From the Richmond Dispatch.

## LOOKING THE THING IN THE FACE.

The New York World has the courage to look the facts of the war which the North is waging, full in the face It says,—

"Congress, which opens three weeks from to-day, will be called upon to provide the means for crushing a rebellion which, if not crushed, would overwhelm the Republic in ruin. They must first authorize the raising of the requisite military force. Public necessity—the very preservation, in fact, of the Government—required the Executive to anticipate the action of the legislative department in some measure. Military levies must be authorized far beyond any requisition that has yet been made. The President should be clothed with power to summon to the field half a million of men, if necessary. The navy, too, must be largely increased. Provision must be made for a large fleet of sloops-of-war, steam-cutters and gun-boats, adapted for operations in rivers as well as in shoal water on the coasts. The most difficult matter of the session will be to settle the mode of raising the vast sums necessary for the complete overthrow of the rebellion. At the lowest estimate one hundred and fifty millions will be needed for this purpose. The money must be had; how is it to be obtained. The present tariff will do very little towards it—probably, at best, will not yield thirty-five millions; and no tariff that can be devised on the strictest revenue principle, with the most to be obtained from tea, coffee, and all articles now on the free list, would yield more than fifty millions in the present state of trade—not enough to cover the ordinary expenses of Government, far less to meet maturing liabilities. The Government, then, must either use its credit or resort to direct taxation. Direct taxation for Federal purposes would be a new thing to our people, and its novelty would make it all the more unpopular. Neither is the country in the prosperous condition that England was under the reverse. The Federal Government cannot hope to supply its immediate necessities from any such source. Its only resort is to make the best of its credit. And as treasury notes cannot be issued beyond certain limits without very injurious depreciation, an immense public loan would seem to be an absolute necessity. Congress may as well make up its mind at once to a funded debt such as the country never yet saw. But this ought not really to excite any very deep concern. At the time of the first call for troops, the Government stood ready to borrow one hundred millions for the expense of putting down the rebellion—which is a very large estimate—and fifty millions to cover all peace deficits, we shall have a Federal debt of $350,000,000."

Such is the World's financial view of the war with respect to the cost of the Government. The Herald in the money article of the 10th inst., takes up the other end of the story and discusses the financial prospects of the Northern commonalty at length. The Herald is gloomy!

"The fate of merchants lately engaged in the Southern trade has been sealed by the recent act of the so-called Congress at Montgomery, which prohibits, under heavy penalties, remittances to the North in payment of debts. From this decision there is no appeal except to arms; and there is every reason to fear that while this war is waged the people of the South will not have the power, if they had ever so much the will, to pay their debts. On the other hand, collections in the West are blocked by the currency crisis. Western merchants write that they are willing to pay their debts in Western currency, which at Chicago is at a discount of from 30 to 50 per cent. and is steadily falling. This amounts to a practical stay of all collections. It seems but too evident that this commerce must witness the suspension of the bulk of our jobbers and of those who are engaged with them in trade. How the banks of the banks will stand after them follows is a problem which is engaging much attention.

"The political and military crisis is without precedent in our history. Neither the war of 1837 nor that of 1812 bears any comparison with the civil war in which we are now engaged. Neither of the two were necessarily fatal to our internal industry and commerce. Neither threatened the basis of trade as the present war is doing. Neither of them placed the very existence of the republic in jeopardy. The financial commercial character of the war with Great Britain has begun to react in favor of the Northern trade here also the North, and the South, in addition, by the Southern claim on account of moneys, variously estimated at from eighty to two hundred millions of dollars, due to the North; the compulsory failure of this bulk of the latest jobbing and exporting houses, to whose enterprise and wealth the growth and prosperity of New York have been mainly due; the probable disgorgement of the bulk of the Northern banks, in consequence of the sequestration of their assets; a reduction of from fifty to seventy per cent. in our foreign trade, in consequence of the stoppage of exports of cotton, rice and tobacco on the one hand, and a general diminution of consumption on the other; the destruction of the credit of States which have nearly two hundred millions of bonds afloat; the withdrawal of nearly a million of men from productive agricultural, industrial or mercantile pursuits, and their employment in the unproductive occupation of warfare; and the creation, for the first time in history, of State and Federal debts bearing ruinous proportions to the debts of the Republic themselves. These are the obvious and certain features of the war. In addition to these, other and equally grave commercial complications will arise, should the war in the South not suspend the future operations of that section, or should Great Britain persevere in a policy of covert sympathy with the South, and compel the United States to declare war upon her.

"This condition of things is so entirely new that it is impossible to foresee its effects upon our commercial and financial interests. We may be sure that these effects will be severely disastrous; but to what extent the disaster may spread or what interests will survive amid the general ruin, it is impossible to discern. There are reasons for believing that one of the worst market struggles which are impending will be a sudden rise in the money market. With the exception of a brief period of panic late last autumn, we have had an easy money market here ever since the crisis of 1857. This year especially the ordinary issue of money would have been increased. We have imported gold from Europe instead of exporting it, and money has been cheaper in New York than in London. This anomaly was caused by the moderation of our imports, and our unusually large exports of cotton, breadstuffs, provisions, etc. If in December last exchange had ruled as it actually does, our banks would have suspended before New Year. We do not anticipate the additional [illegible]