THE NEW YORK HERALD.

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NEWS FROM EUROPE.

ARRIVAL OF THE NIAGARA'S MAILS.

Improvement in Financial Affairs in London and Hamburg.

Probable Reduction of the Rate of Interest by the Bank of England.

CONTINUED HEAVY COMMERCIAL FAILURES.

DECLINE IN THE PRICE OF COTTON

Reported Amnesty for Political Offenoes in France and Spain,

&c., &c., &c.

The steamship Niagara, Captain Wickham, from Liverpool at about 10:30 A. M. of Saturday, the 19th ult., arrived at Halifax at 12:30 A. M. on Saturday.

The Niagara was signalized from the Highland Light (Cape Cod) at 12:45 P. M. yesterday, and reached her dock at East Boston at about 5 o'clock last evening. The mails for the South were forwarded by last night's train, which left Boston at 8 P. M., and will arrive in New York about six o'clock this morning.

The Niagara on Jan. 1, at 6 P. M., passed steamship Canada bound for Liverpool.

The Niagara brings £7,000 for Boston, and £20,000 for Halifax.

She reports: December 30, at 5 45 P. M., Cape Race bearing north, distant two miles, fired two rockets and a blue light, and threw over board the despatch for the Associated Press. [The news yacht was not out at the time the Niagara passed Cape Race, her repairs not having been completed.]

The news by this arrival, except in a commercial way, is of little importance.

There is nothing later from India.

Money was slightly easier in London. Consols for account closed at 92¼ a 92¾.

American stocks were generally dull, and prices without much change.

Financial difficulties had arisen among the woollen manufacturers. Messrs. Cheesebrough & Sons, one of the largest firms in that line in Yorkshire, had suspended, and many others were expected to be involved.

The Manchester market was dull, and prices of goods had considerably declined.

In the Liverpool market sugar had declined 6d. a 1s.

The Collins steamship Atlantic, from New York on the 6th ultimo, arrived at Liverpool on the 16th December, at 8:30 P. M.

THE FINANCIAL PRESSURE.

In the London money market on the 16th ult. there was a further decided tendency towards relaxation among the discount houses, and selected bills were readily negotiated at from 8¾ to 9 per cent. The demand at the bank was very light. The funds were buoyant, owing to the continued influx of gold to the bank and a consequent expectation of a speedy reduction in the rate of discount.

The following failures were announced:—Edward Smith, wool stapler, of London, with large liabilities, and Saalfeldt Brothers, woolen manufacturers, of Leeds, with liabilities of £200,000.

Mr. Jewdall, of Leeds, a very extensive operator in wools, was reported to be in temporary difficulty, but not actually suspended.

The commercial crisis continued very severe in the north of Europe, but at Hamburg affairs had begun to improve.

At Hamburg the rate of discount had receded to 9 per cent.

On the 17th ult. there was a feeling of increased confidence and a rise in the funds under the influence of the Atlantic's news and specie. Money was in good supply and the applications at the bank light.

The suspension was announced of Wm. Chesborough & Son, of Bradford, one of the largest woollen firms in Yorkshire. Their liabilities are not stated.

The Dartford and Gravesend Bank has also stopped, with liabilities of not more than £20,000.

The burgesses of Hamburg have authorized a new loan, thereby making the amount of loans contracted for about forty millions of francs. The rate of discount there had further receded to seven and nine per cent.

The important firm of Schulte & Schemman, largely engaged in the metal trade in Hamburg, have suspended.

James Holmes, of Kidderminster, carpet manufacturer, has suspended for £35,000.

The official statement of the affairs of the Western Bank of Scotland show liabilities of over £8,900,000 sterling, and a deficiency of over £300,000.

On the 18th the London stock market further advanced, and closed buoyantly.

Telegraphic advices from Hamburg reported a further considerable improvement in financial affairs.

W. J. Powell & Son, of London, in the Manchester trade, have suspended, with heavy liabilities.

The Bank of France has reduced its rate of discount to six per cent for all descriptions of bills. Additional confidence was inspired by this, and the funds closed on the 18th at 67f. 20c.

In the Hague, in the Second Chamber, a resolution in favor of the abolition of the Usury Law was adopted, after an important debate.

The commercial crisis in Norway continued very severe. Two delegates from the government had gone to Hamburg with money to support the firms there whose failures would be prejudicial to Norwegian commerce.

A number of new and important failures are reported in Sweden. Government had proposed to borrow twelve million thalers to assist the merchants.

The Bank of Denmark has advanced nearly two millions of francs to a house charged to maintain relations between the banks in Germany and Denmark.

THE LATEST FINANCIAL NEWS.

BY TELEGRAPH FROM LONDON TO LIVERPOOL.

LONDON, Dec. 19—Morning.

The *Times'* City Article says the funds opened with great steadiness this morning, and experienced before the close of business a further advance of one quarter per cent. The Bank return was expected to be very favorable, and it shows a further increase of £1,381,366 in the stock of bullion. Both the bullion and reserve, even supposing two millions of over issue to be deducted from the latter, are now higher than in April last, when the rate of discount was only 6½ per cent.

In the Stock Exchange the supply of money is abundant, and in the discount market the best paper can be readily negotiated at from 8¾ to 9 per cent.

At the bank the demand continues limited, and the resources of the establishment are augmenting with such rapidity that a reduction from the maximum rate of ten per cent seems hardly likely to be delayed beyond Thursday next. At Hamburg the crisis appears likely to be partially subsiding, the rate of discount for short paper having fallen to six per cent. About £132,000 of gold of various sorts, were taken to the bank to-day, besides about £40,000 in sovereigns from America, and £100,000 in sovereigns from Ireland. A very large amount is also expected to be delivered to-morrow. The precise amount of specie to be shipped for the East on the 20th is £357,277, of which £16,494 is gold and the remainder silver.

Yesterday the bills were returned of Dray & Co., engineers and agricultural implement makers.

The *Times'* City Article gives a list of the principal suspensions announced in London since the beginning of October. The number is fifty-five, and the liabilities are estimated at £18,000,000 or £16,000,000. The liabilities of the houses suspended in the provinces are computed at £35,000,000, at a very moderate calculation, but this includes the debts of five banks, amounting to £23,000,000. The total is fifty millions.

The *Daily News'* City Article says a considerable fall in the value of money is evidently impending. Speculation is increasing in the stock markets. The funds to-day were very buoyant. English, Canadian, Indian and other railway shares were in active speculative demand, in many cases at considerably advanced rates. Now that the more prominent stocks have experienced so important a rise, the speculators are eagerly turning their attention to a variety of securities which have hitherto been neglected. All the markets closed with a favorable appearance in anticipation of favorable bank returns. At the Bank of England to-day the demand was again only moderate, whilst large sums fall due there from day to day. In the open market the signs of returning ease are unmistakable. Good bills are currently discounted at 9¾ per cent. Choice paper is done at 9¼ and 9 per cent, and in exceptional cases transactions take place as low as 8½ per cent. We know of one instance in which two months' bills were done at 8½ per cent, and of another in which a large firm have discounted their customers' bills at 8 per cent.

The latter are, of course, exceptional cases, but we quote them because they denote the tendency of the market. A reduction in the bank rate is evidently at hand. A very large amount of money is seeking employment in the Stock Exchange and loans on government securities, but the highest rates obtainable are 5 to 6 per cent for short periods.

It is stated that the liabilities of Jonathan Hills & Sons, bankers, of Dartford and Gravesend, amount to about £40,000. In foreign exchanges yesterday afternoon there was a demand for bills upon Hamburg, and a scarcity of supply. A rate less faverable for London was established.

ENGLAND.

Operations were resumed upon the Leviathan on the 16th, but with the most tremendous pressure the vessel was only moved about three feet, when the work was suspended *sine die;* no less than three hydraulic rams, one powerful arab or windlass, and the double chains which drag the vessel towards the river, having been all burst and broken. The *Times* thinks that half the hydraulic presses will be required to overcome the difficulties.

Admiral Sir F. Beaufort is dead.

A special despatch of the East India Company had confirmed the grant of a pension of a thousand pounds a year to Gen. Wilson, and five hundred pounds a year each to Lady Neill and Mrs. Nicholson.

Gen. Havelock is gazetted to the colonelcy of the 3d Regiment.

Another public meeting in favor of reform for India had been held in London.

A memorial has been presented to Lord Palmerston, praying him to make provision for granting of suffrage to certain classes by virtue of their educational acquirements. The memorial is signed by the Archbishop of Canterbury, Bishop of Oxford, several noblemen, and a large number of gentlemen connected with the universities.

FRANCE.

It was rumored in Paris that the Emperor intended to remit a portion of the punishment incurred by the *Presse*, and that a general amnesty for press offences would appear in the *Moniteur* on New Year's day. It was also said that a decree of exile which exists against Generals Bedeau and Changarnier is to be repealed.

It was stated that instructions had been sent to the French Minister in China to co-operate effectively with Lord Elgin and the English naval and military commanders.

An Imperial decree announces that foreign brandies are to be subjected, on importation into France, to a duty of twenty francs perhectolitre of pure alcohol.

SPAIN.

An amnesty for political offences in the trans-Atlantic possessions of Spain has been granted.

A meeting of the Cortes was postponed till January 10, when the Queen will open the session in person.

BELGIUM.

The Belgian Legislature commenced its session on the 15th ultimo without any formality. Prince de Ligne was appointed President of the Senate. It was officially announced to the representatives that the Duchess of Brabant was in an interesting condition.

M. Verhagen, a distinguished liberal, has been elected President of the Belgian Legislature. A moderate course of action is expected from the victorious liberals.

SARDINIA.

The Legislative session opened at Turin on the 14th. The King in his speech hoped for cordial co-operation in the developement of liberal principles, which are the immovable base of the national policy, and referring to the continued interruption of relations with Austria, said that the civil and commercial intercourse of the two countries was not affected in the least thereby.

PRUSSIA.

A Berlin dispatch says that diplomatic relations wil probably be soon resumed between Prussia and Switzerland.

RUSSIA.

The Berlin correspondent of the London *Times* says:—The American brig Silver Keys, having on board the engineers and machinery that were to have been employed in the raising of the vessels sunk at Sebastopol, have returned to Constantinople. The said vessels are reported by the divers to be so thoroughly buried in mud and earth that any raising them is out of the question; the difficulties and expense of doing so being estimated to exceed the probable proceeds of salvage.

A despatch from St. Petersburg announces an important victory over the Tcherkesses. A great number of them were killed and a large number of their villages burned.

TURKEY.

The Paris *Patrie* says that the Ottoman Minister is about to bring the question of the occupation of Perim by England before the representatives of the Great Powers at Constantinople. Lord Stratford de Redcliffe had at last quitted Constantinople, and was at Vienna.

COMMERCIAL INTELLIGENCE.

LONDON MONEY MARKET.

Messrs. Baring Brothers quote the money market slightly easier. Bar silver, 5s. 1¾d.; dollars, 5s. ¾d.; eagles, 76s. 2½d. Consols for account closed at 92½ a 92¾. The bullion in the Bank of England had increased £1,382,000.

AMERICAN SECURITIES.

Messrs. Baring Brothers report the market generally quiet. State stocks were held firmly, but in the absence of sales quotations are nominal. Messrs. Bell & Co. report generally a limited business at previous rates.

United States Sixes of 1867–'8	103	a 105
Maryland Fives, bonds	88	a 90
Massachusetts Fives, bonds	96	a 98
Pennsylvania Fives	71	a 73
Pennsylvania Fives, bonds, of 1877	76	a 78
Virginia Sixes, 1880	80	a 82
Virginia Fives, 1888	80	a 81
Illinois Central Railroad shares (dis.)	13	a 12
Do. do. Sixes of 1875	74	a 76
Do. do. Sevens of 1875	74	a 76
Do. do. Sevens of 1860, Freeland	75	a 77
Michigan Central Eights of 1869	75	a 77
Do. do. Shares	55	a 60
New York Central, shares	70	a 74
Do. do. Sixes	80	a 82
Do. do. Sevens	90	a 92
Erie Railroad Shares	14	a 17
Do. do. third mortgage bonds	67	a 69
Do. do. Sinking fund	40	a 45
Pennsylvania Central Sixes, first mortgage	81	a 83

The London papers of Friday report the following sales on the 7th:—

Illinois Central shares (dis.)	13	a 13½
Do. do. Sevens	—	a 77
New York Central Sevens of 1883	—	a 80
Pennsylvania Central RR. 2d mortgage bonds	—	a 82½

LIVERPOOL COTTON MARKET.

The *Brokers' Circular* reports the sales of the week as 28,000 bales, of which 3,000 bales were on speculation, and 1,200 for export. Prices were ⅛d. per lb. lower on all qualities, and particularly for new crop, holders of which were pressing on the market. Friday's sales were 5,000 bales, including 1,000 on speculation and for export, the market closing quiet, though with a rather better demand than previously, at the following quotations:—

	Fair.	*Middling.*
New Orleans	6⅛	5⅝
Mobile	6	5½
Uplands	5⅝	5½

The stock in port was estimated at 387,000 bales, of which 185,000 were American.

LIVERPOOL BREADSTUFFS MARKET.

Messrs. Richardson, Spence & Co. report flour quiet, but steady. Western Canal, 23s. a 25s.; Philadelphia and Baltimore, 25s. a 26s.; Ohio, 27s. a 28s. Wheat firm and slightly higher, the improvement being mainly on the finer qualities; red, 6s. 2d. a 7s. 1d; white, 6s. 10d. a 8s. Corn firm; mixed, 33s. a 33s. 6d.; yellow, 33s. 6d. a 34s.; white, 37s. a 38s.

LIVERPOOL PROVISION MARKET.

Messrs. Bigland, Aithya & Co., Richardson, Spence & Co., James McIlleury and others quote beef heavy and irregular. Pork dull. Bacon dull and slightly lower. Lard heavy and nominal. Tallow quiet—butchers', 51s. a 52s. Cheese advanced 2s. a 5s.

LIVERPOOL PRODUCE MARKET.

The Brokers' and other circulars report ashes quiet: pots, 33s.; pearls, 34s. 6d. Sugar dull, and 6d. a 1s. lower. Molasses generally unchanged. Coffee quiet. Rice heavy and slightly lower; Carolina 18s. 3d. a 18s. 6d. For tea quotations were barely maintained. Rosin dull, at 3s. 10d. a 4s. for common, 8s. a 10s. for medium and 14s. 6d. for fine. Cod oil, £26 a £27; sperm oil, £70; linseed oil dull at 30s. Spirits turpentine firm at 36s. a 38s. Quercitron bark slow of sale, but prices unaltered.

LONDON MARKETS.

Messrs. Baring Brothers report breadstuffs quiet: white wheat 6s. a 48s.; red 42s. a 45s. Flour 24s. a 26s. Iron dull and nominal at £6 for bon rails and bars. Sugar dull and declined 6d. a 1s. Coffee quiet. Tea is better demand and Congou rather dearer; common Congou 11½d. a 1s. Rice quiet. Tallow steady at 52s. a 53s. 3d. Spirits turpentine dull at 31s. a 32s. 6d. Saltpetre declined 1s. 6d. a 2s. Fish oils very dull: sperm £68. Linseed oil quiet at 27s. 9d. Lard oil dull and nominal at 56s. a 58s. Whalebone nominal. Pig iron dull at 50s. a 51s. Linseed cakes in good demand.

HAVRE MARKET.

For the week ending Dec. 16, inclusive.—Cotton dull, and all qualities considerably lower. Sales of the week 3,000 bales. Stock 75,000 bales. New Orleans tres ordinaire 95f. Breadstuffs quiet. Ashes dull. Coffee steady. Provisions dull and nominal. Rice heavy and nominal. Sugar heavy. Oils, nothing doing. Whalebone nominal.

The Law Courts for January.

We published in Sunday's HERALD an accurately compiled table of the business transacted in the Law Courts during the past year, and this day the different legal tribunals will be organized for the commencement of business for the year 1858. The various calendars are long—that of the Superior Court containing 1,761 causes—showing that the love of litigation is not diminishing in our community. We will have jury trials this month in the Supreme Court, Circuit, in two branches of the Superior Court, two parts of the Common Pleas, two parts of the Marine Court, and also in both the federal courts. In the United States Circuit Court the action for libel at the suit of the Austrian Consul General against the proprietors of the *Express* is set down peremptorily for Wednesday of this week. The causes in the other courts are of the usual varied character, from actions on notes to suits for injury to person and property, actions against insurance companies—and their name is legion—for amounts of policies on fire and life. The changes in the judiciary are numerous. Judge Ingraham, from the Common Pleas, and Josiah Sutherland, Esq., have been elected to the Supreme Court in the room of Judges Mitchell and Peabody. Judge Roosevelt, being the senior Justice of this Court, goes to the Court of Appeals for the year 1858. Judge Pierrepoint has taken his seat on the Superior Court bench, to fill the vacancy created by the death of Chief Justice Oakley. Henry Hilton, Esq., takes his seat to-day in the Common Pleas, in the room of Judge Ingraham. Judge McCarthy having been re-elected to the Marine Court, the constitution of that bench remains the same as last year.

The January term of the Court of General Sessions commences this morning, when City Judge Russell will occupy the bench. He has just entered upon the second year of his official term, and if the energy and ability which has characterized his administration of criminal justice during the past year is to be a criterion by which to judge of his future acts, he will speedily redeem the character of this court, and secure the vigorous prosecution of offenders, as well as receive the merited and unanimous approval of our citizens and the public press. His efforts to do so will undoubtedly be seconded by Recorder Barnard and District Attorney Sweeney. Our new District Attorney has exhibited proper discrimination in selecting Mr. John Sedgwick for his assistant, for during Mr. Hall's administration he has secured the confidence and esteem of all classes by his vigilance, affability and legal knowledge. The calendar is unusually large this month, and the prisoners have been rapidly accumulating. It is not likely that the alleged Greenwich street murderers will be tried this term. There are a few cases of manslaughter, but the majority of the charges are for larceny and burglary. The celebrated Lieut. Col. Marmaduke Reeves will be tried for false pretences.

Subjoined is a list of attendants approved on the 1st of January, 1858, by the City Judge and Recorder, for the Court of General Sessions:—Joseph Karge, W. H. Carter, William Joice, Cornelius Murray, Andrew Sheen, Patrick Murphy, Wm. S. Allen, Henry Evans, Patrick Smith, John N. Cornell, Edward Halloran, Edward S. Mulloy, Edward O. Baker, William R. Wilde, William Dougherty, Joseph T. Webster, James Tease. Wm. Joice is appointed Captain and W. H. Carter, Crier.

The Common Council for 1858.

The new Board of Aldermen will assemble in the chamber of the Common Council this day, at 12 o'clock, where they will be sworn in by Mayor Tiemann. The Board of Supervisors—who are now an independent body, composed of elected members, and not constituted of the members of the Board of Aldermen—will also be sworn in by the Mayor this day, in the chamber of the Board of Aldermen. Mr. D. T. Valentine, the father of city officials, will, of course, be re-appointed Clerk of the Common Council; and his deputy, Mr. John H. Chambers, and the other assistants, will, doubtless, remain as they are. As the majority of the Councilmen are democratic, Mr. McClenahan is certain of re-election as Clerk of that body. The business will not be very brisk until the new members become *au fait* at city government. We understand that ex-President Clancy will be again a candidate for the Chairmanship of the Aldermen.

The new Board of Councilmen will be organized at 12 M. to-day, in the chamber. Although there are three candidates for the Presidency of the Board—Messrs. Haswell, Arcularius and Brady—it is pretty generally understood that Mr. Haswell will be elected. There is scarcely any doubt of John T. McClenahan's re-election as Clerk of the Board, he not only having the necessary qualifications and experience for the efficient discharge of his duties, but eminently qualified by his urbanity to occupy the position which he has heretofore so ably filled.

Police Intelligence.

COURT CLERKS.

The appointment of these persons, of whom there are two complete sets, taking effect on the first of January 1858, they all reported themselves to the respective courts to which they were assigned by the body making the appointment, as follows:—

TOMBS.—*R. H. Johnson, E. M. Skidmore, John Lalor*, Wm. J. Magrath, Wm. J. Westerfield and Edward R. Bouton.

JEFFERSON MARKET.—*James M. Murray, M. N. Jones*, Patrick J. McGrath and Peter Ferrety.

ESSEX MARKET.—*George W. Riblett, Wm. B. Rockwell*, Wm. E. Haskins and Isaac Kayler.

YORKVILLE.—*C. M. Vanderwort*, James Tinson and James M. Byrnes holding over.

The Justices presiding at the courts in most instances, where the old incumbents were reappointed and on hand, recognized them in preference to those appointed by the Aldermanic Convention, although in each case they were received with courtesy and allowed to take their seats within the bar. At Yorkville Justice Brownell says he shall set each of the three clerks to work when he has anything for them to do, but will not allow either of the new ones to administer the oath until after the Courts shall have decided the question as to who is the proper and legal clerk. In the meantime, however, Mr. Byrne continues to perform that duty as heretofore, as he is holding over, on the ground that he was appointed by the following resolution, on the 11th of October, 1855, for six years:—

Resolved, That James M. Byrne be and he is hereby appointed a police clerk for the new Police Court, created by the act of March 21, 1854.

The statute of 1857, under which he was appointed, however, provides that each clerk shall be appointed for a judicial district, which it seems in his case was overlooked.

It is also set up in defence of the position Mr. Byrne assumes, that as he was appointed for the same term as the District Court clerks, and as their term should have expired under the old law on the 18th of January, 1858, the term of his office must necessarily expire on that day.

It is conceded, however, on all sides that no suits will be commenced to gain possession of either of the offices until the 1st of February, when the question will probably come up in the form of a suit against the city for two month's salary. As this is the least expensive and quickest method of testing the question, it is far preferable, and will probably be adopted. In the meantime, the clerks on both sides intend reporting themselves at their respective courts for duty daily.

Those in italics appointed under the law of 1857, by the Police Commissioners, for six years. Those in roman appointed under the law of 1855, by the Aldermanic Convention, to hold office for the same term.

A BOY ARRESTED FOR EMBEZZLEMENT.—William Smith, a lad 15 years of age, was arrested on Saturday night at the Bowery theatre. It seems he was employed as a clerk at the store No. 654 Washington street. On Wednesday the boy was missing, and so was $100, which had been taken from the till of his employer. After taking the money young Smith found his way to New Haven, but subsequently was incautious enough to return back, and being a lover of the drama, he invested a quarter to see the performance at the Bowery theatre on Saturday night. Officer Senior, of the Fourteenth ward, who was set on the track of the truant, caught him in the theatre. On his person was found over $100 and a gold watch, which it is supposed he bought with the stolen money. He was committed yesterday by Justice Brennan, in default of bail.

FEMALE HELP IN CALIFORNIA.—The San Francisco *Bulletin* represents that there is great want of servant girls in California, and recommends the girls out of employment in the East to emigrate to the Golden State. It says that house girls' wages in San Francisco are $30 to $35 per month, and cooks' $40 to $60.

Court Calendar—This Day.

U. S. DISTRICT COURT will meet to-morrow (Tuesday).

COMMON PLEAS—Part 1.—Nos. 15, 16, 17, 1033, 19, 10, 26, 1111, 31, 27, 21. Part 2.—Nos. 1032, 2 to 8, 10 to 14, 387.

SUPERIOR COURT—Circuit.—Nos. 820, 2797, 1033, 1577, 383, 2748, 387, 1621, 359, 371, 2863, 1439, 2182, 2803, 1577, 371, 1642, 1, 3, 4, 5.

SUPREME COURT (opens at 11 o'clock A. M.).—Nos. 3, 4, 5, 7, 8, 9, 10, 11, 13, 17, 19, 21 to 24, 26 to 29, 31, 33 to 40, 42, 43, 45, 47, 50 to 55, 57, 58.

AFFAIRS IN WASHINGTON.

Our Washington Correspondence.

WASHINGTON, Dec. 31, 1857.

Secretary Thompson's Grand Ball—The Rank, Wealth Beauty and Ton of the Capital Assembled—Lords, Barons, Chevaliers and Civilians Enjoying Themselves, &c.

Considering the short space of time which intervened between Governor Brown's ball and the one given last evening by Secretary Thompson, the latter, though not as largely attended, will compare favorably in every point of view. Nothing could surpass the array of beauty there assembled, the elegance of the costumes, the richness, delicacy and variety of the viands, and the admirable taste displayed throughout. The Secretary, his accomplished lady, and his charming and fascinating niece, Miss Wiley, did all in their power to render this an agreeable re-union, and succeeded admirably. It was attended by all the rank, wealth, beauty and ton of our gay and brilliant metropolis. Notwithstanding the inclemency of the weather without, within all was joy and gladness.

Senators, grave and gay; representatives, wise and otherwise; diplomats, whose lengthened visages indicated profound secrets, and politicians, ready and willing to serve the country at an hour's notice, were here, mingling in the mazes of the giddy dance.

I shall mention only a few of the prominent persons that met my gaze. Among the Cabinet officers, Secretary Cobb, Secretary Floyd and Postmaster General Brown were all that were present. The veteran Cass rarely if ever attends these evening parties.

The Vice President, Mr. Breckinridge, shone conspicuous, and was the "observed of all observers," as he usually is on such occasions.

The *corps diplomatique* was represented in the persons of Baron Stoeckl and lady, Count and Countess de Sartiges and Lord Napier. Lady Napier was unavoidably absent. The renowned and philosophical Hulsemann was also present. He looks as though he had not yet recovered from the effects of the Webster letter, and it is said by some that he never will.

Among the Senators, with their accomplished ladies and beautiful daughters, I noticed Dr. Gwin, Mr. Slidell, Gov. Seward, Gov. Brown of Mississippi, Mr. Clay of Alabama, and Mr. Johnson.

The other wing of the Capitol was fully and ably represented. But time and space will not permit me to elaborate or give an extended notice of this grand and elegant ball. Suffice it to say it was an exceedingly *recherche* affair.

WASHINGTON, Jan. 1, 1858.

Lord Napier Not Consulted by Gen. Cass on the Nicaragua Question—The Contract for Post Office Stamps and Envelopes—The Pawnees, Poncas and Pottowatamies in the White House—Captain Rynders at Home—Interesting Interview with the President and Picturesque Scene—The President Pacifying the Pawnees and the Poncas.

The statement made in one of the New York journals some days ago, that Gen. Cass had submitted the treaty negotiated with Yrisarri, the Nicaraguan Minister, to Lord Napier, and that the British Minister had expressed his dissatisfaction with the conditions of the treaty, is a mistake. Lord Napier has not expressed any dissatisfaction or disagreement in the matter.

From January 1 to March 31, 1857, the Post Office Department contracted for 45,666,095 postage stamps, equal to $1,229,774 20; from April 1 to June 30, 39,559,750 stamps, equal to $1,122,385 20; from July 1 to September 30, 44,909,415 stamps, equal to $1,248,204 70; in all one hundred and thirty millions of stamps of all denominations—that is to say, of one's, three's, five's, ten's and twelve's included. Toppan, Carpenter & Co. have the contract for the stamps for four years. Rawdon, Hatch & Co. had it previously, but their bid being higher than that of Toppan, Carpenter & Co., the Postmaster General awarded it to them. Nesbitt has the contract for stamped envelopes for four years also.

Yesterday were presented to the President at the White House the Indian delegations of the Pawnees, under the charge of Major W. W. Dennison, the Poncas, under the charge of Major J. B. Robertson, and the Pottawatomies, accompanied by Mr. Jones, who acted as interpreter. The reception was in the "East Room" of the Presidential mansion. There were from two to three hundred persons present, and nearly half the number were ladies. Among them I noticed Lord Napier, Dr. Mackay, the popular song writer and editor, nearly all the members of the Cabinet, and a sprinkling of New York politicians, not the least conspicuous of whom was the redoubtable Captain Rynders, who characteristically and voluntarily took a part in the proceedings, as he would have done in Tammany Hall or among a crowd of rowdies in New York, by assisting to clear the way for the President, and arranging the visitors in order. The scene was highly interesting.

By arrangements made by the Secretary of the Interior and Mr. Mix, Commissioner of Indian Affairs, the respective agents of the different delegations were directed to form the Indians into a hollow square, opposite the main entrance of the "East Room." When the President entered he took a position in the centre, and his venerable appearance made a striking figure in the picture. Grouped around the President were the Secretary of the Interior, Mr. Mix, Commissioner, Major Dennison, Major Robertson, and the interpreters. On his left were the Pawnees, sixteen in number, in their Indian habiliments, naked to the waist, with blankets and buffalo robes over their shoulders, head-dresses of feathers, bears' claws and scalps of their enemies, and with any amount of paint—green, yellow and red—artistically put on after Indian fashion. They carried their tomahawks, spears and war clubs in their hands. In front were the Poncas, six in number, similarly dressed and ornamented. On the right were the Pattowatomies, numbering nine, who were not dressed in Indian costume, but in the manner of citizens, with an extravagance of style most comical.

After presentation, the President welcomed them in a few remarks, and requested they would state what they wished him to do for them. The chiefs of each of the four bands of the Pawnee delegation in turn advanced towards the President and addressed him. The substance of their remarks was as to the late treaty made with them and the pleasure they enjoyed in having the opportunity of taking their Great Father by the hand. Then the head chief of the Poncas, "Iron Whip," a stalworth looking fellow, advanced and spoke in an impressive and firm manner. He said he had come a great distance, by invitation of his Great Father. He laid great stress on the idea, and frequently repeated it, that all of us, white and red men alike, came from the same Great Spirit. He appealed to the President for a just consideration of their rights, urging as an argument that the very soil they stood upon, pointing in a significant manner to the earth with his finger, once belonged to them. The Poncas came to make a treaty with the government for the sale of their lands. The Pottawatamies, it appears, came on without being invited, to endeavor to obtain redress of some evils which they believe they have suffered.

The idea which seemed to occupy the minds of these Indians most, and which they frequently gave expression to in their addresses, was that they are "poor." They compared themselves with the white man, looking at his condition and then at their own, and felt that they were "poor." They expressed their desire to become "rich," like the white man. The President, perceiving the ruling idea of their minds, informed them in brief and simple language in what way they could realize their wishes—by abandoning war, and instead of living by the chase, to cultivate the soil and the arts of life. I have frequently noticed how familiar and easy people with great minds are with children, and how readily understood by them in conversation; so it appeared to be with the Indians and Mr. Buchanan. Simplicity accompanies greatness, and beauty in language, in forms and in manner. The distance between the great statesman or highly cultivated man and the rude savage is diminished in their intercourse.

It appears that the Pawnees and Poncas have been enemies for a long time. Mr. Buchanan, understanding this, after the formal addresses and replies had been made, stepped forward, and taking a Pawnee with one hand and a Ponca by the other, joined their hands together, telling them to bury their weapons of war and to become friends. This he did with all, taking them one by one from each tribe and joining their hands together. At the conclusion of the reception, the daughter of Major Dennison, the agent for the Pawnees, a bright and pretty young lady of fourteen, who has been a great deal with the tribe, and to whom they are much attached, was introduced to the President as a Pawnee, by the Commissioner, the tribe having adopted her. Mr. Buchanan kissed her and presented her to Miss Lane, his neice, who took a great interest in her, and who, much to the amusement of the young lady, naively asked if she could speak English. The Indians appeared to be much impressed with the reception; and while they did not show any fear or timidity, the feelings of most of them were evidently subdued.

Another tribe of Indians, the Sioux, came in this morning. We are receiving "natives" enough in Washington just now to gratify the most intense Know Nothing.

LETTERS TO OTHER JOURNALS.

[Correspondence of the Press.]

WASHINGTON, Jan. 2, 1858.

Old and Young Filibusters—Generals Houston, Lamar and Walker—Now and Then, &c., &c.

Filibusterism, like other youthful excesses, brings forth fruits of repentance and reformation. It serves as a vent for the natural tendency of Americans to conquest and expansion, and where once largely indulged, in youth and manhood, is apt to produce a conservative old age and an increased regard for law, order and regular authority. This is on the principle that a reformed rou makes the best husband, and a retired pirate the most exacting Justice of the Peace. We have here at Willard's Hotel two very startling examples of this philosophic truth in the ex-Presidents of the republic of Texas now sojourning here. General Houston, who has been very quiet this season, and who, on his arrival, gave out that his Senatorial duties would be confined to the pious task of offering a proper tribute to his late colleague, General Rusk, is now much exercised by the lawless designs of General Walker, and declares that he will defend the course of Commodore Paulding in the Senate. The other ex-President of Texas, the chivalric Lamar, whose charge at San Jacinto, at the head of his small force of dragoons, was so brilliant a feature in that wonderful achievement of American valor, now a stoop-shouldered, abstracted, quiet, reserved, thoughtful old gentleman, will leave our shores in a few days, as Minister to Central America, with instructions to keep off filibusters.

General Walker, however, it seems, reversed the history of these two ancient filibusters. He was in youth and manhood a bitter anti filibuster, and stern conservative and maintainer of international law, and of the faith of treaties. There is an incident in his life, related to me by an old friend of his, which is a precedent for the remedy suggested by some persons as the only just one to repair the wrong done him by Commodore Paulding. Some seven or eight years ago an imprisoned convict, of the name of Rey, escaped from the prison of Havana and reached New Orleans. Here he was watched by certain spies of the Spanish Consul, was at last forcibly seized, put upon a vessel chartered for the purpose, and sent back to Cuba. When the facts became known there was a tremendous excitement in New Orleans. The Spanish Consul and his employés were arrested, and an exciting trial, during which the Consul had to be protected by a large police force from the wrath of the populace, was held. During this affair General Walker, then editing a paper in New Orleans, strongly defended the Spanish Consul, and devoted his pen specially to the denunciation of the lawless spirit of filibusterism, then so rampant in the South. But the Consul was committed for trial, and his exequatur was withdrawn by the federal authorities. Nor did it end here. General Campbell was instructed by our government to demand the return of Rey to the United States, and the American squadron appeared before Moro Castle to enforce the demand. It was urged that Rey was a felon, and that his return to Cuba was of his own free will. But General Campbell, without being very warmly backed by our government, insisted that it was a case of kidnapping, and that Rey must be sent to New Orleans in a Spanish ship. It was done. Here is a rule set by our own government which appears to justify the proposition that will be introduced into Congress on Monday next, (if the rules can be suspended,) that Walker, with his whole command, shall be restored to the place whence he was illegally taken by the authorities of the United States.

By-the-by, referring to General Lamar, I learn that he has received orders to leave for his post in Central America on Tuesday next. He will probably go in the Saratoga, of which Captain Engle will be commander. This excellent officer is now here. Though the executive officer in carrying out the orders of Commodore Paulding, no censure can attach to him in the matter. Indeed his tact and delicacy were conspicuous in the whole affair, and a warm regard has sprung up between Captain E. and General W.

[Correspondence of the Richmond Enquirer.]

WASHINGTON, Dec. 31, 1857.

The Case of General Walker.

Everybody is now on the *qui vive* to ascertain what the administration is going to do with General Walker and Commodore Paulding. A word of explanation on this point may be acceptable to my readers. The President was astounded at the news of Walker's arrest, and, after a short consultation with his Cabinet, determined to recall Commodore Paulding and bring him before a Naval Court of Inquiry. In the language of Secretary Toucey, "it was never contemplated that the United States forces would invade Nicaragua in order to arrest one of her citizens"—and the whole thing is repudiated by the government.

General Walker, having been discharged from custody by Marshal Rynders after he was told the administration could not consider him a prisoner, will now in turn make his complaints and demand redress. If his seizure was illegal, the government is undoubtedly bound to pay expenses and make full indemnity. This can be effected by dollars and cents; but General Walker says dollars and cents will not cover the injury done him, and claims that the United States shall send himself and men back whence they were taken—and reboist the Nicaraguan flag, and cause it to be saluted by the United States ships-of-war. Such are the filibuster's demand; but it remains to be seen how far they will be complied with by the government. Another special meeting of the Cabinet is to be held to-day to consider this subject, and so soon as it is disposed of Walker will set about making preparations for another departure. He is in fine spirits, and says that the combined powers of the government may delay the accomplishment of his purpose, but cannot defeat it. Great excitement prevails among Southern members of Congress, with whom General Walker's rooms are constantly crowded. They promise us something definite on the Neutrality laws so soon as Congress shall re assemble.

OUR RELATIONS WITH VENEZUELA.

[From the Charleston Courier, Dec. 30.]

Among the arrivals by the Isabel on Monday morning was Dr. Mariano De Briceno, editor and proprietor of the Caracas *Diario de Avisos*, who is now on his way to Washington as Envoy Extraordinary and Minister Plenipotentiary to our government from the republic of Venezuela, his diplomatic mission especially relating to the pending question in regard to the Island of Aves, better known as the Birds Island. The leading points of this question may not be without interest to our readers.

Birds Island—west of Gandalupe—together with other islands along the coast, is subject to the government of Venezuela. It is a rocky, uninhabitable island, valuable only for its deposits of guano. In December, 1854, the Venezuelan government granted to Mr. Wallace, by contract, the exclusive right to export guano from this and all the other guano islands under the control of the republic. In June, 1855, the island was visited without authority by several vessels from the United States in search of guano, and in particular two firms in the city of Boston fitted out an expedition for the exportation of the article. A schooner of war was therefore sent from Venezuela, and the parties representing the Boston firms left the ground peaceably and under a written agreement. Subsequently, Mr. Wallace made over his contract to a firm in Philadelphia, who, as the government of Venezuela avers, failed to meet its conditions. They were sustained in their claim, however, by the Representative of the United States at Caracas. In the meantime the Boston firms have entered a claim for damages, it is said, to a very considerable amount, on the ground they had lawfully occupied the island and were forcibly expelled therefrom.

It is to adjust these difficulties that Dr. Briceno is sent to our government. We understand that he left the city last evening for Washington.

Brooklyn City News.

THE RIOT IN FULTON STREET.—The parties arrested for rioting in Fulton street, on New Year's Day, were brought before Justice Voorhies on Saturday, but as there was an unusual number of drunken cases to dispose of, which demanded immediate attention, their examination was postponed until Tuesday. The fight originated between the runners of two rival engine companies (Nos.