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IMPORTANT FROM TEXAS.

Our Successes in the Lone Star State.

Interesting Extracts from Governor Lubbuck's Message.

The Quota of the State to the Rebel Army.

Magruder's Orders and Pronunciamientos.

The Fighting Population of the South,

&c., &c., &c.

Mr. DeB. Randolph Keim's Despatches.

HEADQUARTERS, UNITED STATES FORCES, MATAGORDA ISLAND, TEXAS, Dec. 14, 1863.

Governor Lubbuck's Message to the Regular Session of the Texas Legislature—Main Points of His Message to the Extra Session in February, 1863—An Outline of the Last Message—Congratulations—Bombastic and Chivalric Patriotism—Exemptions—Labors of "The Military Board"—Adjutant and Inspector General's Department—Number of Troops Furnished by Texas—Nearly Every Man in the Service—Aliens', Conference of August 15, 1863—Refugees to Texas and Their Slaves—Deserters—Purchase of Arms—The State Penitentiary and Its Labors—Government Officials—Closing of Distilleries—Indian Affairs—State Finances—Winding Up, &c., &c.

Through the kindness of Major General Washburne I have been permitted the use of a copy of the rebel Gov. Lubbuck's message to the Legislature of Texas, assembled in regular session, and delivered last month. I have also secured a copy of a message laid before an extra session in February last. From the latter I have made a few extracts with a view to the exhibition of affairs at that time. The late message will present the condition of the State at this time, and afford a clear and reliable exposition of the effects and drain of the war upon the inhabitants of Texas. The late message being exceedingly voluminous, descanting upon many trivial local matters and personal disputes, I have chosen to take from it only those parts relating to affairs of public interest and material importance to know.

From the message of February last we glean the following in regard to the

LABORS OF THE MILITARY BOARD.

Referring to the Military Board appointed at the last session, composed of the Governor, Comptroller and Treasurer, he says "they have performed the duties assigned them to the best of their ability, though laboring under many embarrassments for want of means, materials, &c. They have, however, procured every gun possible, made contracts for the manufacture of small arms, which are now being rapidly perfected, established a foundry for cannon and a percussion cap manufactory, have given aid to the manufacture of powder, have introduced into the State many articles of necessity and warlike stores, &c., purchased and fitted up the gunboat Bayou City and transferred her to the Confederate government, also the two Nichols guns which have proved to be so efficient."

The gunboat Bayou City alluded to is still in existence, and is supposed to be hid away somewhere in Lavaca bay.

BUREAU OF THE ADJUTANT AND INSPECTOR GENERAL.

The Governor says that the report of that officer (the two being consolidated into one chief functionary) "shows that his labors have been very arduous, but that the eagerness of our citizens to embark in the war, and the demand for troops made by the Confederate government, have almost destroyed the military organization of the State." He shows what troops have been raised for frontier defence, in accordance with the laws upon that subject, and the many difficulties encountered in bringing the frontier regiment into service; but that this regiment has given protection to the people and inspired their confidence. He says "this regiment is willing to be transferred to the Confederate service after the expiration of its three years' term on the frontier. Up to the present time the expense of this regiment has been about $800,000. The Governor recommends, as a measure for frontier defence, that a company shall be organized in each of the frontier counties, of twenty men and a captain each, the pay of the captain to be $750 and of a private $500 per year, they furnishing their own horses, arms and subsistence, with one or two commissioners to travel along the line, receive reports, pay off the troops, &c. The number of the frontier counties being about twenty five, the whole number of troops would be about five hundred, who would not cost the state more than $300 000 annually—about one-fourth the present cost—and yet, as the Governor believes, would give satisfactory protection. The present regiment could then be turned over to the Confederate government."

ENROLMENT OF MEN BETWEEN SIXTEEN AND SIXTY YEARS COMMENCED NEARLY A YEAR AGO.

On the subject of State troops the Governor says he has experienced much difficulty in filling a requisition for five thousand troops for three months' service for State defence. He calls attention to the Adjutant and Inspector General to enroll all between the ages of sixteen and sixty years. He sees no reason why able bodied old men should not be required to defend the State. Should the Confederate government require all between the ages of eighteen and forty-five, then the State would only have left for its defence boys and old men.

STRINGENT LAWS FOR OFFICERS.

The Governor recommends that the law should be so amended as to make the officers liable to go into the ranks whenever the company falls below the minimum number, which minimum he thinks should be increased. This recommendation is made because the officers have almost always availed themselves of their present exemption from service rather than go into the ranks.

THE CONSCRIPT LAW.

In regard to the Conscript law, the Governor says he did all he could to make it effective in this State without questioning its constitutionality or policy. He believed it constitutional and necessary. He says it was believed at first by many that Texas would have enough to do to protect her more extensive seaboard and thousands of miles of exposed frontier infested by hostile savages, but that, notwithstanding, Texas has furnished to the service nearly seventy regiments, or an aggregate of sixty two thousand men, which, with the State troops (six thousand five hundred), make a total of sixty-eight thousand five hundred, while the highest popular vote of the State has never exceeded sixty-three thousand seven hundred and twenty-seven. He says the nearest estimate of the number of men now remaining in the State between sixteen and sixty years of age only makes the number about twenty seven thousand. He believes it their true policy to meet the enemy wherever he masses his troops, and not wait for them to come within their limits.

COMPANIES FOR COAST DEFENCE.

In March last he says he authorized the brigadier generals of certain coast brigades to organize companies of twenty-five men in each county for coast defence, for the purpose of more effectually securing the negroes and cattle and other property against the enemy's predatory incursions. Some complaints have been made of this policy, though he thinks many of them have done good service.

The last message, in keeping with the remarkable infatuation and incredulity of Southern Governors, breaks out in a grandiloquent exordium, congratulating himself and everybody that the State "has been blessed with genial seasons, uninterrupted good health and prosperity; that her granaries teem with the superabundance of the harvests; that her loved plains still furnish an abundance of forage and meat, and that the unparalleled bravery of her noble sons has saved their beloved State from the hated presence of the foe."

He says since the last adjournment the contest has been "checkered with alternate successes and reverses to our arms," and consoles himself: "In the general summing up, however, of results, we have no reason to despond or falter."

Of Vicksburg he says:—"It is true that Vicksburg and Port Hudson are both in the enemy's possession. Their defence was alike honorable to their respective garrisons, and conferred additional lustre upon the Southern name," and thinks "the results to the enemy have proved wholly inadequate to the great sacrifices made in capturing those points." He is of the further opinion that the confederacy "could well afford to fortify several such places and surrender them upon the same terms as Vicksburg and Port Hudson." Doubtful whether Mr. Davis thinks so. "The consequence," says Mr. Lubbuck, "has in a degree separated the States of the Trans-Mississippi Department from her sister States east of the Mississippi," and he thinks they "must contend for the present alone against the numerous armies of the enemy thrown against us (them) upon this side of the river, for our (their) subjugation." And he is of the belief that without "vigorous action it is feared unnumbered calamities and misfortunes will be the penalty of our (their) supineness and want of patriotism." "Texans," he continues, "must rise in their might as one man, with one resolve to be free or perish with the land of their birth and adoption." He winds up:—"Thus animated we shall conquer, and Texas will be the grave, not the inheritance, of the invader." The Governor thinks they have men enough west of the Mississippi to "drive from their territory the last Yankee soldier" that may invade it.

IN REGARD TO EXEMPTIONS

the message says:—"Time has demonstrated that exemptions from military service have proved of doubtful policy and worked an injury to the cause." The Governor "trusts this policy will be at once abandoned," and is particularly severe upon men "in profitable business on their own accounts," upon contractors, white teamsters, and so forth; thinks the government, as he calls it, should do away with exemptions and substitutions, and convert every man into a soldier. He is of a mind that if this be done "a new spirit will be diffused throughout the various army corps of the confederacy," and that they "can bid defiance to all the hired Hessians that may be brought against us" (them).

THE MILITARY BOARD.

Under this head are discussed several interesting subjects, such as the distribution of wool cards, the labors of the State foundry and percussion cap factory; also a few facts concerning its pecuniary affairs, &c.:—

"The Military Board has continued to prosecute its multifarious duties with all the energy and ability at its command. It has, as far as was practicable, husbanded the small means at its disposal. It had to contend against many difficulties arising from the bad management of some of their agents and the great depreciation of the currency. Ably and patriotically assisted by some of its agents, it has been met with bad faith to the State on the part of others, which fact will be more particularly dwelt upon and elucidated in its report.

"Since the adjournment of the extra session of the ninth Legislature about twelve thousand pairs of cotton and wool cards have been distributed to the various counties of the State, at a cost to them of ten dollars per pair for cotton, and one-half that price for wool cards, the price in the open market ranging generally from twenty-five to forty dollars. The Board is now receiving and distributing thirty thousand additional pairs imported from Europe, which it confidently hopes will supply the present wants of the entire State; (in this single transaction the people of the State have been saved over one million dollars, independent of the facility afforded in manufacturing clothing, &c.) In compliance with a joint resolution passed at the said extra session, the Military Board released the firm of Sherrad, Taylor & Co. from their contract to furnish a certain number of pistols to the State, the firm having returned the money advanced, with interest thereon.

"The Board has recovered $50,000 from the Confederate States Government for the steam gunboat Bayou City, which sum reimburses the State in full of all cost and expenditures upon said vessel.

"The State foundry, it is to be regretted, has not hitherto met the expectations of the Board in turning off cannon. It is hoped, however, that in a very short time this success will be attained. In other respects this establishment has been productive of much good: it has repaired an immense number of threshing and reaping machines and other agricultural implements, also many mills that would otherwise have lain idle, and caused great loss to the entire community. While all private jobbing has been avoided, these cases have been provided for as being considered of pressing public necessity.

"This establishment has been all important in supplying the wants of the State percussion cap factory, which is now in successful operation; and with the aid of a refining furnace, which is now in process of construction, will pay its own expenses, and furnish a very large supply of caps to meet the demands of the armies of the Trans-Mississippi Department.

"In consequence of the scarcity of the requisite material and labor the various establishments for the manufacture of small arms for the State are making but tolerable progress. Something, however, has been accomplished, and a considerable number have been turned over to the Confederate government. These manufactories should be fostered by the State.

"Iron works should be erected as speedily as possible. Iron is becoming very scarce and high; and unless something is done to increase the supply our farming interests must materially suffer.

"The Board has received from the sale of State bonds, munitions of war, and other army supplies sold to the Confederate government, the sum of $700,070, and has paid over $655,968, leaving a balance of cash on hand of $44,102. In these amounts are included the proceeds of 183 bonds sold, and the money deposited with the Comptroller to credit of State revenue."

Allusion is made under the same head in the message to the survey of salines in the vicinity of Couple Mountain. The report is mentioned as "very instructive and satisfactory, developing that salt in the greatest abundance can be procured at those salines."

REPORT OF THE ADJUTANT AND INSPECTOR GENERAL.

The Governor purports to have made a careful examination of that document, and sets forward the following "valuable suggestions contained therein:"—

The continued demand upon the State for the Confederate service of all men up to the age of forty-five years has in a measure destroyed the State military organizations. During the past winter, upon the requisition of the General commanding the district of Texas, &c., the Governor says he "called out five thousand of the State troops to meet a threatened invasion."

AMOUNT OF TROOPS FURNISHED BY TEXAS.

On this point the Governor remarks that the whole amount of troops furnished by the State at the extra session were, in regiments and so forth, as follows:—

Thirty three regiments, thirteen battalions, two squadron, six unattached companies, and one legion of twelve companies of cavalry.

Nineteen regiments, two battalions, one unattached company, and one legion of two battalions of infantry.

One regiment and twelve light batteries of artillery.

Which, with 6,500 men in the State service, would make an aggregate of 68,500 men.

Since that time there have been added to the above one brigade and several regiments and light batteries, making a grand aggregate of 90,000 men, which, says the message, "exceeds the highest popular vote ever cast by many thousands."

In addition to this force there have been organized a large number of minute companies, composed of men not liable to military duty.

Let me state that by an extract taken from the message of February, 1863, and embodied in this letter, the Governor informs us that 68,500 men were then in the service, and that but 27,000 persons between the ages of sixteen and sixty then remained in the State. In the late message he says the number of men in the service has reached 90,000. According to his own statement, then, this increase has absorbed 21,500 out of the 27,000 remaining ten months ago, and leaves but 5,500 men to make up the loss incident to the vigorous campaign soon to be opened by General Banks in Texas. It must also be remembered that at least two-thirds of the Texans in the field are east of the Mississippi, and could not return if they would, and the rest are scattered largely over all parts of the Trans-Mississippi Department. It is reasonable to conclude, upon these grounds, that the enemy will be able to afford us, perhaps, much annoyance, but little material opposition, despite Governor Lubbuck's assertions to the contrary.

THE FRONTIER—INDIAN ENCROACHMENTS.

Speaking of the operations and workings of the regiment of State troops stationed on the frontier for its defence, he says:—

I had hoped that ere this an occasion would have offered when I could with safety to the frontier have transferred this regiment to the Confederate service. I have never, however, received such assurances of its continuance on the line or the replacing it with other efficient troops, as would justify me in either transferring or disbanding it; hence it has continued in State service. This regiment has been charged with the defence of a line nearly five hundred miles in length. That it has not accomplished this duty to the satisfaction of all those most deeply interested is not to be wondered at. I doubt, however, if any other regiment similarly situated could have done better. The regiment is composed of men directly interested in the welfare of the frontier, and they were for this reason selected for the service.

I regret to say that, for several months past, the depredations upon the frontier have been very frequent. Murders have been committed and horses stolen. I fear the Indians have been instigated to these acts by our barbarous Yankee enemies and the renegade whites among them. My views in regard to our Indian enemies are now as they have ever been. We can hope for no peace with them until we are in a position to dictate terms; and to do this we must pursue them to their own homes, chastising them with a heavy hand.

While I fully recognize the duty of the Confederate government to protect our frontier, I am also well aware of its difficulties in keeping a sufficient number of men in the field to meet all the requirements of our present condition. Hence I have the more strongly felt it the duty of the State government to see her people protected. I have, on various occasions, brought the subject of frontier protection to the notice of the brigadier generals in command of this department; and, while they have ever expressed a willingness to do all in their power to render efficient protection, and, in some instances, have received men into the Confederate service expressly to that end, some unforeseen emergency has invariably arisen depriving that section of the promised aid.

In calling out troops I have in some cases exempted the frontier counties, and held the troops in those counties for local defence. I have authorized the formation of minute companies in the frontier counties, to be composed of furloughed conscripts and those liable to State service, for the protection of the families in those exposed regions. These organizations are progressing, and will, I trust, render efficient service. The establishment of the Northern sub military district of Texas, and the concentration of troops upon our northern border, will, I believe, aid materially in the general protection of the frontier.

The appropriation made at the extra session of the ninth Legislature for the support of the Frontier regiment is exhausted. An immediate appropriation is necessary to support this command.

Should the Legislature, in its wish to relieve the State from the burden of maintaining this regiment, repeal the restrictions at present annexed to its transfer to Confederate service, permit me to remark that Lieutenant General Smith, commanding the Trans-Mississippi Department, is eminently fitted, by reason of his long period of service on our extreme frontier, and his knowledge of the topography and wants, to provide adequately and skilfully for its protection. The frontier, forming a portion of his department, with whose defence he would, after such transfer, be thus directly charged, would be, I feel convinced, most ably and efficiently protected; for no general is better fitted, from his intimate knowledge of that section of our country which is the scene of Indian hostilities, so to dispose his troops as to accomplish that end.

SOLDIERS SHOULD VOTE.

Then follows a thorough but brief ventilation of the constitutionality of rebel soldiers voting. The Governor favors the idea and remarks in consequence:—

I trust your honorable body will, under proper regulations and restrictions, pass such a law as will give to those of our citizens in the Confederate States provisional army beyond the limits of the State the right to vote in all general elections during the war.

ALIENS SHOULD BE MADE TO FIGHT.

The message says:—In calling for ten thousand men to fill the last requisition made upon me by the commanding General of this district, I was of opinion the time had arrived when the necessities of the country demanded the service of every man liable under the military law. I therefore directed all aliens to be enrolled and subjected to the draft. I am clearly of the opinion that they are liable under the law. Many protests have been filed with this department, and various parties, representing themselves as foreign Consuls, have made applications for the release of individuals as subjects of foreign Powers. Their liability to draft resting solely on the question of domicil, I have left them to pursue their remedy through the courts, in the meantime retaining them as State soldiers. We have numbers of this description of people in our midst, engaged in business and of long residence, with property and families. Many have accumulated large amounts of property, and when called upon to defend the State they plead that they are not citizens, and never intended becoming such. Others there are, trading, speculating and accumulating wealth, who are unwilling to perform any of the duties incumbent upon citizens. These persons should be required to do end the country from which they draw their subsistence or be forced to seek homes beyond her limits.

CONFERENCE OF THE GOVERNORS OF THE STATES WEST OF THE MISSISSIPPI, AND LIEUTENANT GENERAL E. KIRBY SMITH, COMMANDING TRANS MISSISSIPPI DEPARTMENT, AT MARSHALL, TEXAS, ON AUGUST 15, 1863.

The Governor speaks but briefly upon this point, his remarks being as follows:—

On the 15th of August last I met, by invitation of Lieutenant General E. Kirby Smith, commanding the Trans-Mississippi Department, that gentleman and the Governors of the States west of the Mississippi river, together with several Confederate States Senators, Supreme Court Judges, and other prominent citizens of these States, at Marshall, Texas, to confer upon the condition of the country west of the river, and place the General in possession of the resources of those States.

The conference proved highly satisfactory to those present, developing evidences of strength and ability to sustain the country west of the Mississippi beyond their most sanguine expectations.

REFUGEES TO TEXAS WITH THEIR SLAVES.

This seems to occasion no little uneasiness to the Governor, particularly as regards provisions, notwithstanding his congratulations in the beginning of his message about the "superabundance of the harvests, &c." He deals with this subject in these words:—

Since the invasion of Arkansas and Louisiana many citizens of those States are seeking refuge within our State, accompanied by their negroes. In consequence of this influx of so large a number of this class apprehension is entertained by our citizens of a scarcity of provisions, as well as other dangers. I see no reasonable grounds for such apprehensions. There is an abundance of breadstuffs and meat in the State, and labor is becoming very scarce and high in consequence of the continued increase of our army. All that is requisite in order that this immigration may be productive of good is to take such measures as will keep these negroes beneficially and constantly employed. Let large drafts for army purposes be made from them. Let companies of local police be organized, and see that the remainder be usefully employed, and they will thus prove a source of strength instead of weakness. Much better is it for us to receive them upon these terms than that they should fall into the hands of our abolition enemies, to be used against us. The refugee who seeks the last foot of soil unpolluted by the Yankees is far more entitled to our respect, sympathy and protection than the wretched cravens and traitors who remain within the enemy's lines, taking the oath of allegiance in the vain expectation of preserving the property they have not the courage or patriotism to defend.

DESERTERS FROM MILITARY SERVICE.

The Governor says on this important point:—

I am pained to say that occasionally there are desertions by Texans from the Confederate and also from the State service. I recommend that the Confederate authorities be authorized to put to hard labor in the penitentiary of the State all soldiers, within the limits of the State, who may be convicted of desertion and that parties so convicted and sentenced to the penitentiary shall forfeit all rights of citizenship. I also recommend that every person deserting from the State service be, upon conviction, sentenced to hard labor in the penitentiary and forfeit all rights of citizenship.

The same punishment should be visited upon any person encouraging desertion or harboring deserters; and it should be made the duty of the civil officers to aid in arresting all such parties.

Labor is much needed at the penitentiary, and I see no valid reason why men who abandon the colors of their country in her hour of tribulation, either from cowardice or a want of patriotism, should not be placed where their services can be made useful in supplying the wants of those who are battling for the country. Every leniency has been heretofore shown them both by the Confederate and State authorities. The evil must be checked; longer forbearance ceases to be a virtue. Too many of the State troops are holding back, shirking and skulking. They should be most severely and summarily dealt with.

APPROPRIATIONS FOR THE PURCHASE OF ARMS, ETC.

The Governor remarks on this subject:—

In view of the isolation of the States west of the Mississippi river, whereby they are thrown upon their own resources, and the great difficulties attending the receipts of arms and munitions of war from east of that river, I most earnestly recommend that an appropriation of not less than one million dollars be made, based upon the cotton bonds, or that cotton be purchased to be paid for in bonds, and that the sum so appropriated be invested in arms and munitions of war for the benefit of the State. Arms and munitions of war could be thus speedily procured, and would enable us successfully to resist an invasion by the enemy.

THE STATE PENITENTIARY.

The report of the directors of the Texas State Penitentiary discloses the following interesting statement, which indicates a very prosperous working of that institution and considerable benefit accruing therefrom to the State and the confederacy. The financial agent of the concern presents these facts:—Cotton goods manufactured from December 1, 1861, to August 31, 1863, including a small surplus from his predecessor, 2,258,660.2 yards; woollens, including small surplus from former agent, 298,291.1 yards. Total amount of sales within the same period were 2,308,710.3 yards of cottons, and 287,214.1 yards of woollens. Of these sales the army received 1,276,920.3 cottons and 257,751.3 yards of woollens, making largely over one half the cottons and nearly all the woollens, still leaving a large surplus still unsold. The gross earnings of the institution for the same period have been $1,174,459
The amount expended has been 463,653
Special deposit with State Treasurer 653,000
With a cash balance on hand, Sept. 1, 1863, of .. 57,785

On October 16, 1863, there was a deposit with the State Treasurer of the further sum of $147,000.

From these facts the great importance of this institution will at once be seen. It not only supports itself, furnishes over a million and a half yards of cottons and woollens to the confederacy in two years, and still has a large surplus, but is also the source of a handsome revenue to the State. The Governor, as a consequence, well says, "the importance of this institution rises to supreme importance," and urges that every facility be afforded it to continue its good service.

The Governor, after speaking of personal matters of speculation relating to the financial agent, continues, still speaking of the Penitentiary:—"In the month of October I received two communications from Major General Magruder, again urgently requesting its use for the safe keeping of federal prisoners of war taken at Sabine Pass. Many very important reasons were adduced by him in support of the measure, but none sufficient, in my judgment, to overcome my previous objections, and which I yet entertain, viz: the risk of destruction to the sole manufactory of cloth west of the Mississippi river—of incalculable importance, therefore, to the armies of the Trans Mississippi department. I declined his request. I respectfully request the Legislature to take into consideration the propriety of using the Penitentiary for such purpose."

GOVERNMENT OFFICIALS.

From the discussion of Penitentiary affairs the Governor very aptly turns his attention to the dishonesty of government officials. The mode of treatment suggested by him we would recommend to the consideration and adoption of our own government. He says:—

In this period of war and distress officers should be very scrupulous in their transactions, and laws should be enacted visiting with the most severe penalties possible those who engage in speculations connected with their official positions.

It may not be out of place to say that there is much complaint throughout the entire confederacy, and particularly in the Department of the Trans Mississippi, in regard to the many speculations carried on by government officials and agents, making use of their official positions and advantages, as it is said they do, to accumulate wealth for their own benefit. I am satisfied that many of these charges are basely false and slanderous; yet I fear there are instances of such wrong doing.

I believe the Confederate Congress should appoint a Board of Censors in each military department, whose duty it should be to examine most rigidly and searchingly into the acts and doings of all government agents and disbursing officers, holding them to strict accountability. A mere suspension or cashiering of a defaulting disbursing agent or officer should not suffice in these times of trial and war. He should be treated, as he really is,—worse than a deserter or traitor, and hung without benefit of clergy.

RECOMMENDS THE CLOSING OF DISTILLERIES.

The Governor next turns his attention to the distillation of grain, and mentions the "absolute necessity" of prohibiting such establishments, saying "that a number had sprung into existence since last year, diffusing their blighting influence over the State, and demoralizing the people and soldiery." His reason for their suppression is "that they are competitors, in the purchase of grain, of the county courts and others charged with the duty of providing for the poor and soldiers' families."

CITIZENS LEAVING THE STATE TO AVOID A PARTICIPATION IN THE STRUGGLE.

The Governor says:—"I beg to call your attention to the fact that some of our citizens continue to leave the country to avoid a participation in the struggle, and, in some instances, are transferring the wealth acquired among us to other countries. This should not be permitted. The time has arrived when the State expects of each of her citizens to do his duty to the country that has nourished and protected him. To abandon her in her day of trial should be visited with the forfeiture of the estate of the party so recreant to his duty, and he should be forever prohibited from again setting his foot upon the soil he had so basely deserted."

INDIAN AFFAIRS—THEY WILL BE PERMITTED TO ENTER THE REBEL SERVICE.

Not forgetful of the descendants of several of the aboriginal tribes, the subjoined liberal provisions have been made for their well-being in the State:—

ALABAMA, COASHATTA AND MUSCOGEE INDIANS.

Under the law authorizing the appointment of an agent for the Alabama, Coasnatta and Muscogee Indians, and fixing four hundred dollars as the annual salary of said agent, ascertaining that the Indians were much scattered, and that the duties of a single agent would, in consequence, be arduous and difficult to be properly discharged, the Governor says:—

I appointed an agent for the Alabama Indians, and a sub agent for the Coasshatta and Muscogee Indians, giving to each of them the sum of two hundred dollars, and stipulating that one hundred dollars of the amount received by each of the agents should be devoted to the purchase of agricultural implements and necessaries for the Indians. This arrangement appears to have worked well, and the Indians are reported to be in a prosperous condition and well satisfied.

I have been informed recently that a portion of them were desirous of entering the Confederate service for the protection of our frontier. I have instructed the agents that they permit them to do so if such be their wish.

HOSPITAL FUND.

At the expiration of the last fiscal year the accounts of this fund represented to the credit of the original appropriation the sum of sixty thousand dollars, and the latest appropriation was yet untouched. By the latest reports, upon the authority of the message, the Texas hospitals were in excellent condition.

STATE FINANCES.

From a synopsis of the biennial report of the condition of the State finances, up to August 31, 1863, we glean the following figures:—

Revenue of the State from all sources $2,468,361 47
Expenditures 2,452,548 74

Balance on hand $15,812 73

PROVISIONS FOR THE FUTURE.

An extract from the report of the Comptroller, embodied in the message, speculates upon financial matters for the next two years. As a healthy state of financial affairs is the main foundation of war, whether successful or the reverse, I embody the extract here, in order to show what is expected; whether the presence of our army will have any effect upon these calculations is a matter for further solution. It has been seen, however, that the State had little cash on hand, according to the statements of the Treasury report. However, here is the extract:—

The Comptroller, in his report, remarks:—"Should the expense of frontier protection be transferred to the Confederate States, there will be at the end of the next two years an excess of $2,663,122 50 of revenue over all liabilities at that time, in which event, should the claims against the Confederate States remain unsettled, there would still be an excess of $713,122 50. To meet extraordinary demands not estimated for, and as a means of sustaining credit in the meantime, it is recommended that the price of land scrip be reduced to fifty cents per acre in State liabilities—that money and credits be subjected to tax, and that the tax law be so amended as to cause a more thorough and prompt assessment and collection of taxes. With such amendments, the revenue of the next two years, if collected in available means, will be sufficient to absorb the floating debt and furnish the basis of a sound credit sufficient to meet all probable demands. The present rate of tax is therefore considered high enough for all State purposes."

THE GOVERNOR'S IDEA OF REBEL CURRENCY, ETC.

I cannot but admit that our currency is at present in a very depreciated condition. Many causes are assigned to account for this condition of things. I presume it is attributable mainly, to the large issues of the Confederate government in Treasury notes. Another prominent cause is the trade carried on by our people with Mexico, where paper representing money is not current. To carry on that trade, so valuable has specie become that the great demand for it has caused little or no value to be placed on articles that will not command specie; hence the great cause of the low price of Confederate money. I believe the taxes now in process of collection, and the gathering of the tax in kind, (rendering unnecessary, thereby, so great an issue by the Confederate government), together with the aid of the impressment law, fixing the maximum prices upon articles required by it, will have the immediate effect of appreciating the currency. I feel the assurance that in this section of the Trans Mississippi Department the currency will be greatly appreciated in a very short time.

HIS THEORY—MAKE THE MATTER A COMMON CAUSE OF SO MANY EMBARKED "IN ONE BOTTOM."

I trust the Confederate Congress, soon to meet, will make arrangements to control the entire trade in cotton, tobacco and naval stores, thereby laying a basis for a new issue on specie values, and that they will absorb the present outstanding notes by increased taxations and funding. Some step of this character must be taken immediately by the Confederate government. A radical and prompt remedy must be applied. The people will sustain any measure looking to a permanent relief to the currency. The policy of continuing an issue so depreciated as are the present notes, is ruinous and blighting; better by far that a new and limited currency be created, forming the funding of the present issues. I feel satisfied that, had the government, at the outset of the present war, controlled the cotton, tobacco and naval stores of the Confederate States, (which could have been done with the consent of the producers) cotton would really have been king. It is not yet too late to inaugurate such a policy.

Confederate notes constituting the currency, and being made receivable for State taxes and dues generally, has the effect of driving out of sight State paper, which, although more appreciated by holders, is no better in the hands of the State government for the disbursement than Confederate notes. State paper, like specie, is being hoarded and brought to light only when it can be used on most favorable terms. State paper could be made almost equal to specie by making it alone receivable for State dues; but, were such course adopted, it would be a blow struck at the credit of the Confederate paper, which I am not willing, therefore, to recommend. Further State paper would be so difficult to obtain that it would almost be equivalent to the requiring of our people to pay their taxes in specie, which, in the present condition of the country, would be impracticable. The States are so intimately involved in the interest and credit of the Confederate government that I see no safer mode than to struggle on together making the common cause, embarked as we are in one common bottom, until the troubled waters shall subside, and we all make, as we shall be certain to do, a good anchorage and a safe port.

The Governor finally sees fit to vent some of his spleen upon that ever abused class of men who are more fortunate than some others. We have no remarks to offer upon the message on account of its length for one reason and its explicit nature for another, but submit the peroration as it was given to the Texan Legislature:—

A few bad men in our midst must not be permitted to interfere with or impede our progress and success in this death struggle for life and liberty. We must be united—we must be as a band of brothers—we must and will sustain the patriotic and intellectual statesmen at the head of the government, the gallant commanders and the chivalrous soldiers. We will sustain the families of those bravely doing battle for our country—we will forget our private interests—we will forego the love of money, ease and luxury—we will all pledge ourselves to do these things, rally around the standards of our bleeding country and continue to strike as long as an armed Yankee stands upon our soil. Do these things—listen to no *syren song of aid from England or France, or from the dissensions of our hated foes, but continue to press on,* filling up the ranks of our thinned armies, and ere long victory will perch upon our banners and an honorable and lasting peace be secured.

While Texas thus far presents a bright and unsullied escutcheon, it is my painful duty to say that, although we have at home many patriotic citizens, who are doing and have been doing everything in their power to carry on the war successfully, and to provide for and sustain those in the service and their families, there are a very large number who appear to be devoted entirely to the wild hunt after wealth.

This mania is confined to no particular class, but pervades all occupations and employments. It embraces the shopkeeper, the planter, the farmer, the stock raiser, the professional man, mechanic, minister of the Gospel, and, in some instances, the soldier himself. I blush to say that in Texas, where we have thousands of surplus corn, wheat, barley, oats, rye, &c., with an enemy in our midst robbing, burning and destroying our property, these articles are higher than in our sister States, in part occupied by the enemy, and that Confederate Treasury notes are less appreciated than in any State of the confederacy.

These things are all wrong, and should be remedied. It can be done, in a measure, by your honorable body. The old and conservative State of Virginia, the "mother of States and of statesmen," the birthplace of Washington, Madison, Jefferson, Monroe and hosts of other profound and great men, has found it necessary in these war times to limit the profits of the trader, and to fix a price upon the necessaries of life. You have the same power, and should exercise it.

I trust, gentlemen, that your deliberations will be conducted with calmness and ability, and that your enlarged wisdom and experience will enable you to adopt such measures and enact such laws as will strengthen the arm of the revolution, and develop to a great degree the immense resources of our State, that when you shall have returned to your homes you will be met with the plaudits of your constituents. P. R. LUBBUCK.

HEADQUARTERS, UNITED STATES FORCES, MATAGORDA ISLAND, Dec. 17, 1863.

General Magruder's Address to the Planters of the Coast Counties—He Requests Them to Remove Their Slaves—If Not, He Will Do It for Himself—Everything to be Withdrawn Fifty Miles from the Coast—Cotton as a Basis of Exchange for Army Supplies—Address of Old Planters—Cotton a Means of Exemption—An Admission of the Tendency to Worthlessness of Rebel Paper—Impressment to be Visited Upon the Unpatriotic—Rebel Arrangements for Blockade Running—Forty Bales to One Hundred Slaves Allowed—Munitions of War to be Returned—Consequences of Non-fulfilment of Contracts, &c., &c.

In a former letter I confined myself to the various proclamations circulated among the Texans with a view to quickening their belligerent proclivities. Among the documents seized at Indianola were also several in relation to cotton, its shipment and its better security against capture by our forces. As the papers are somewhat voluminous and fully convey their intent I submit them, without previously commenting at length about them:—

GENERAL MAGRUDER'S ADDRESS TO THE PLANTERS.

HEADQUARTERS, DISTRICT OF TEXAS, NEW MEXICO AND ARIZONA, HOUSTON, Nov. 27, 1863.

TO THE PLANTERS OF THE COAST COUNTIES:—

The Commanding General announces to the citizens of Texas that a formidable invasion is attempted by the coast. Early in the month General Banks took possession of the Lower Rio Grande, and on the 18th a force occupied Aransas and Corpus Christi Passes, capturing the small garrison there stationed. Despatches to the 23d from Colonel Bradfute, commanding at Saluria, have been received, stating that a large force, supported by numerous ships, was advancing on that place, which by this time may have fallen. It becomes the grave duty of the Commanding General to state to the inhabitants of the counties contiguous to the coast what their duty to the country, as well as their own interest, demands at this crisis. The utter disregard of all social rights, as well as the distinct proclamation of President Lincoln, so ruthlessly carried out by his minions, leave no room for hope, even to the most credulous, to save their property, and especially their negroes, even by the base submission of men who should prefer death to dishonor. Should hopes be held out to the people of Texas that they will be exceptions to the rule so vigorously enforced in her sister States in localities where the enemy are in possession of temporary power, and should even the property of some, deceived into an oath of allegiance by the treacherous promises of our enemy, be for a time respected, such hopes will prove deceitful—such respect a snare. The playing of the ravenous cat with the harmless mouse is not more deceitful or fatal. Therefore, noble Texans, depend alone upon yourselves and your faithful rifles, and trust not the enemy and his faithless promises. This is your interest. Besides, the Commanding General has certain information that the enemy has brought with him from five thousand to ten thousand muskets with which to arm the slaves against their masters. This it is the interest of the country, the interest of the State, the interest of humanity and the duty of the Commanding General to prevent. Therefore he calls upon the citizens of Texas living in the counties bordering upon the navigable portions of the streams, and within fifty miles of the coast, to remove their able bodied male slaves at once, at any cost and at all hazards, further into the interior, else he will be forced to drive them before him with his cavalry, in haste and without regard to their well being, but in the solemn performance of an imperious duty. He conceives it even better for their interest that all but the old and decrepid should be at once removed, as well as jewels, plate, linen and other valuables, and particularly wagons, horses, mules and vehicles of every kind; for if the negroes and this description of property are saved the enemy can do but little harm to the land and its improvements. Lose them and your lands become comparatively worthless, whilst your homes will become the abodes of your slaves. The enemy even has no power to prevent this, for our success is his ruin. Like the car of Juggernaut, his progress is onward and must crush whatever it meets with. Be, then, true to yourselves, and Roman in your virtue. Sacrifice, if necessary, in value, one half of your negroes and all of your crops to save the other half. The law does not permit the Commanding General to leave anything that will benefit the enemy within his grasp. He must, therefore destroy what will benefit the foe. Save him this painful necessity and remove your negroes beyond the reach of the enemy without a moment's delay. This appeal is made to all those who reside in counties within fifty miles of the coast from Corpus Christi and Galveston inclusive. Should any other portion of the coast or counties still more interior require this sacrifice at the hands of the planters timely notice will be given of the same.

J. B. MAGRUDER,
Major General, Commanding District of Texas, New Mexico and Arizona.

The following inaugurates another phase of the cotton schemes. It has one strong recommendation, and that is originality:—

COTTON AS A BASIS OF EXCHANGE FOR ARMY SUPPLIES—ADDRESS OF THE OLD PLANTERS.

TO THE COTTON PLANTERS OF TEXAS:—

The cotton of the country, as a basis of exchange for the various army supplies which have been imported into the country, and for which payment could not be made in Confederate States Treasury notes, has been relied upon as more than sufficient to meet all requirements. Its use has been practised in various channels and in a variety of modes, which were designed to procure and apply a sufficient quantity to meet all the demands of the government. Some of these modes have been successful; others have proved failures, and the result is that the expectations of the government have not been realized. This has not been the fault of the planters, who have ever shown themselves willing to contribute their cotton if satisfied it would be faithfully and judiciously used for the benefit of the government. We do not propose to lay censure upon any one, but refer only to the fact that the chief cause of failure has been the uncertainty attending all cotton operations, in consequence of the various and conflicting orders that have from time to time seemed necessary and the existence of numberless government agents engaged in the acquirement and removal of cotton, who have, by competition with each other and with private contractors, caused the rate of sale and transportation to advance to such exorbitant rates as to defeat their own efficiency. Under these circumstances, in order to procure the amount of cotton required by the government for the fulfilment of contracts already existing, and procuring of army supplies still needed, it will be apparent to every one that some plan must be adopted that will secure uniformity, efficiency and permanency; that the faith of the government may be maintained, supplies of arms, clothing, medicines, &c., for our army in the field may be procured, and planters and other private citizens engaged in legitimate trade may have an equitable and permanent basis on which to operate.

Lieutenant General E. Kirby Smith, who is charged with the military defence of this department, has, under the authority of the Impressment act, declared the use of the cotton of the country, to meet the wants of the government, a military necessity; and in order to secure it in such a manner as will best supply these wants, and at the same time be liberal and just to the citizen, has, with the approval of the Secretary of War, placed the duty of procuring cotton and regulating its transportation in the hands of a special office. The undersigned have been selected to discharge the duties of this office. We are old citizens of the State, our every interest of family and property identified with it, and the cotton trade has engaged our attention for many years. We have accepted this trust not as a