

COMMUNICATIONS.

FOR THE OBSERVER.

OUR FINANCES—No. 1. We learn officially from the President's Message and accompanying documents, that the national debt in all its forms amounts to a thousand millions of dollars, the outstanding treasury notes to less than five hundred millions, and the real and personal property within our military lines, at its specie value, to four thousand millions.

The treasury notes have depreciated in value, till they are quoted at thirty for one, and they are practically still lower. This is so far below their real value as to be absurd. For suppose a tax of only one-half of one per cent. on its specie value to be laid on the whole amount of real and personal property within our lines, payable in specie, or in treasury notes at their current value in specie. The property amounting to four thousand millions, the tax would amount to twenty millions in specie, or in treasury notes at their current value of thirty for one, to six hundred millions, which is more than the whole amount of them in circulation.

It may be safely assumed that one hundred millions in treasury notes may be kept in hand by circulation. It is only necessary therefore to absorb the remainder, which by our proposition is less than four hundred millions. It is said officially to be made less, and one hundred and fifty or two hundred millions is generally assumed as the amount which may be kept in actual circulation.

It is true that this calculation is affected by the fact that the treasury notes paid in for State taxes would not be cancelled, but only temporarily withdrawn from circulation. But this is overbalanced by the fact that the tax for one year is compared with the outstanding issues of four preceding years. So that we might well hope that the actual result of such a tax would be to raise the treasury notes before the close of the first year to a value higher than five to one.

OUR FINANCES—No. 2. Under our present system of finance, we pay the vast expenditures of the government in treasury notes at their absurdly depreciated market value; while we bid ourselves to redeem the notes in specie at their full nominal value.

Let all subjects of taxation be assessed at their specie value, and the taxes payable in specie, or treasury notes at their current value.

Let the treasury notes be fungible at their current value, and the interest of the bonds in which they are funded, payable in specie or in treasury notes at their current value.

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depend on the proportion between its amount and the means provided and practicable for its redemption. But upon the depreciation of the treasury notes each addition to the debt would still be limited to the specie value of the thing paid for. And the depreciation of the notes, instead of gathering momentum, like a falling weight, as it does now, would by a self-adjusting operation of the proposed system, have a tendency to work its own cure; for the more they depreciated the more of them would be absorbed in the payment of the taxes, and the more of them would be redeemed by the specie available to the government for their redemption; while it would be in the power of the holders of the notes at any time to arrest the loss to themselves by funding the notes. On the other hand a rise in the value of the notes after their first expenditure, although it would cause a proportionate loss to the government, would indicate such increased confidence in the wealth, strength and prosperity of the nation as would always make such a loss a cause of rejoicing.

OUR FINANCES—No. 3. In the two preceding numbers a system of finance has been briefly advocated, by which the government would make all its payments at the specie value of the things paid for, paying either specie or treasury notes at their current value in specie, while taxes would be assessed on the specie value of property, and paid in specie or treasury notes at their current value when paid in, and treasury notes would be redeemable in specie, or fungible at their current value when redeemed or funded.

If it be asked how such a system could be harmoniously adapted and applied to the present state of the currency, I confess that such a task would require wiser heads than mine, and skill in the arts of finance to which I have no claim. But by way of suggestion to those wiser heads I will mention some of the thoughts which have occurred to me on this subject.

If, as has been argued, the collection of a tax in the mode proposed would cause a rapid rise in the current value of the treasury notes, it would seem best, while providing for the earliest collection of such a tax, to retain the present schedule prices, pay, &c. till the appreciation of the treasury notes made it cheaper to pay the specie price in treasury notes at their current value; and then to apply the proposed system to payments, paying for every item at its specie value, in specie or treasury notes at their current value.

As to the bonds, notes, &c. already issued payable in specie at their full nominal value, however little the government may have received for them, we cannot now change the terms of the contract, or refuse to carry it out to the letter, except from an insupportable necessity which knows no law.

A government having a system of finance like the one here proposed, the ruling principle of which is that it would confide the national debt to the specie value of the items for which it would be incurred, could not be easily made bankrupt by war. For, if we except the hire of foreign mercenaries, and the purchase of foreign munitions and supplies, from which we are, perhaps happily, almost entirely excluded, war, even when waged with the unparalleled magnitude and energy of this one, can only consume the surplus of the country. It cannot consume the land, which with the solid improvements on it is the great wealth of the nation. It must leave labor enough at home to cultivate the land, and provide a support for both the home population and the army; and of the products of that labor it must leave untouched all that is necessary to maintain the home population. If it attempts to take more of it out of its own veins.

Since war then can consume only the surplus labor and productions of the country, it is hard to see how a four, or even eight years' war could, with a sound system of finance, accumulate upon us a national debt that would be beyond the easy reach of our resources, or approach in magnitude to the whole amount of our property. And if such a result is threatened under our present system of finance, the forecast calculations brought together in these numbers indicate that it can be avoided either in the manner proposed, or in some wiser and better manner.

FOR THE OBSERVER. At a regular meeting of Rocky River Lodge No. 159, in the Lodge room on the third Saturday evening in Dec. A. D. 1864, on motion, the W. M. announced the death of our much esteemed brother, J. J. Beard, Co. G, 26th Reg't N.C.

Resolved, 24. That we deeply sympathize with his parents and relations. Resolved, 25. That we wear the usual badge of mourning for thirty days. Resolved, 26. That a copy of these resolutions be sent to his father, and a copy be forwarded to the Fayetteville Observer, for publication. Dr. JAS. S. KIRKMAN, Chm'n Com.

Confederate Tax Notice.

WILL attend with the Assessors at the office of A. M. Campbell, from Wednesday January 4th to Saturday January 21st 1865, to receive the Confederate Taxes due January 1st 1865, to-wit: Specific Tax (for Loans); Tax on Income, Profits and Salaries; Additional Tax on Profits made by buying and selling at any time between Jan'y 1st 1863 and Jan'y 1st 1865; Additional Tax on Profits exceeding twenty-five per cent made during the year 1864 by any corporation or joint stock company.

WILD PROJECTS.

When in any crisis of a nation's fate men are seen to lose their heads, and to look all round them in wild alarm, it is a proof that they at least are subdued; if the mass of their countrymen had not more presence of mind than they have, the doom of all would be at hand. We seem to have some such frightened counsellors in the Confederacy at this moment, and their will anteriorly grate and jar dreadfully upon the generally calm and resolute tone of the country. They do not help, but hinder. They resemble the shrieking passengers in the "Tempest" to whom the Boat-swain had to say, "You may not labor; keep your cabins; you do assist the storm." Our public journals exhorted these Confederate States to throw themselves back into the arms of England, France and Spain, the Powers which first planted colonies here—to go back like the prodigal son, to acknowledge that we were young birds that had broke the shell too soon; to recant all those high words we have had in our mouths for two or three generations, about liberty, rights of men and democracy, and promise not to do so any more. To be sure the poor frightened creature tells us to take this course, if we should prove unable to maintain our own cause against our enemies; but to take this suggestion, above all to utter it now, is to say too plainly, not if we should, but when we shall, or rather inasmuch as we have, proved unable to sustain ourselves; that is, seeing we are beaten, overwhelmed, overthrown and ready to sink, come all ye good Christians and rescue us, and do as ye please as your vessels and liege-subjects forever! The blind panic of the writer makes him even unable to see that neither England nor France, nor Spain, nor the three combined, would touch us with the end of the longest pole if we were made so helpless an exhibition of ourselves. Nations are not good Samaritans; if they see a weaker brother fallen among thieves, they do not stop to help him, they do not trouble themselves about his hand fate; do not even pass by on the other side; but explore his pockets, and per adventure there be somewhat left to take away from him. If neither England nor France will so much as recognize us, not even know of our existence, while we are vigorously baffling and beating back gigantic invasions, year after year, in our haughty reliance on our own prowess and a good cause, and able also to offer them advantageous alliances and reciprocal benefits, how would they receive such an invitation as this,—now that we are sinking and perishing under the mighty power of the Yankee nation, now that we are beaten and beggared, we pray you to go to war with that nation for our redemption; and having rescued us—

—as we have nothing else to offer—take our children for vassals to you and your children take ours for theirs, and so on, and so on, till the world is a general market for the slaves of all nations. The alternative is not offered us, as the pacific English and French—or subjects of the Yankees. We have no choice; the very proposal suggested to be made to those Powers would prove that we were already subjugated—would be an admission that we had set up a pretension we could not support, and provoked an enemy we could not fight; and they would coldly bid us creep back into the "Union," and stay there. They would understand that the United States, (this Confederacy once subverted,) must be the ruling Power of the West; they would be glad to cement their friendship with our enemies by treating us with contempt, and would endeavor to make a general treaty settling the affairs of all American and giving guarantees both to Mexico and Canada.

One is ashamed even to retate and rebuke this man's suggestion, bogotten by terror upon ignorance. It would be pleasing to think he should never hear more of it. But then there is another, and not very dissimilar in kind, or in course. Another counsellor (who also, of course, takes for granted that we are virtually conquered) advises us to make known to European nations that we are ready to abolish slavery; that slavery shall not be permitted to prejudice our recognition as a nation; and we are assured that this would secure recognition, and perhaps intervention." It is not alleged that England or France, or the Government of either, has ever said or intimated that they would make this bargain; but if they would, we are exhorted to say that we would. Now this also, however the idea may be muffled up, amounts exactly to an invitation to England and France, or one of them, to make war upon the United States, in order to save us from Yankee domination; and in return we are to offer them, what?—the destruction of our labor power, which would leave us of no use to them, to ourselves, or to anybody else. It is said, indeed, that this would be a great concession to the "opinion of mankind, which is anti-slavery," and that the evil consequences "would fall upon the unfortunate negro," whom we should thus basely abandon. Very well, then it would be a most humiliating confession of defeat, and would also be the best taken as a confession of our own deserved defeat. We must not deceive ourselves; it signifies nothing to us, we would rather give up slavery, than be subject to the Yankees. So we should be subject to here, here more, this is not the alternative. To give up slavery would not save us from being subject to the Yankees; on the contrary, when we should have made this graceful concession to the public opinion of Europe, then Europe would whip us certainly about us; and seeing that we were whipped, and the pluck taken out of us, would make friends of our enemy at our expense.

What does our brave army think of these wretched theories of alarm and self-abandonment? They sound as if we were shipwrecked already, and drifting on a raft, waving a white flag to the distant horizon, and one crying lo, here and another lo, there! The matter does not so stand with us; and if it did, we should be already lost. Our help and hope must not be derived from any European, and Africa. Here, on our own ground, we have the powers and materials both to vindicate our independence and destroy our enemies. Then we will have no need to be looking anxiously across the Atlantic to see whether Freedom is about to dawn upon us from the East. National independence is not carried over the sea in ships; where it grows, there it stands, like an oak. It we have not here, within ourselves, the whole of the elements of it, the materials and the spirit, the body and the soul, then we shall never see it, never.—Richmond Examiner.

Captured.—The following members of the Third North Carolina Cavalry, were captured by the enemy at Stony Creek Depot, Dec. 1st 1864. The list was handed to a lady by one of the prisoners, who was requested to send it to us for publication. But the vandals burnt her home the same day, which caused delay in forwarding it. Lt. Conly, Co. F, and Private J. H. Queen of the same company. Private W. C. Goetz, Co. B. Corp'l Jones, Co. K. Privates R. C. McOotter, Co. B; P. H. Smith and W. H. Galtaris, Co. G; all belonging to the 34th N. C. Cavalry. Raleigh Confederate.

Promoted.—Lieut. Colonel Wm. Lee Davidson has been commissioned Colonel of the Seventh Regiment N. C. Troops, vice Colonel E. J. Graham Haywood. General D. H. Hill passed through Charlotte on the 29th ult., under orders, as we understand, to report to General Beauregard, at Charleston.

CONQUEST BY INVASION.

Since the commencement of the war, the Yankees have propounded and apparently credited many theories for "quashing the rebellion." At first they were entirely confident that enough of Union feeling remained in the South to rescue itself and restore Federal authority, when the troops of the U. S. Government were near enough to lead encouragement and support. They next comforted themselves with the belief that the disposition of the slaves to revolt would render it necessary that our arms-bearing slaves should remain at home, and that consequently no armies could be put in the field to meet their columns coming down on us from all directions. They did not believe that we could obtain arms and ammunition sufficient for waging a great war. They were sure that we could not raise supplies, and that starvation and famine would soon cut short our efforts at resistance, and compel us to sue for peace. The anecdote told to compress the life out of us. Then the Grant system of conquest was to wear our armies out. These and various other theories of success have kept alive the hopes of our enemy, but have each and each ended in disappointment and failure.

But it is the nature of that mercenary and sanguine people never to abandon a delusion without replacing it with another. Just now they rejoice in the assurance that we are to be conquered by the process of overrunning. Sherman's successful march from the Mississippi to the Atlantic has satisfied them that their armies may venture to leave their bases and garrisons, and on so whatsoever they please. They do not stop to inquire whether or not invasion is conquest—they assume that to overrun is to subjugate, and that they have the power to overrun; and thus as they destroyed slavery (as they fancy) by an epigram, they are about to end the war (as they fancy again) by a syllogism. But this will demonstrate the fallacy of this theory as of all that have preceded it. Indeed, this has already been done conclusively, that the willfully blind can see it. Sherman has traversed many a league of territory, but what foot of soil, except that now covered by his army, is subject to Yankee authority? The allegiance of what solitary citizen has he won for the United States? Who is there that proposes to abandon the war and submit, by reason of anything Sherman has done? Is not the country through which he has passed just as hostile to him, and just as devoted to our cause now, as before he marched through it? His mission being to subjugate, would he not find just as much employment for his arms if he were to turn back and retrace the track over which he came, as if he moved in any other direction? Unwillingly we are compelled to say, Nay, never, all experience has shown that the effect of the overrunning system is only to intensify the hostility and redouble the zeal and determination of the people.

Nor does repeated invasion or continued occupation produce any other effect. Look at the Valley of Virginia and other districts that have been time and again trampled by the desolating hoofs of invading hosts. Is there any talk there of submission? Is there any weakening of affection for the Confederate cause? Is New Orleans subjugated; is the loyalty of her people detached from the Confederacy; are their sympathies alienated from us, or their hopes dead, or their prayers ended, because, for nearly three years, they have been subjected to Yankee authority? Who doubts that Norfolk and Newbern and Vicksburg are as faithful to us as when the flag of the Confederacy floated over them? Not one of them, not a town or village or homestead, now within the enemy's lines, but would hail with joy inexpressible the day that restored them to our embrace. No length of time will change this feeling. How, then, is the Yankee ever to establish general and lasting authority over these States? In these wide reaches of territory, to invade is not to overrun, to overrun is not to occupy, to occupy is not to subdue. Time, that is gradually and surely destroying the capacity of the enemy to wage a war of invasion, has no power to change the hearts or shake the constancy of our people. We are repeating the same old experience of the Revolution of '76, with the difference in our favor that while our ancestors were generally unsuccessful in battle we are generally successful. Our ancestors won their independence by endurance. They learned to suffer and to wait." Time and the impossibility of occupying so extensive a territory overcame and defeated the invader then. They will infallibly do so again. We must strain every muscle to meet and foil the enemy wherever he may appear; but we must, with a still bolder purpose, school ourselves to bear unflinchingly all the miseries that a powerful and relentless foe can inflict upon us. Then our cities may be so wasted from us, our lands wasted, our roofs broken, our armies shorn of their strength; but the fortitude of the people, impregnable to assault, indomitable and inviolable, will survive them all, and assure for us a triumph as glorious for the victor as that he has gained, as no process in the benefits it will bring.—Rich. Whig.

Supreme Court.—Opinions delivered in the following cases: By PEARSON, C. J. In Harris v. Harrod, from Stanley, judgment affirmed. In State v. Medin, from Mucklenburg, error, venire de novo. In Worth v. Commissioners of Fayetteville, from Cumberland, dismissing the bill. In Poikat v. Southerland, all the children, except M. J., take a share. In M. White's case, (habas corpus,) remanded. By BATTLE, J. In Hix v. Fisher, from Haywood, appeal dismissed at appellant's costs. In Hastings v. Barr, from Wake, in equity, declaring the rights of parties. In Smith v. Bank of Wadesboro, in equity, from Richmond, decree to be for plaintiff. And in the following on Habeas Corpus: Bridgeman's case, petitioner remanded. Sinclair's case, petitioner remanded. Pailpoint's case, petitioner remanded. By MANLY, J. In Riley v. Buchanan, from Anson, judgment affirmed. In State v. Cookman from Moore, no error. In Scott v. Pize, in equity, from Gaston, declaring rights of parties. And in the following on Habeas Corpus: M. Goodson's case, petitioner discharged. Hawell's case, petitioner remanded. W. R. Clark's case, petitioner remanded. R. H. Smith's case, petitioner discharged. Upchurch's case, petitioner discharged.

Supreme Court.—Opinions delivered in the following cases: By Pearson, C. J. In Patrick v. Carr, in equity, from Greene, demurrer sustained, bill dismissed. In Coley v. Ballance, in equity, from Wayne, directing decree accordingly. In Jones v. Clark, in equity, from Edgecombe, error—order reversed. By Battle, J. In Wood's case, (habas corpus) order reversed, petitioner discharged. In G. H. Clark's case, same. In Blanch v. Goddin, from Halifax, judgment reversed and judgment here for plaintiff. In Horriog v. Korngay, in equity, from Wayne, decree for an account. In Jenkins v. Faulcon, in equity, from Halifax, demurrer sustained and bill dismissed. By Manly, J. In Lane v. Lane, in equity, from New Hanover, declaring the rights of the parties. In J. Casey's case, remanding the petitioner to the custody of the officer. In Galtry's case, same. In G. Casey's case, same. In Cox's case, judgment affirmed—petitioner to remain in custody of the officer.—Raleigh Confederate.

THE EVACUATION OF SAVANNAH.

We extract the following from a communication in the Charleston Courier:— Our fortifications extended from the Savannah River, some four miles above the city, on our right, to the Little Ogeechee River, near the Gulf Railroad, some eight miles from the city, on our left. We held Fort Moultrie, on the West bank of the Ogeechee, a few miles below the Gulf Railroad. We also had strong batteries at River Bend, between the two Ogeechees, at Beaulieu, Thunderbolt, Cauldin's Bluff, &c., and troops stationed on Isle of Hops and Whitmarsh islands. Our newly erected fortifications on the land side of the city, were very strong and capable of turning back almost any kind of assault, although they were not commenced till after Sherman had nearly reached Milledgeville.

Sherman's army appeared before them on the 8th or 9th instant, and on Saturday, the 10th, considerable fighting occurred. Several severe assaults were made, in which the enemy were signally repulsed. Early on Sunday morning, the 11th, a tremendous cannonading began and was kept up for half the day. It was supposed in the city that a heavy engagement was going on, but it proved to be only a general shelling from the heavy guns on our lines. Sherman was in no condition to attack our works. He was scarce of ammunition and had no heavy guns, as well as other difficulties in the way of his giving battle. During the siege, severe assaults were several times made on particular points, with a view of storming our works and breaking through our lines, but all these were handsomely repulsed.

On Saturday, the 17th inst., a flag of truce was sent in by Sherman, demanding the surrender of the city, and on Sunday, the 18th, a reply was given by Gen. Beauregard, refusing to comply with the demand. On Monday, the evacuation commenced—the first squad coming out about mid day, another came out at four P. M., and two others at night. How rapidly the evacuation was thereafter conducted I know not, except from reports. It is said the operation took place on Tuesday night. I fear all of our soldiers did not get out. Some of them were twelve or fourteen miles from the city, while many were 8 miles off. The heaviest fighting of the siege took place on Monday evening and night, the 19th. The enemy were repulsed in all their attacks on our lines; so the soldiers must have been there and not on the retreat. If I cannot perceive how it is possible for all to have come out by Tuesday night, though they may have done so. We had several boats capable of carrying from 500 to 1,000 each across the river at a trip, and a protection bridge besides.

Very few of the citizens left the city. Many would have done so if they could, but the realization of their condition came too late. It found them all unprepared, and resources impossible. There was no alternative but to submit to their terrible fate. The people were in the dark as to what was going on. They hoped we would be able to force Sherman to the east, either to the right or to the left, and save the city, and in this belief, very little private property of any description was sent off. Neither of the newspaper offices were removed, and all the material of both, including a considerable supply of paper, fell into the hands of the enemy. If they remain there long, we may expect soon to have them issuing Yankee newspapers from the offices of these hitherto substantial Southern journals.

Savannah.—It is a remarkable fact, that Savannah has been captured in every way that has taken place on this continent, from the Revolution inclusive. It was taken by the British in 1778 from Florida, the paths through the swamps having been betrayed by the negroes or the negroes. The next year it was besieged by a combined French and American force, land and naval. General Lincoln commanded the American army, and the Count d'Estaing the French fleet. An attempt was made to storm the works. It failed, American cannon fire quarrelled, the siege was raised, and the French sailed back to the West Indies, while the Americans marched back to Charleston, where, some months later, they were all taken prisoners. Savannah remained in the possession of the British to the close of the war. At the commencement of the war of 1812, it was again taken by the British. In a military point of view, Savannah was of no value to us whatever. As a port, it had been blockaded for two years. The moral effect is all that the enemy have gained, and that is not much. Raleigh Confederate.

Yankee Outrages in Virginia.—We learn that Torbert's squadrons surpassed all other Yankee raiders in filth and cruelty to the defenceless women, negroes and aged men in their late raid through Madison. Many respectable women were violated—among others, one poor girl of remarkable beauty, who had been lately married. The thieves took no negroes away, but stripped them of their shoes, blankets, bedding and all clothing that was worth having; much of which they were unable to carry away, and burnt or trampled in the mud after taking. All food was destroyed; houses burnt in all directions. Naturally, these savages ran like sheep, though six thousand strong, before a single brigade of Lomax's cavalry. Richmond Dispatch.

Mining Operations.—We learn that the Georgia Mining and Manufacturing Company has been organized with a subscribed capital of \$1,000,000. The following gentlemen of known enterprise and business talent are the officers: Col. J. M. Heck, President; Wm. L. Brodie, General Superintendent; R. H. Butler, Superintendent; and P. T. Norwood, Treasurer. The Company is to operate at Gargas, once Nat. Clog's mine, on Deep River, four miles above Lookville.—Raleigh Conservative.

Eligible and Sampson.—It should be mentioned to the praise of the counties of Edgecombe and Sampson, that during the Yankee advance on Beaufort, almost every unit of the Home Guard companies of those counties, then at Weldon, volunteered to cross the State line and fight the enemy in Virginia.—Raleigh Conservative.

For the Soldiers' Dinner.—We acknowledge the receipt of \$50 from Mrs. H. H. Foster, a lady of this city, for the soldiers' dinner. The devotion and patriotism of this lady will be the more appreciated, when we state that every dollar of the contribution here mentioned, has been earned by her needle. Did but a tithe of this spirit actuate our whole people, the independence of the South could not be long deferred.—Pet. Ez.

Tunnelling under Lakes Michigan.—The tunnel under Lake Michigan, as Chicago, for the purpose of introducing pure lake water for the supply of the city, is progressing at the rate of twelve feet per day. Eleven hundred and thirty feet are finished. At present there is nothing taken out but a sort of bluish clay that is very much of the consistency of plaster. It becomes very hard as soon as exposed to the air, and has proved to be a most excellent substance for grouting.

APPLY to ROOMS to Let, Mrs. HARTMAN, at the foot of Haymarket, Jan'y 8.

WAR NEWS.

The first full-scale accounts of Hood's operations.—SHELMA, ALA., Dec. 30.—The Reviewer of this afternoon says that a well known gentleman of Huntsville, Ala., who left that place on the 28th, arrived at Meridian on the 29th, bringing the following gratifying intelligence from Gen. Hood's army and North Alabama:—

"Gen. Hood, on the eve of his final retreat from the neighborhood of Nashville, was vigorously attacked by the enemy, who pressed a heavy force upon his centre, composed of Crook's army and Rose's Divisions. These veteran troops gave way. Hood then moved on Columbia, where he was at last defeated. On the 22d there was another fight, in which the enemy was badly whipped, being one entire brigade of cavalry and 6000 wagon.

"The population of Middle Tennessee and North Alabama are the most friendly and every man and boy capable of bearing arms, is hurrying to join our army. The citizens were found at Huntsville in a week. This place had been taken possession of by 10 Yankee regiments from Point Post, but Gen. R. R. Meade has been ordered to break and hold it at all costs.

"Ten Yankee generals had surrounded the Tennessee River and attempted to cross the Muscle Shoals at Decatur, but R. D. R. attacked them, sunk one and probably another, and damaged the others.

"Maj. Gen. N. B. Forrest has been made a Lieutenant General." From South Carolina and Georgia.—RICHMOND, January 3.—An official telegram from Charleston says that the Yankee raiders were reported to have retired from the Memphis and Charleston Railroad going westward. They left 40 wounded, Gen. Shobon badly. The damage to the road will be repaired in about 10 days. The enemy have moved in force to the south side of the Savannah River, and are driving in our pickets toward Hardeeville.

Yankee News.—RICHMOND, Jan'y 2.—New York papers of the 30th contain Admiral Porter's official report of the Wilmington expedition. Its failure is acknowledged, the Admiral stating that scarcely anything went well from its first movement to its unfortunate close. The explosion of 215 tons of powder under the walls of the rebel fort was a grand spectacle, but proved useless in fact, the rebel garrison being not at all paralyzed. The bombardment of the fort by the fleet was most successful; but Porter and Butler differ greatly as to its effect. Next in the chapter of mischances came the extraordinary bursting of six 100 lb. Parrott guns on six different occasions, resulting in painful casualties and loss of confidence. Last, and most important of all, there was no proper co-operation between the land and the naval forces.

Admiral Lee's telegraph from Florence on the 24th, that Gen. Hood was crossing the Tennessee River at Muscle Shoals. The steamer North American was lost off the Florida coast on the 21st, and 200 of the Yankee crew were drowned.

Gold was advanced to 225. RICHMOND, Jan'y 2.—U. S. Papers of the 31st say that Gen. Stoneman has arrived at Nashville and gives highly encouraging accounts of his raid into West Virginia. He claims to have captured 2000 horses, 1000 mules, and two rebel Colonels, whose horses he sent to Paran Broderlow as a Christmas gift. He says also that he has rendered useless the Virginia salt works and lead works. His losses, he says, are 2000, killed, wounded and missing.

Admiral Porter's fleet has not returned to Hampton Roads, and a Washington telegram of the 30th says that there is no prospect of the naval forces under Porter discontinuing the bombardment unless so directed by the Government. Gen. Beasly Butler returned to his Headquarters on the James on the 28th.

Advices from Savannah to the 26th state that efforts were making to intercept the retreat of the rebel army before it could reach Broad River. Business in the city has been resumed.

Col. Mafford will visit Richmond next week authorized to negotiate a new cartel for the exchange of all prisoners. A synopsis of the correspondence between the Brazilian and U. S. Governments in relation to the Florida is published. The former characterizes the seizure as most transcendently wrong, and an affront to the honor and sovereignty of the Empire. Secretary Seward replies that the President regrets and will disavow the proceedings at Bahia, will suspend Capt. Collins and direct him to be court-martialed. He will also dismiss the Consul at Bahia. But Seward says that the character of belligerents accorded by the Government of Brazil to the insurgents is an act of intervention in violation of the law of nations and wrongful to the United States, a friendly power. The Florida's crew he says will be set at liberty to seek refuge wherever they may find it, at the hazard of capture when beyond the jurisdiction of the U. S. Government.

RICHMOND, Jan'y 3.—The Washington Chronicle of the 1st announces the arrival at Bermuda on the 23d ult. of the blockade runners Charlotte, Owl and Col Lomb—the first with 1024, the second with 750, and the last with 1800 bales of cotton.

Hon. George M. Dallas, vice President of the United States while Mr. P. V. was President, died in Philadelphia on the 31st ult. The Board of Supervisors of the City of New York have resolved to raise \$40,000,000 to pay \$1000 bounties under Lincoln's new call. Gold closed in New York on Saturday at 227 1/2.

The Fleet.—The diversions of the Yankee expedition against this place ought to be found out. As yet the reports are vague enough, but we think there is something in them. Rumor says that the fleet has returned to Beaufort, which is likely. Rumor also says that transports carrying a brigade of negro troops were lost off Hatteras, also that a Regiment of U. S. Regulars were lost, also sixteen hundred artillery horses. We think these rumors are more than half true. The transports must have been hardly used in the storm, and it is certain that they had no horses when they got here. We shall first hear definitely through Yankee papers.

Wilmington Journal. From Western North Carolina.—We learn that on the 2d of December, a fight took place at Shoemaker's Gap, between Capts. N. Pries's, Ross's and Cartlett's companies, and some deserters, Tories and robbers. They attacked our forces from ambush, but were speedily routed and severely chastised. They lost 14 killed, 4 wounded, and 4 were taken prisoners. We lost none killed or wounded. The woods were freed through the engagement, which caused the discharge of a considerable number of guns, that had been thrown away by the enemy. Capt. Pries was in command of the battalion, and distinguished himself by coolness and bravery, as did his entire command.—Raleigh Confederate.

The Interest on the Debt.—The whole expenses of the late Administration of Mr. Buchanan were paid by custom house duties. It now requires all that revenue, so called, to pay the interest on the national debt without paying a dollar of our expenditures. The debt and the interest are yearly increasing with frightful rapidity. Albany (N. Y.) Argue.