grist Mill and premises, several tracts of Land lying within a convenient distance of said town, and the following property in said town, to-wit: the Hotel, known as the Oxford Hotel; one or two Store houses, several vacant lots eligibly situated, and three or four other lots improved, having thereon neat and comfortable Dwelling houses, out houses, &c. The mill is about three fourths of a mile from said town and is of great value. It grinds both wheat and corn, and manufactures a very superior article of flour, and the custom to it is full and steady. The Hotel is situated in the centre of the town just opposite the Court House, and is capable of accommodating a large number of guests. It has been long established and liberally patronized, and is widely and favorably known. Amongst the improved lots, attention is especially invited to the one on which the deceased resided. It contains about fifteen or twenty acres, and has on it one of the most elegant and commodious mansions in the State, together with all necessary outhouses, which are conveniently arranged, and are, as are also the other improvements about the grounds, in a style corresponding with that of the mansion house. There is also on the place a fine orchard, and in every respect the situation is an exceedingly desirable one. Of the tracts of land, the one known as the HESTER plantation, is deemed to be particularly valuable. It is six miles from the town of Oxford, and contains about nine hundred acres, of which nearly one-half, (mostly fresh land) is in cultivation, and the residue is in original forest. The soil is good and well adapted to the production of corn, wheat and tobacco. There is on the plantation a good dwelling house, with all such barns, stables, negro houses, and other outbuildings as are necessary and suitable, and also a large apple and peach orchard.

The negroes are about sixty in number, and amongst them are some valuable house-servants, seamstresses, field hands, mechanics, and also an experienced miller.

The perishable property consists of stock of different kinds, household and kitchen furniture, wagons and gear, farming utensils, corn, flour, bacon, and a great variety of things too tedious to mention.

Should the weather be too bad on the day above designated, the sale will take place on the next fair day thereafter, and, when commenced, will be continued from day to day till completed.

Further particulars will be made known on the day of sale, and can be obtained in the meantime, by application to the undersigned, or to any one of them.

JOHN R. HERNDON,
D. C. HERNDON, Executors.
H. C. HERNDON,
Oxford, N. C., Feb. 10, 1863. [R. S.] 2-4t

LAND AT AUCTION.

I WILL offer for sale at Auction, on Tuesday Feb'y 3d, at the Market House, at 12 o'clock.

640 Acres of LAND,

lying on the River 2 miles below town, belonging to T. J. Robinson. 80 acres are cleared and under cultivation.

This tract contains about 200 acres of excellent Swamp Land, and 150 acres of sand hill, well timbered; the remainder, next to the River, is adapted to the growth of corn and the cultivation of grass.

Any one desiring to purchase can get further information by applying to the owner or to the subscriber.

C. E. LEETE, Auct'r.
Jan'y 6. 92-ts

LAND AT AUCTION.

WILL be sold on TUESDAY, 3d February next, at the Market House, at 12 o'clock, Two Tracts of Land on Carver's Creek, known as the King and Bolton lands.

The King tract contains 640 acres, the Bolton tract contains 1050 acres.

The above lands adjoin the lands of J. P. McLean, M. J. Buie and others.

There is a Saw and Grist Mill on the Bolton tract.

Persons desiring to purchase can do so privately by calling on C. E. LEETE, Auct'r.
Jan'y 7. 92-ts

The above sales were postponed until Saturday next, the 14th inst., at 12 o'clock, at the Market House.

C. E. LEETE, Auct'r.
Feb'y 8. 1-2t

FARM FOR SALE.

I WISH to sell about 430 Acres of LAND, situated on the East side of the Big Swamp, in Bladen County, half a mile below Maysville, and three miles from the Cape Fear River. There are about 125 Acres of this Land which is cleared and ready for cultivation; there is also a good House upon it, suitable for the accommodation of quite a large family, and the necessary out houses. The balance of the Land is well timbered with Pine, Oak, Gum, &c. No better range for cattle or hogs can be found in this section of country. For further particulars address me at Elizabethtown, or D. M. Foyles, Wilmington, or Jas. O. Barry, at Fayetteville.

J. T. NURNEY.

If the above Land is not sold before the 2d of March, it will be offered at public auction, at the Court House in Fayetteville.

Feb'y 2. 99-i8tpd

ATTENTION, CONSCRIPTS!
Recruits Wanted for the Defence of North Carolina.

BY order of Major Gen. G. W. Smith, Commanding the Army in North Carolina, the subscriber and others have been detailed to recruit men to fill up the ranks of this army in order that the threatened invasion of the State may be repelled. The Conscription Law is suspended so far as to enable any persons who wish to volunteer now to do so by volunteering with the subscriber and join any company they wish, that is, any company now in service under command of Gen. Smith, whose headquarters are now Goldsboro'.

The bounty $100 in my company, will be paid so soon as mustered into service, and all Conscripts volunteering will avoid the necessity of going through the Camp of Instruction. All persons absent from their companies without leave, or who have deserted, will report themselves to me at once. All who report themselves promptly are promised a full pardon, except as to forfeiture of pay. It is hoped this appeal will not be disregarded.

North Carolina is threatened with invasion—the army needs the services of every man liable to military duty. May I not hope that they will respond promptly and thus secure to all that they hold dear on earth, ample means of defence.

I may be found in Fayetteville at the Fayetteville Hotel on Saturday, 14th inst.

JOHN K. RAY,
Lieut. and Recruiting Officer, Murchison's Cavalry.
Feb'y 8, 1863. 1-2tpd

To the Justices of the Peace.

THE Justices of the Peace of the County of Cumberland are earnestly requested to attend an adjourned meeting at the Court House on Friday next, the 13th inst., at 11 A. M. DAVID McNEILL.
Feb'y 6, 1863. 1-2t

WANTED.

100 BBLS. sour Scuppernong Wine. Those having it for sale will inform me, the quantity and price.

T. S. LUTTERLOH.
Feb'y 9, 1863. 1-2t

NOTICE TO THE PUBLIC!

I HAVE no partner nor any Agent authorised to purchase goods for me. ROBERT HILL.
Corner of Bank and 11th Streets, Richmond, Va.
Jan'y 29, 1862. 1200-3tpd

A Mule came to my stable on Sunday night last. The owner is requested to come and pay charges and take him away. Apply to Mrs. OTTARBURG, at the Wagon Yard.
Feb'y 4, 1863. 1202-2tpd

EAGLE FOUNDRY.

THE undersigned is now prepared to make all kinds of Casting, DRY SAND, GREEN SAND, and LOOM WORK, BLOWING CYLINDERS, CAULDRONS, KETTLES, &c., of all sizes and shapes, particularly *RAIL ROAD WHEELS.* Having experienced workmen in the manufacture of Wheels, and being convenient to the Coal and Iron Mines, I am prepared to manufacture Wheels which I will warrant not to crack and equal to the Whitney wheel, or any in the Southern Confederacy. I am also prepared to make Chilled Tires for driving wheels, either solid or hollow.

Rail Road Companies from any part of the Southern Confederacy can be supplied by sending their orders. These wheels can be shipped to Wilmington, from thence to any part of the Confederacy.

DAVID ANDERSON.
Jan. 19. 95-itf