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ANTHONY S. CAMP, THOS. GALLAHER, } IRA P. JONES, H. EDMUNDSON

BY A. S. CAMP & CO.

W. HY. SMITH, IRA P. JONES, } Editors.

No. 16 Deaderick Street.

WEDNESDAY, OCTOBER 9, 1861.

The New York *Times* is in trouble about the condition of things in Kentucky. It has at last awoke from its stupor and recognizes the vast military resources of the States which have furnished and are furnishing troops for the army of Gen. A. S. JOHNSTON, and it declares that "if the invasion of Kentucky is not met with all promptness, and with all the power of the government, no earthly power can prevent the victorious march of Gen. JOHNSTON into the Ohio Valley, and the wintering of the grand army in the cities of Louisville and Cincinnati." Verily a change has come over the spirit of the dreams of the *Times*. But a while back, and the rebellion was a thing to be suppressed with ease; the Southern States could not get up an army to resist the immense hordes of the West. By and by, the *Times* will be taught other useful lessons.

The New England States and the great States of New York and Pennsylvania have not furnished the men they were expected to send to the conquest of the South. The West has been drawn upon heavily to make up their defalcations; and now that the West is itself menaced, seeing danger impending, Western papers begin to mutter complaints. The Cincinnati *Gazette* asks—"Why is it that Western troops continue to be ordered to Washington? Cannot the East defend the Capitol? When will Washington be considered safe? Are our brave soldiers in the West to be sacrificed as they were at Springfield?" And the Columbus *Crisis* remarks—"If Pennsylvania and New York alone cannot furnish troops enough to defend Washington City, then we are in a War that we are unable to prosecute." Both journals are looking with anxiety to the march of the Confederate troops through Kentucky. They were eager for the defence of the Capitol, and boasted of the celerity which characterized the movements in the West for that purpose; but now their appreciation of Southern vigor and valor is quickened by the approaching danger. Gov. Morton, of Indiana, gave voice to the fears of the West when he said in his address which we republished yesterday, urging the people of Indiana to volunteer for the defence of Lincolnism in Kentucky—"All that we are, all that we hope to be, is in issue." None of them place too much importance upon the contest now in progress in Kentucky. So soon as the Confederate forces assume position on the line of the Ohio, which we are confident they will do at an early day, they will command that river, and be prepared to make Indiana, Illinois and Ohio feel some of the horrors of war, with which those States have been threatening the Southern people. Well may the approach of the patriot army to the Ohio be dreaded

The Governor of Indiana may call long and earnestly for more troops, and the Federal Government may direct all its energies to its movements upon and in Kentucky; but all in vain. It is the destiny of Kentucky to be redeemed, and to take her position with the South. Her people are with us, and they are manifesting the fact by aiding in the expulsion of the Federal forces from her soil. She will soon be freed; and, then, her neighbors across the Ohio may determine the future.

The Lincoln Camp in Clinton County, Ky.

Col. S. S. STANTON, commander of the Confederate States Forces in Overton county, arrived in this city yesterday. He confirms the intelligence relative to the condition of affairs in that county, which we mentioned last Tuesday morning. The Lincoln camp at Albany, in Clinton county, Ky., has been entrenched and reinforced. It now contains about 3,000 men. Armed bands from the camp continue to make riads into Tennessee, pillaging private and peaceful citizens. These marauders have a wholesome fear of our soldiers and exhibit considerable adroitness in keeping out of their way. They have thus managed to escape punishment.

We trust that ample means will be placed at Col. STANTON'S disposal to drive the thieving rascals from our borders, and to disperse the camp at Albany. It will not take him long to do the job effectively.

APPORTIONMENT OF THE STATE.—Mr. MARTIN, one of the talented representatives from Shelby, made a movement in the House of Representatives yesterday looking to the speedy re-apportionment of the State into Congressional and State Legislative districts. The movement is a very proper one, and we hope will be entirely successful. The Congressional re-apportionment ought to be made immediately.

Latest from the North-West.

THE BATTLE AT GREENBRIER RIVER.

Glorious Victory.

The news by the Orange train on Saturday, fully confirmed the report of a heavy engagement having occured on Thurday last, at Yager's, on the Greenbrier river, between our troops, under General Jackson, and the enemy, under General Reynolds.

The account of the battle, as given in our issue of Saturday, is substantially correct, as stated by persons who participated in the battle. The enemy commenced the attack at seven o'clock in the morning of Thursday, and gallantly maintained the contest until 12 M., when they were finally forced back tremendous slaughter, and then commenced a precipitate retreat. Our forces numbered about 4,000 or 4,500, and the enemy was supposed to be from 5,000 to 6,000 strong. Three times did they march to the assault of Gen. J.'s position and were as often driven back with heavy loss, supposed to be at least 1,000 to 1,200 in killed and wounded. Gen. Jackson's men were securely entrenched behind strong breastworks, and suffered but very little loss, estimated at not more than forty or fifty in all.

The regiments which took part in the fight were the 18th and 12th Georgia, 23d, 31st and 44th Virginia, 3rd Arkansas, Col. Hansborough's Virginia Battalion, and Col. Baldwin's regiment, which latter came up after the action had lasted some time. Our troops bore themselves most gallantly under a fierce cannonade, and a perfect shower of musket balls, repulsing every attempt of the enemy to force their entrenchments, and finally forcing them to make a disorderly retreat. Gen. Jackson, it is stated, did not think it prudent to pursue the flying enemy, being fearful of being drawn into an ambuscade. He was busily engaged in strengthening his entrenchments, and preparing for a renewal of the attack, should the enemy be reinforced.

It was supposed, however, that they were so badly cut up as to be little likely to make another attempt upon his stronghold. We shall in a few days have an official account of the fight, which we feel assured will not materially differ from the accounts published by us.—*Lynchburg Republican, 7th.*

THE NEW POSTAGE STAMP.—We saw, last evening, the first impressions, from the lithographic stone of the new five-cent postage stamp for the Confederate States of America. The likeness of President Davis is admirable, and the lines of the engraving are so perfect as to closely resemble steel plate. We were agreeably surprised at the excellence of the work, as well as the neatness of the design. This new stamp will be colored green. We are informed that a quantity will be ready for delivery about the middle of next week.—*Richmond Dispatch.*

MESSAGE.

EXECUTIVE DEPARTMENT, Nashville, October 7, 1861.

Gentlemen of the Senate, and House of Representatives:

Since the adjournment of the last regular session, I have deemed it my duty to convene the Legislature, twice in extra session.

My messages to, and the legislation by those extra sessions, will furnish full information as to the action of the State in the most important period in its history, resulting in the resumption of her original sovereignty, by the almost unanimous action of her people, and a union with the Government of the Confederate States of America.

Impelled to this action by "a long train of abuses and usurpations, pursuing invariably the same object," evincing a settled purpose upon the part of those controlling the Federal Government to degrade the Southern States below the level of equality, depreciate and destroy their property, in open violation of the plainest guarantees of the Constitution, leaving those States no alternative but humiliating submission, or manly resistance to the tyranny of usurpation.

In contemplating the present condition of the country and the exciting and important events which are now transpiring, it may not be unprofitable to review, briefly, the history of the past, and follow step by step the progress of that revolution in the public sentiment of the North which has culminated in the utter repudiation of those vital principles of personal freedom, political equality and State sovereignty, upon which the Union of the States was originally established.

As our country expanded into the magnificent proportions of a great empire, a majority of the Northern people were dazzled by the opening splendor of the nation as a unit. In contemplating with pride and satisfaction the development of a gigantic power, capable of contending upon equal terms with any other nation of the earth, they overlooked the important truth, that this colossal Government was indebted for its greatness to the aggregated power of the separate sovereign States which composed it, developed by their respective local laws and institutions.

The country being naturally divided by geographical distinctions—dissimilarity of pursuits, institutions, local laws, and diversity of interests—into two great sections, upon the very instant when the equality and sovereignty of the States were denied by a majority of the members composing the Confederacy, the tendency of the stronger section was to widen the breach between them, and to stimulate sectional animosities, in order that it might seize upon the control of the power and purse of the General Government.

The struggle for supremacy, therefore, was soon narrowed down to a contest between these two great sections, the South gallantly battling for the maintainance of Constitutional liberty, State sovereignty and political equality, while the North, disregarding these great cardinals, sought to obtain power and spoils upon their ruins.

In such a contest the victory at the ballot box necessarily inured to that section which was numerically the stronger.

The exclusion of the Southern States from all pratical participation in the control of the General Government was the immediate and unavoidable consequence.

Upon the election of President Lincoln under such auspices, the Southern people were left in a condition of dependence as hopeless as that held by their fathers when they occupied the position of provincial subjects of the British Crown. All positions of influence and power in the Government at the disposal of the Presidential Chief, were immediately filled with those who were the most bitter and clamorous enemies of the South.—He who had manifested the greatest degree of virulence against the domestic institutions and well defined constitutional rights of the Southern States and people, was regarded as possessing the highest claim to Executive favor and patronage. What hope could the Southern people indulge, for justice at the hands of such rulers?

The Congress which was in session at the inauguration of the President, enacted a tariff law for the undisguised purpose of transferring the earnings of the farmers and planters of the South into the pockets of the manufacturers at the North.

The Executive, Legislative and Diplomatic functions of the Government were in the possession of a party, backed by the power of a dominant section, declaring and inaugurating a policy revolutionary in itself, and destructive of the rights and liberties of the people of the Southern States, and measures were in active progress to carry out their oft-repeated threat to reorganize the Judiciary, so as to make that last and only remaining bulkwark of Constitutional liberty, subservient to their selfish and sectional purposes.

Having exclusive control of the Government, they refused to listen to any overtures on the part of the South for a peaceful solution of the difficulties and dangers which they had thus precipitated upon the country. In the blind wantonness of sectional pride and imaginary power, they haughtily refused to entertain any terms of compromise or to abate in the smallest degree their arrogant pretensions.

They insultingly proclaimed that the will of a majority was the will of the Government, and hence the will of a majority of the people of the Northern States must be regarded as the law of the Union, regardless of Constitutional restrictions, justice and equality.

Having exhausted every peaceful measure which the most devoted friends of the Union could devise, in fruitless efforts to induce this sectional party to pause in its career of unjust aggression, the people of the South, almost as one man, prepared to meet the crisis as became descendants of a brave and liberty-loving ancestry. Eleven States have resumed the powers which they had delegated to the General Government, and in the exercise of their inalienable rights, have united themselves together and started out upon their career under the auspices of a new Confederacy.

Our late associates, dissenting from our course, and maddened by unexpected resistance to their assumptions of authority, have hurled upon our unoffending people their legions of mercenary soldiers in order to bend the necks of the freemen of the South to the galling yoke of a military despotism.

Their President has officially announced through the medium of his message, the monstrous heresy, that the several States of the Union are indebted to the Federal Government for their existence, and the duration of their separate authority, in effect assigning to them the same relation to the Union that counties bear to States, and foreshadowing the policy of consolidating such States as submit to it in a single sovereignty, while such as have the spirit to resist, are to be subjugated, and held as conquered provinces.

Let us, for a moment, survey the humiliating spectacle which is presented by the present condition of the North, who, in their suicidal efforts to aid the despotism which has been established at Washington, have suffered themselves to be despoiled of the last vestige of that real liberty which they inherited from their fathers.

However bitterly the opponents of the Republican party may have resisted its advent to power, who of its most determined enemies could have believed that within six short months after the inauguration of their chosen President, the freedom of the Press would have been utterly annihilated, and the circulation of all newspapers through the malls prohibited which dared to question the wisdom of his policy or his measures? Who could have believed that within so brief a period, the citizen who ventured to express his disapproval of the policy of the President, or even to utter "words of peace and good will" would have been regarded as guilty of a crime sufficient to consign the offender to a dungeon?

Who could have imagined that the writ of *habeas corpus*, that great bulwark of personal freedom, would have been suspended or denied, and entire States placed under martial law by the mere proclamation of a military chief?

Almost every public journal throughout the North, whether political or religious, which failed or refused to give its support to the policy of the President, has been suppressed, or compelled to yield its support to the Government. Editors who have declined yielding obedience to their demands have been committed to prison. Citizens against whom there was no imputation of crime have been dragged from their beds at midnight and hurried away to distant fortresses without warrant of law, and without the poor consolation of knowing the charge upon which they were arrested. The sancity of the church has been invaded and their ministers driven from their pulpits. Woman, whose person has been held sacred by all civilized nations, has been taken from her home and imprisoned under the reign of this brutal despotism. And in mere wantonness of cruelty they have denied to these victims of tyranny the privilege of communication with their families and friends even in the presence of their jailors.

In whatever direction we may turn to examine the operations of the Government of the United States under the control of this party now in power, we behold the same disregard of the rights and privileges of the people.

Look, for example, at the fate of downtrodden Maryland! A ruthless soldiery lords it over every city, village and hamlet within her limits. Men, women and children are fleeing from their homes to seek an asylum amongst their friends of the South. Many of her best and noblest citizens are the tenants of dungeons, and of the free men who a few short months ago discussed without restraint, the policy and measures of the Government, there remain none who dare to speak except in terms of adulation of the tyranny which has robbed them of their liberties. Not content with the degradation imposed upon the people, they have caused to be arrested and imprisoned their elected Representatives to the Legislature, who were suspected of entertaining opinions adverse to the measures of President Lincoln.

In Missouri the despotic rule of the military leaders sent there by the United States, has been even more galling and oppressive, if such were possible.

The bloody code of military laws by which that unhappy country is at present governed, is equal in enormity to any of which there is a record in the pages of the history of the civilized world. Martial law has been proclaimed and established, so far as the Federal Government has the physical power to establish it, and the civil authorities superceded by the military. A citizen charged with an offence against the law is no longer allowed the privilege of a fair and impartial trial by a jury of his peers, but is subjected to the mockery of a trial by a drum-head court martial, composed of members who may not even comprehend a word of the language in which the laws are written; and who have entered the military service of the United States as mere adventurers, or mercenary cut-throats, who are willing to butcher their fellow men for hire.

As independent States, both Missouri and Maryland have ceased to exist! They have been blotted from that catalogue of sovereignties, and a foreign master has placed his foot upon the necks of their once free and happy people.

What may be said of that once proud Kentucky, which Tennessee has always regarded as a twin sister? She, too, seems almost ready to fall a victim to the arms of our common enemy. For the admiration we feel for her noble sons who are rallying by thousands to rescue her from the perils which overhang her present and future, and in memory of her glorious past, let us hope, and hope without doubting, that she will hurl the manacles from her limbs before they have been firmly riveted, and once more stand forth amongst her sister States of the South redeemed and disenthralled, the same as we have known her in other and better days.

Maryland, Missouri and Kentucky may have to bear yet a little longer the tortures of their enslavement, but the day of their deliverance will come. Millions of their sympathizing friends of the South regard their cause as their own, and if it is the wish of those States to be saved, the soldiers of the South will never lay down their arms until the last Northern mercenary has been driven beyond their borders!

The States of the South now engaged in this momentous struggle for freedom may behold in the present condition of Maryland and Missouri a faint picture of what their own fate would have been if they had delayed their declarations of independence and postponed the work of preparing to resist the encroachments of an unscrupulous enemy. Had we remained a short time longer in inglorious ease, living in the enjoyment of the delusive hope that a returning sense of justice would induce the Northern people to award to us our full measure of Constitutional right, we would, like the victim encircled by the anaconda, have been crushed without the power of resistance.

The condition of Maryland and Missouri furnishes us with a dim foreshadowing of what our own fate would be if the fortunes of war should result even in the partial subjugation of any of the Confederate States.

We would be blind indeed, if we did not see that for us there can be no future to which annihilation would not be preferable, except in the establishment of our independence.—All that we have, and all that we hope for, is dependent upon a successful issue to this conflict. Not only our estates and our rights of every description, but our liberties and our lives are staked upon the result.

The South has entered into the struggle with enthusiasm and unanimity, knowing well the consequences which would surely follow defeat.

Already have our enemies parceled out in prospective the property of our people, and their deluded soldiers are reveling in imagination in the promised homesteads of the gallant defenders of our soil.

The Northern tax payers who hesitate to encourage the prosecution of a war, which, even in the first months of its progress, is increasing the national debt at the rate of over a million of dollars per day, are silenced into acquiescence by the promise that the South shall pay the entire expense, past, present, and future, so soon as she is subjugated.—And visions of prospective positions of dignity and power in the government of the conquered provinces of the South, are dazzling the fancy of their ambitious military chiefs.

Never before did any people engage in a war in which they had more to gain by success, or to lose by defeat, than have the people of the Confederate States in the present struggle. And never yet have any people marched forward with a nobler, firmer or more united purpose, to gain all or lose all.

They have known from the beginning, that there was for them no intermediate stopping place, between complete victory and entire ruin.

In the stand they have taken, they present the noblest spectacle of sublime devotion to liberty! Unselfish patriotism and perfect fraternity wherein the wealth of money, and the best blood of the country are all thrown into the common stock without stint or reservation, to achieve a common and glorious deliverance, or to perish by a common disaster!

In the Providence of Almighty God, it was never designed that such a people should fail in achieving their independence, despite the power of superior numbers to which their invaders may lay claim.

The pages of history do not furnish a single example where eight millions of united freemen have been permanently subdued by any power, however formidable, which may have been brought against them. The spirit which animates men who combat in defence of their families and their homes, renders them more than a match for twice their number of mere mercenary adversaries who fight for plunder and for conquest.

Witness the various engagements which have already marked the progress of the war. Remember the siege of Sumter, the battle of Bethel, the crowning glory of Manassas, where our victorious legions drove back that "Grand Army" in wild confusion and dismay into the very presence of the despot who sent them forth, and into the very capital from whence they had marched only a short time before, flushed with the assurance of an easy victory. Remember the brilliant achievements at Springfield and Lexington.

The difficulties which beset us for a time, are resulting in permanent advantages. The rigid blockade which it was vainly supposed would starve us into submission, has not only taught us how easily we can dispense with the luxuries to which we have been accustomed, but having thrown us upon our own resources, it has developed internal sources of wealth of which we had lived in comparative ignorance.

Instead of the bread which we have heretofore purched beyond our limits, we have furnished it ourselves in fourfold abundance from our own teeming and generous soil. The contemplation of a possible necessity, has taught us that we can produce within the limits of the Confederacy, every necessary article for which we have heretofore been dependent upon others. Tennessee alone, under the stimulant of constant demand, can supply food and clothing for more than three times her population.

The very enormities which have characterized the acts of the Government of the United States, and which were designed to strike terror to the bosom of the Southern people, have only served to steel our hearts, and nerve our arms, and to add another and irresistible impulse to our determination to free ourselves now and forever, from all political association or connection with our former confederates.

Although the patriotic devotion of the entire South to the noble cause in which we have all staked "our lives, our fortunes, and our sacred honor," is worthy of all praise, yet I may be pardoned for referring with feelings of pride and satisfation, to the proud and patriotic stand which Tennessee has taken in this great struggle, and the liberal contributions of gallant men and munitions of war which she has made to the cause of Southern Independence.

It is due to Tennessee to say, and it may be said without disparagement to other States, that our people have done more in the work of raising, organizing, arming and equipping an army than was ever accomplished by any State in the same length of time.

Having no military organization, and almost without arms, and destitute of authority to raise troops or procure arms until the passage of the act of the 6th of May last, within less than two months from the passage of this act, thirty thousand volunteers were organized and thrown into the field. Too much credit cannot be awarded to the patriotic people of the State for the alacrity with which they rushed to the standard of their country upon the first intimation of necessity. I have been compelled to decline the services of a large number tendered in excess of the demand.

Much credit is due, also, to the officers of the Provisional Army for the promptitude with which they organized and prepared so large a force for effective service in the field. I refer you to the report of Adjutant-General McHenry, for full particulars in detail as to the organization of the Provisional Army of Tennessee. This army was, on the 31st day of July last, by my general order of that date, transferred to the service of the Confederate States of America.

In addition to the Provisional Army of the State, a number of regiments have been raised for Confederate service, making in the aggregate, thirty-eight infantry regiments, seven cavalry battalions and sixteen artillery companies, which Tennessee has contributed to the common defense.

The duty of furnishing arms, munitions, and the means necessary to clothe and subsist the Provisional Army devolved upon the Military and Financial Board. Cut off from Northern markets, and Southern ports blockaded, they found it difficult, if not impossible, to procure either arms or munitions, to any considerable extent, by purchase in the market. The Board therefore adopted all practicable means of stimulating private enterprise to produce those articles of indispensable necessity within our limits. They established an armory at Nashville for the manufacture of arms, and made liberal contracts with various companies for the casting of cannon, the purchase of army guns to be manufactured in Tennessee, and delivered at different times within the year, from which sources we have for some time past, been receiving about two hundred and fifty guns per week. They have also made liberal advances to manufacturers of powder to enable them to increase the capacity of their machinery to the highest degree of efficiency, and under the supervision of Samuel D. Morgan, Esq., established a percussion cap factory, which has already yielded to the Confederate States more than twelve millions of caps, and is now producing over 225,000 per day.

For full particulars as to the action of the Board, I refer you to their report, from which it will be seen that the expenses incurred in organizing and supporting, arming and equipping the Provisional Army are as follows, to-wit:

Quartermaster General's Dep..	$1,657,706 65
Commissary General's Dep.....	627 064 87
Paymaster General's Dep.....	1,104 800 00
Medical Department.....	24,761 21
Ordnance Department.....	990,291 20
Recruiting Service.....	723 25
Advances on gun, saltpetre, powder contracts, &c.....	156,826 08
Advance to Gen. Pillow, Missouri Service.....	200,000 00
Contingent expenses.....	31,850 59
Total.....	$4,637,198 77

There are some balances of expenditures still due and unpaid, which it is believed will consume the balance of the five millions appropriated by the act of 6th May, 1861. These expenditures will be assumed and refunded to the State by the Confederate Government.

Having transferred the army to the Confederate States, it was deemed proper that the army supplies of every description should be transferred also, we have therefore transferred to that Government the Cap Factory, all of our contracts for Arms, Powder, Salt Petre and all of our Army Stores of every description. The Armory would have been transferred also, but the Government declined accepting it.

The services of this Board have been of incalculable advantages to the State, and the duties imposed upon it have been performed with a degree of promptitude and ability, highly creditable to the distinguished gentlemen who compose it.

To the vigilance and care of the Medical Department we are indebted for an able and skillful Medical Staff, and the adoption of all measures calculated to promote the health and comfort of our army. For full information you are respectfully referred to the report of the Department, which will, in due time, be laid before you.

To supply and provision the immense force in actual service required for the defence and maintainance of the Government we have established, is the first and imperative duty of the public authorities, in the discharge of which, great effort and expenditure is demanded; and it is not to be expected that the Government can at all times overcome difficulties at once, and promptly meet the wants of its soldiery. The Congress of the Confederate States fully appreciating this arduous duty, provided by law that the States might furnish to their volunteers in the Confederate service, clothing—and directed that the Secretary of War should pay the money value therefor. Your attention is directed to this law, approved August 30, 1861, as well as to the probable wants and necessities of your constituents now in active service. It is believed, that without relieving the General Government of its duty to make ample provision for its soldiery, you can, by proper legislation, secure the comforts of your own volunteers, and make provision against any probable privation or sufferings upon their part, by adopting the course indicated by the Congress of the Confederate Government in the law referred to; extending your aid even beyond the article of clothing. Let your volunteers feel and know that you are determined that in no event shall they be allowed to suffer, it the State, by the action of its authorities, can prevent it.

It is a beautiful episode in the history of our present struggle, to note the fact, that our fair countrywomen, with that heroic devotion and loyalty that characterized the women of '76, are contributing their time, their efforts, and their means, to aid, to cheer and sustain the men, who are imperilling their lives upon the battle fields of the country. Countless in value and number are the articles which their patriotism and affection have sent to the relief and comfort of the soldiers of the South. The future historian of our country will have a bright page to write, in recording the deeds of love, kindness and patriotism of the women of the South. I mention their name and their efforts in this connexion only for the purpose of urging upon your attention, the propriety of devising some means for the safe transmission and delivery of such articles as they may contribute, as well as such as are voluntarily tendered by the friends and kindred of the soldier.

I regret that it is my duty to call your attention to the tendency to monopoly and extortion which exists to an injurious extent with a class of our citizens, who, intent upon the sordid purposes of gain, are taking advantage of the peculiar circumstances of the times, to reap exorbitant profits from the necessities of the government and the wants of the people.

Complaints have reached me from various portions of the State, of this unpatriotic and destructive tendency to extravagant speculation, placing every article, indispensable to the support of an army, as well as the ordinary necessaries of life, at prices far above those warranted by the legitimate laws of trade, and in many cases, beyond the reach of the more indigent classes of society.

The merchant and tradesman, while restrained within proper limits, are necessary and useful members of the community, and in common with every other legitimate pursuit, are entitled to the fostering care of the Government; but when forgetful of their duties as citizens, they suffer themselves tempted so far upon the sea of speculation, as to become serious evils rather than conveniences to the public, it becomes your duty as the guardians of that public, to adopt such measures as will best tend to restrain illegitimate and improper speculation, and put down an evil which is becoming so prevalent and mischievous.

In ordinary times, an outraged public sentiment and the laws of trade would accomplish this end, but in times of general distress and threatened danger, when the government is involved in war, and must secure, regardless of price, whatever may be necessary to the maintenance and comfort of our patriots and brave countrymen who have gone to the field to uphold the rights and the honor of their country, and to defend the lives and property of this class who are thus speculating upon their privations and necessities, the authorities cannot be too vigilant in their efforts to restrain the excesses of avarice and protect society against the evils to which it is exposed.

By a law of the Congress of the Confederate States of America, entitled an Act "To put into operation the Government under the Permanent Constitution of the Confederate States of America, approved May 21, 1861, it is provided, "that an election shall be held in the several States of this Confederacy on the first Wednesday in November, 1861, for members of the House of Representatives in the Congress of the Confederate States under the Permanent Constitution;" and said Act further provides and directs that on the same day the several States shall elect or appoint electors for President and Vice-President of the Confederate States of America, according to said Constitution.—The Act directs the time and manner in which said electors shall discharge their duties, and designates the time at which the first Congress under the Permanent Constitution shall assemble, being the 18th day of February, 1861. This law of Congress was approved prior to the ratification and adoption of the Permanent Constitution by the people of Tennessee, but anticipating that it would be done, the Congress of the Confederate States enacted that the State of Tennessee should be entitled to elect eleven members to the House of Representatives. The people of Tennessee having adopted the Permanent Constitution of the Confederate States of America, are therefore entitled to participate in the election of the Executive and Legislative officers conformably to its provisions, and the laws enacted to put the Government under it into operation. It will therefore devolve upon you to digest and enact such laws as will secure the representation of your State in the Congress and Electoral College of the Government of the Confederate States of America.

Inasmuch as the State is entitled to eleven Representatives in the Congress of the Confederate States, and there are but ten Congressional districts as now laid off, it will become your duty to re-district the State, which will doubtless be done by you in a spirit of fairness and equality, looking to the geographical position of counties and their population; and as the time which intervenes between the day of your assembling and that fixed for the election is very short, it is important to the State that you discharge this duty, by defining the districts at the earliest day possible. In this connexion, it is proper I should state to you that there is on file in the office of the Secretary of the State full returns from the Marshals of the three Grand Divisions of the State of the census taken in the year 1860. The information contained in these reports will be valuable, if not indispensably necessary to you, in the work of redistricting the State. I therefore recommend that you have such parts of these reports as may be necessary for this purpose immediately printed for the use of the General Assembly.

The universal interest felt in this important struggle, involving, as it does, the destiny of a Republic, and the independence of a great people, renders the dry details of ordinary legislation distasteful to the public mind. The important duties, however, which are imposed upon the State Government by the pending conflict, demands at our hands the strictest scrutiny into all of its departments, in order that it may be made fully equal to such emergencies as may probably arise.

The necessities of the civil government, however, demand very little legislation, except such as may be necessary to its economical administration and the development of all of our internal resources.

The reports of the Comptroller and Treasurer show the following to be the

FISCAL CONDITION OF THE STATE:

Balance in the Treasury 1st Oct 1859.....	$180,303 33
Receipts into the Treasury for the year ending 1st Oct., 1860..	790,247 38
Total.....	970,550 71
Disbursements for the same year..	891,944 23
Leaving balance in Treasury 1st Oct., 1860.....	$78,606 48
Receipts into the Treasury for the year ending 1st Oct., 1861..	936,827 53
Total.....	$1,015,434 01
Disbursements for same year....	829,937 29
Leaving balance in the Treasury 1st Oct., 1861.....	185,496 72

It will be seen by reference to the report of the Comptroller, that the aggregate value of taxable property in the State in 1860 was $389,011,468, and in 1861, $368,269,308, showing a depreciation in one year of $20,752,860, with the latter assessment made previous to the commencement of the war. It is confidently believed that if the assessment of the taxable property of the State should be made at this time, it would show a still further reduction, leaving the aggregate at about $300,000,000. This depreciation in the value of taxable property demonstrates the necessity of the most rigid economy in public expenditure, or an increase of taxation to support the civil Government.

I cannot too strongly urge upon your consideration the policy of retrenchment and reform in every department of the Government where it is possible, and thus husband our resources to the utmost extent for the support of our armies, and the maintainance of our independence.

In this connection, it is proper that I should call your attention to the 4th section of the act of the Confederate Congress, approved 19th of August, 1861, imposing a tax upon certain descriptions of property therein named, "for the special purpose of paying the principal and interest of the public debt, and supporting the Government."

It is believed, from the best estimates that can be made, based upon the previous assessments of the taxable property of the State, that the amount to be collected from the people of Tennessee under this act, will not fall very far short of $2,000,000.

The 24th section of the act provides, that, "If any State shall, on or before the first day of April next, pay, in the Treasury notes of the Confederate States, or in specie, the tax assessed against the citizens of such State, less ten per centum thereon, it shall be the duty of the Secretary of the Treasury to notify the same to the several tax collectors in such State, and thereupon their authority and duty under this act shall cease."

If the State should avail herself of the provisions of this section, she will save to her people ten per cent. of the amount assessed against them, in the aggregate amounting to about $200 000, and the sum to be raised will be collected by the revenue officers of the State, obviating the necessity for two classes of revenue collectors, which will reduce the expenses of collection and relieve the people from the necessity of more than one revenue settlement. I therefore respectfully recommend that you provide for and pay, according to the provisions of the 24th section, the amount assessed against the State; but in doing so, care should be taken that no part of the burthen is imposed upon that class of the people who are wisely exempted by the act of Congress.

BANKS.

I refer you to the reports of the Supervisor for information as to the condition and business of the Banks of the State, from which it will be seen that their line of discounts has kept pace with the legitimate wants of the business of the country. The present condition of public affairs has diverted from former channels their business operations, some of their chief points of exchange having become centres of an enemy's country, are closed against them, and they are engaged in the pioneer work of opening new channels and finding new fields for the enterprise of Southern commerce.

Therefore certain modifications which, under other circumstances might have been recommended, are not at present deemed appropriate. Let the system remain as it exists under the present law, "leaving the rest to the ability, prudence and good faith of those whose duty it is to direct its practical operations."

For full and accurate information in detail as to the present condition, business and profits of the "Bank of Tennessee," you are referred to the report of the President and Directors, from which it will be seen that the nett profits for the two years ending July 1st, 1861, have amounted to the sum of $552,125 58. Of this amount $407,681 81 has been paid into the Treasury, the balance being reserved by the Bank to cover bad and doubtful debts, heretofore contracted.

It is due to the President and Directors of the Bank of Tennessee, and, indeed, to the officers of all the Banks, to state that they have extended to the Government every facility and assistance in their power to place the State in a position to repel invasion and maintain her independence, without which it would have been difficult if not impossible to have accomplished much that has been done in this respect.

RAILROADS.

By the act of the 7th May, 1861, it is left to the discretion of the Governor to appoint receivers to take possession of the roads, property and effects of Railroad Companies failing to pay the semi-annual interest upon the Bonds of the State, loaned to aid in the construction of their roads.

The Comptroller has reported the following Railroad Companies as having failed to pay the interest falling due 1st July, 1861, to wit:

Mobile and Ohio Railroad Co....	$33,720 00
Memphis and Little Rock.....	10,500 00
Nashville and North Western....	43,650 00
Rogersville and Jefferson.....	4,770 00
Tennessee and Alabama.....	21,000 00
Memphis, Clarksville and Louisville.....	31,260 00
East Tennessee and Virginia.....	27,970 00
Nashville and Chattanooga.....	4,500 00

Believing as I do, that their failure to pay, resulted from no want of inclination on their part, nor from bad or improper management on the part of their officers and employees, but from the fact of general prostration of trade and commerce, almost their entire business, for the last six months, having been the transportation of troops and munitions of war, which they have done with the utmost promptitude and upon the most accommodating terms—I have felt that neither the security of the State nor the interest of the Companies would be promoted by placing them in the hands of receivers, and I have therefore declined appointing such receivers.

The Edgefield and Kentucky and the Winchester and Alabama Railroad Companies having failed to pay the interest due upon their Bonds on 1st January, 1861, previous to the passage of the above recited act, I appointed Adna Johnson receiver, to take charge of the former, and James B. Lamb, receiver for the latter. These roads with the property and effects of the Companies were placed in the hands of their respective receivers and have been operated by them up to this time; the operations of neither having as yet refunded to the Treasury the amount of interest paid on their account.

For an accurate statement of the account of each with the Treasury, I refer you to the report of the Comptroller.

By reference to the report of the Agent and Inspectors of the Penitentiary it will be seen that there has been a gradual increase in the number of convicts for the last two years, and that the business for that period has been large, resulting in a nett profit to the State of $32,729 68.

By the act of 24th March, 1860, the sum of $100,000 was appropriated for the purpose of enclosing and grading the Capitol grounds, said fund to be raised by issuing that amount of coupon bonds of the State which were to be cashed by the Bank of Tennessee at par.

The work progressing under the supervision of the Capitol Commissioners, on the 17th day of September, 1860, I issued $25,000 of bonds and delivered the same to the Bank of Tennessee, the Bank placing to the credit of the Commissioners that amount. By the act of 1st February, 1861, the appropriation was repealed and the Commissioners directed after paying all debts against them, to pay the balance of the fund in their hands into the Treasury.

It will be seen from the report of the Comptroller, that after settling their accounts, they paid into the Treasury the sum of $5,003 61.

Under the 3d section of said act I appointed James Plunket receiver, to take into his possession the mules, carts and tools belonging to the State and used upon the Capitol grounds, and ordered him to sell the mules and such other property as was perishable, but to receipt for and retain the tools, as they would, at no very distant day, be needed, and could not be sold except at a very great sacrifice.

The receiver reports the nett proceeds of sale of mules, corn and hay at $725 38, which sum has also been paid into the Treasury.

The other property remains in the possession of the receiver, subject to any order that you may see proper to make with regard to it.

CHARITABLE INSTITUTIONS.

I refer you to the reports of the Trustees of the Hospital for the Insane, the Blind School, and the Deaf and Dumb School, for full and accurate information as to the condition and progress of each of these institutions.

I am pleased to believe that a critical examination of their reports will show each of them to be in a very satisfactory condition, contributing greatly to the relief, comfort and improvement of those unfortunate classes of our citizens. Whatever may be the general necessity for retrenchment and economy, we must not forget that these victims of misfortune are entitled to the fostering care of the government.

ISHAM. G. HARRIS.

The Great Staple of the South.

[From Lloyd's Steamboat and Railroad Guide.]

The gigantic proportions which the cotton crop of the South has assumed during the few past years, lead the reflecting mind to look into the future, and speculate upon the possibility of meeting the coming demand by adequate supply. A vast and wonderfully increasing demand is inevitable; new markets are being constantly opened up, while the old ones are asking an almost fabulous amount to meet their growing necessities and wide-spreading commerce. The wants of Russia alone, increasing as they have by such rapid strides, will soon use up all the surplus, and leave us far, very far behind in meeting the supply. The wise and conciliating rule of the present Emperor of Russia has given a great impulse to trade and to private speculation, and already five hundred cotton factories are in operation in Russia, running four hundred thousand spindles, and employing considerably over one hundred thousand operatives. These factories produce over 40,000,000 lbs of yarn, and cotton goods in proportion. The market for this merchandise will, inevitably, soon embrace 60,000,000 of Russian subjects, and to meet its wants, a vast proportionate increase must take place both in the cotton factories and, necessarily, in the cotton staple.

The increased demand for the English market alone, year by year for the two past years, is extraordinary, beyond all precedent. The figures are indeed startling, to wit: in 1856-57, 1,429 000 bales; in 1858-59, 2,019,000; and in 1859-60, at the same ratio of increase, 2,700,000 bales.

Within a certain limit there can be no doubt that the supply will always equal the demand. Take, for instance, the increase in the cotton crops each twenty years since 1800. The cotton gin at that date had been invented but a few years, and the crop of cotton amounted to only 40,000 bales. In 1820 the number of bales produced reached nearly half a million. In 1840 the crop yielded over two million of bales, while in 1860 it is estimated at *four million six hundred thousand* bales, valued at *wo hundred and twenty-three million dollars!* A glance at the above figures will convey some idea of the enormous resources of the South, and of the *growing gold fields* more rich and reliable than all the placers of California and Australia, with their gold dust and their nuggets.

But with all these vast resources of material wealth in cotton and other great staples, the South is but partially developed. At home millions of acres lie uncultivated—useless, wasted land, with all its latent capacities for producing limitless wealth, left all inert, awaiting only the magic touch of "labor" to spring into active and teeming life. But labor is forbidden, for the laborer cannot be had. The North has put shackles upon the free action of the South, and has said, "So far shalt thou go, and no farther;" what you have you may keep—for the present; but the labor that you need shall be declared contraband, and you shall pay for ships of war to rivet your proscription, and you shall pay to send back from your shores the very help you stand so much in need of, while your millions of wasted acres lie idle and profitless, under the ban of the dictum of the North! Such a state of things cannot long be permitted; a tyranny so oppressive, so blind, so willful, must bring forth its remedy, and when that time shall come, the South shall assert that position which is its right, which it deserves, and which it can maintain—the great Trade arbiter of the world.

Labor in the South, by restrictive policy, is dear out of all comparison with labor in other portions of the Union, and the result is