THE NEW YORK HERALD.

WHOLE NO. 10,014. NEW YORK, WEDNESDAY, FEBRUARY 17, 1864. PRICE THREE CENTS.

NEWS FROM WASHINGTON.

Success of the Whiskey Speculators and Monopolists.

Spirits on Hand Not to be Taxed.

Exciting Debate in the House on the Status of Rebellious States.

The President's Reconstruction Schemes Denounced by Republicans,

&c., &c., &c.

WASHINGTON, Feb. 16, 1864.

THE TAX BILL IN THE HOUSE.

The result of the vote on the Senate's amendment to the Internal Revenue bill striking out the tax of forty cents per gallon on spirits on hand, concurring in the amendment by four majority, proved that the monopolists and speculators had succeeded in buying up a sufficient interest to secure them against the proposed tax. It is probable that the vote by which the House nonconcurred in the sliding scale of taxation adopted by the Senate, under which the tax will be increased to eighty cents per gallon, will be reconsidered, the House refusing by a large majority to lay that motion on the table. The whiskey men are jubilant to-night over the success of their labors.

THE ENROLMENT BILL.

The House Committee of Conference on the Enrolment bill has not yet been appointed, but will probably be announced to-morrow. The friends of the bill hope to obtain a report from the committee and final action upon it during the present week. The committee on the part of the Senate are Messrs. Wilson, Grimes and Nesmith.

PROPOSED EXTENSION OF THE AMNESTY PROCLAMATION.

The policy of extending the President's Amnesty Proclamation to colonels of regiments is much talked of. It is regarded as a salutary amendment in a military point of view. It appears from the disclosures of rebel officers, prisoners and refugees, that if this amnesty had been extended to colonels whole regiments would come over to the federal side and give themselves up, but under existing circumstances the subaltern officers are controlled by the colonels, and are prevented from concerted action. One instance is recited where a whole brigade was ready and prepared to come over in a body, but was prevented by the exclusion of the colonels from the amnesty.

EXCITING DEBATE IN THE HOUSE.

The debate which sprung up in the House to-day, upon the reference of the credentials of Mr. J. M. Johnson, claiming a seat as representative elect from the Third Congressional district of Arkansas, created a good deal of excitement. The members crowded around Messrs. Dawes, Davis and others who participated in it, and the Speaker was several times obliged to call the House to order. The debate developed the fact that both sides of the House are greatly divided in regard to the status of the rebellious States in the Union. The position taken by H. Winter Davis, that there is and can be no civil government in the seceded States, and no representation in Congress recognized, until they have formed new constitutions and organized new State governments which shall be recognized by the concurrent action of the two houses of Congress and the President, and his denunciation of the military governors appointed by the President as wholly unauthorized and without legal authority, and his contemptuous manner in speaking of the President's attempt to establish State governments under and by virtue of his amnesty proclamation as worse than waste paper, attracted great attention. He also denounced the attempt now making by General Banks, under orders from the President, to institute a State government in Louisiana, as an outrage. It was evident that Mr. Davis had determined to oppose the re-election of Mr. Lincoln, and that if possible Maryland is to be carried over to the support of Mr. Chase. The House finally decided against Mr. Davis, referring the credentials to the Committee on Elections without the instructions to inquire whether there was any government in Arkansas entitling that State to be recognized and represented in the House.

GENERAL BENHAM RESTORED TO HIS RANK.

General Benham having on August 7, 1862, been reduced from his rank of brigadier general of volunteers, through a conception that he had broken positive orders at James' Island in attacking the rebel works at Secessionville, but no charges having been preferred against him, the President ordered his case to be investigated by Judge Advocate Holt, who decided that he had not broken any orders, but had instead obeyed them to the best of his ability. He was, therefore, restored to his rank, and placed in command of the engineer brigade of the Army of the Potomac. In justice to General Benham the President has recently ordered Judge Holt's opinion to be published, in order to correct the impression that General Benham had not been restored to his position.

THIRTY-EIGHTH CONGRESS.

FIRST SESSION.

Senate.

WASHINGTON, Feb. 16, 1864.

LANDS FOR MILITARY ROADS AND OREGON.

On motion of Mr. HARDING, (rep.) of Oregon, the bills granting lands to aid in the construction of military roads from the Dalles of the Columbia river to a point at or near the mouth of the Owyhee river, and from Eugene City to the eastern boundary of the State of Oregon, were passed.

THE STATUTES OF LIMITATION.

The Senate, on motion of Mr. HARRIS, (rep.) of N. Y., proceeded to consider the bill repealing the statutes of limitation in certain cases, which was passed. The bill provides that whenever, during the existence of the present rebellion, any action, civil or criminal, shall accrue against persons who, by reason of resistance to the execution of the laws of the United States or the interruption of the ordinary course of judicial proceedings, cannot be served with process for the commencement of such action or the arrest of such person, or whenever after such action, civil or criminal, shall have accrued, such person cannot, by reason of such resistance of the laws or such interruption of judicial proceedings, be arrested or served with process for the commencement of the action at the time during which said person shall so be beyond the reach of legal process, shall not be deemed or taken as any part of the time limited by law for the commencement of such action.

THE SLAVERY QUESTION.

Mr. SHERMAN, (rep.) of Ohio, introduced a petition from women of Ohio, praying for the repeal of the law requiring the rendition of slaves, and for an amendment to the constitution so that it can be no longer construed to favor slavery. Referred to the Committee on Slavery and Freedmen.

CANAL AROUND NIAGARA FALLS.

Mr. DOOLITTLE, (rep.) of Wis., presented a resolution from the Chamber of Commerce of Milwaukee, recommending the construction of a ship canal around Niagara Falls, on the American side. Referred to the Military Committee, and ordered to be printed.

INDIAN AFFAIRS.

Mr. DOOLITTLE introduced a bill to amend the act to regulate trade and intercourse with the Indian tribes and to preserve peace on the frontiers. Referred to the Committee on Indian Affairs.

This bill punishes the furnishing of spirituous liquors to Indians by imprisonment not exceeding two years, a fine not exceeding three hundred dollars, and the forfeiture of the liquors, one half to the informer.

TEXAS LANDS FOR NEGROES.

On motion of Mr. LANE, (rep.) of Kansas, all prior orders were postponed and the Senate proceeded to the consideration of the bill to set apart a portion of the State of Texas for the use of persons of African descent. Mr. Lane made a long speech on the subject.

INCREASE OF PAY OF COLORED TROOPS.

The regular order was then taken up, the question pending being Mr. CONNER's amendment giving all soldiers of the same arm of the service the same rank, pay and emoluments.

Mr. WILSON, (rep.) of Mass., proposed an amendment, giving all soldiers in the United States service the same pay, rations, clothing, emoluments and bounty, from March 1, 1864. Mr. WILSON said he offered this amendment because after the 1st of March the benefits of the bounties will cease and the bounty would be one hundred dollars.

Mr. DAVIS, (opp.) of Ky., proposed a long amendment. It provides that, first, the government of disloyal and disarm all colored troops, and if such colored men are employed it shall be as laborers and teamsters, and that the loyal owners of slaves employed in these capacities shall be paid a just compensation, and that, so long as a slave is lost in the service, his master shall receive full value for him. Mr. Davis proceeded to address the Senate on his proposition at length. Mr. Davis said that some gentleman on the floor had said in the course of previous debates that he (Mr. Davis) was very fond of recurring to the past. He would now recur to the past, and how great the contrast with the present! Then we had fraternity, unity, power, and the respect of the world. He loved to dwell on the halcyon days of the past. Looking to the future, it seemed to him that the decline of the republic had commenced in the full bloom of its maturity. He had indulged the hope that it would be immortal until the new policy of the administration was evolved. The President is now fearfully executing his policy contrary to the pledges upon which he bound himself to conduct the war. He admitted that it was the civil war now upon us which had wrought the President to these erroneous abuses of power. The only hope of the people was in the election of another President, and this originated another motive for the continuance of the war on the part of those now holding office. While our armies might be successful in the coming campaign, the rebellion would not be subdued, as the enemy would break up into small parties, and, like the Circassians of Russia, defy the superior power. Then before the war finally terminated constitutional government and personal liberty would perish for the time—it might be forever. The unappreciable privileges of liberty once lost are never regained without the shedding of seas of blood. No government could be organized to endure in this enlightened age without a provision for the protection of private property. This was one of the great ends for which society was formed, and one of the great ends attempted to be secured by the constitution. In relation to his own State, how did the case stand? In Kentucky there were before the commencement of the rebellion 250,000 slaves. They were worth at least $600 each, or as his colleague said $800 per head; which counting by the lower estimate would be $150,000,000, or one-fourth of the aggregate wealth of Kentucky. This measure contemplates to deprive them of $150,000,000 worth of property guaranteed to them not only by their own State constitution, but by the constitution of the United States, and all the States except Wisconsin. Was not this a subject of magnitude? If the power were exercised to deprive the State of Kentucky of their property ought there not to be the clearest authority for it? Neither the President nor the military officers acting under his authority had not one particle more authority to liberate the slaves of loyal masters of Kentucky than had the Levy Court of the county of Washington, without just compensation to their owners. Mr. Davis denied the right of a United States officer to take private property in Kentucky and place his own valuation upon it. The government that would allow such a proceeding was tyrannical, as it violated the rights and liberties of the citizen. Negroes never should have been enrolled. It was a great and fatal mistake, and the best we could do was to retrace our steps in this respect, as the rebellion had been strengthened to an incalculable degree by the employment of negro troops.

THE ENROLMENT BILL.

A message was received from the House announcing their adherence to their amendments to the Enrolment bill, and asking for a committee of conference.

On motion of Mr. WILSON the Senate adhered to its amendments, and the Chair was authorized to appoint a committee to meet that of the House.

Mr. DAVIS continued his speech at length in support of his amendments.

Without a vote on the pending question the Senate adjourned.

House of Representatives.

WASHINGTON, Feb. 16, 1864.

OUR COMMERCIAL RELATIONS WITH FOREIGN NATIONS.

The SPEAKER laid before the House the annual report of the Secretary of State on commercial relations between the United States and foreign nations, which was referred to the Committee on Commerce.

Mr. ELIOT, (rep.) of Mass., submitted a resolution, which was referred to the Committee on Printing, for printing four thousand copies for the use of members, and one thousand for the use of the State Department.

THE CASE OF THE REPRESENTATIVE FROM ARKANSAS.

Mr. DAWES, (rep.) of Mass., called up the question on referring to the Committee on Elections the credentials of James M. Johnson, of Arkansas, and which Mr. Davis, of Md., had moved to lay on the table.

Mr. DAWES said he had no acquaintance with Mr. Johnson; but that gentleman had come hither with a letter of introduction from General Steele. It was known from other sources that he had served as a colonel of one of the Union regiments from the commencement of the war to the present time. While he was absent a convention met in Arkansas and formed a free State constitution, the first unwilling fruit borne by the rebellion. The voters of the Third Congressional district elected Colonel Johnson as a Representative in Congress by four or five thousand votes. The credentials were offered through the ordinary channel; but with the honorable scare of warfare on him, and with the greater honor of bringing hither a free State constitution, this gentleman was denied a hearing, the gentleman from Maryland (Mr. Davis) having moved to lay the credentials upon the table instead of permitting them to be referred to the Committee on Elections.

Mr. DAWES, in reply to a question of Mr. Harding, said that Arkansas was divided into three Congressional districts, according to law, before the breaking out of the rebellion.

Mr. STEELE, (opp.) of N. Y., said he had received a letter of introduction to Colonel Johnson from General Steele, and by request had introduced Mr. Johnson to the gentleman from Massachusetts (Mr. Dawes). Mr. Johnson arrived at Little Rock while the convention was in session, and was requested to remain there till the adjournment, which he did, and was made by the convention a bearer of despatches to the government. He (Mr. Steele) knew nothing of the matter, but thought, under the circumstances, the gentleman having been endorsed by a highly responsible body of men, was entitled to a fair consideration.

Mr. DAVIS, (rep.) of Md., said his motion to lay the credentials on the table was not for the purpose of raising an issue between his friend from Massachusetts and himself. If the gentleman would move an inquiry as to whether there existed a State government in Arkansas or not, nobody would more cheerfully acquiesce in the examination than he would; but when the gentleman moved the reference of the credentials claiming to be from the State of Arkansas, and which credentials did not appear to be signed by the officers of any State government known to the United States, he (Mr. Davis) desired to say that such reference of the credentials carried with it the implication of representing a recognized State government. But we have no State government brought before us, and there was none in point of fact. We must first ascertain whether there is a government before we accept the credentials. There must be such a State government as is recognized by all the departments of the general government, otherwise we would be led into political complications.

Mr. MATHENY, (opp.) of Ky., inquired whether he understood the gentleman to hold that Arkansas has been obliterated as a State, and must come back just as a State incorporated into the Union.

Mr. DAVIS answered the question. The State of Arkansas was not extinguished. No citizens of Arkansas have lost any personal privileges of citizenship. A State may exist without a government. The constitution assumed this when it compelled Congress to guarantee a republican form of government. The Supreme Court had said that if a military government were established in a State it would be the duty of the government to abrogate and remove it. He asked the gentleman from Kentucky whether he recognized the government under which Col. Johnson claimed to be a representative in Congress.

Mr. MATHENY replied that he recognized the existing constitution as a form for the government of Arkansas; but when a gentleman came hither claiming to represent a State, if he had doubts upon the subject he would refer the question to the Committee on Elections.

Mr. DAVIS resumed his argument, maintaining that the re-establishment of State governments is under the clause of the constitution, which says Congress shall guarantee, not may guarantee, a republican form of government. It is their duty to do so. With regard to the constitution of Arkansas, the people in rebellion tore it to pieces, and the paper spoken of is not a constitution until we say so.

Mr. HARDING, (opp.) of Ky., asked whether, in Mr. Davis' judgment, Arkansas is in or out of the Union?

Mr. DAVIS would say Arkansas is in the Union so far that we are bound to maintain that no forms without the substance shall control her citizens. So far as we are responsible she must be governed by republican forms, and not by traitors who may claim to be the Legislature of Arkansas. The recognition of Arkansas as a State must be by all branches of the government, not by the Senate and House of Representatives separately, not by the proclamation of the President, not by a grave usurpation, and it must be without the encroachment of executive power.

Mr. BOTWELL, (rep.) of Mass., said he had a settled conviction that Arkansas and the other co-operating States in the confederacy had no legal existence as States of the Union.

Mr. GANSON, (opp.) of N. Y., wished to know whether these States ceased to exist by virtue of their secession ordinances? If so, he would like to know at what period of time they ceased to exist and got out of the Union?

Mr. BOTWELL replied that on the continent neither a colony nor a State ever existed excepting by the will of the people, and that no State could cease to exist as a State except by will of the people. If you deny the constitutional power of the people to annul their own existence, you have to admit that, whatever may be the constitutional right, the fact still remains that the power is in the people to declare whether they shall exist or not. There is no power in the universe to create the State of Arkansas and to send representatives here unless by the consent and will of the people themselves. All law was against secession. But when an individual commits the act of self destruction and his body lies before you, it is in vain to reason that under the law he had no right to do it. Just so with Arkansas. She by her own act had ceased to exist as a State in the American Union. Although the State by the action of its own people has ceased to exist, the constitution still extends over the territory unimpaired as before the act of secession was passed. The State of Arkansas can again exist as a State of the Union and be admitted to all the rights of other States. This must be by the act of the people in their right mind without military force and coercion in the arrangement of their State government. He would, however, hesitate to give an affirmative vote for such admission until he found the majority of the people willing to accord equal and exact justice to both black and white, and was satisfied that in all petitioners the people mean to be loyal to the government. The existence of human slavery being incompatible with a republican form of government, it was the duty of Congress to reject any State presenting a constitution which sanctioned it.

Mr. KERNAN, (opp.) of N. Y., believed it was the duty of all loyal men to endeavor to preserve the Union. He would appeal to gentlemen to say whether they were doing everything to this end when they were spending hours and days in discussing questions which could be postponed, and when other subjects were passing threatening the destruction of the government and the ruin of the people. Three months nearly of this Congress have elapsed and yet no bill has been passed to strengthen the credit of the government. Let us, he said, address ourselves to practical questions if we mean to support the government.

Mr. WILSON, (rep.) of Iowa, said the gentleman from New York was not the proper person to deliver lectures to the House, considering that the gentleman and his friends had heretofore unconsciously consumed much of the time of the House.

Mr. DAWES said he had not sought to break a lance with the gentleman from Maryland nor to wrestle with his friend and colleague from Massachusetts. He thought the latter was not true to the ancient name and glory of Massachusetts on the record. For himself he (Mr. Dawes) had been brought up in a different school. He had stood shoulder to shoulder with the "Old Man Eloquent" in scouring to the humblest individuals in the furthest nook and corner of the country, a right not merely to come hither with their petitions, but to have them referred to a committee for the purpose of examining into the facts and causes and reasons for complaint and grievance, in order that they may be reported to the House. In the course of his remarks he pleaded the right of the people to representation, as provided for by the constitution, and desired the credentials to be examined apart from the question of State reconstruction.

Mr. DAVIS made a few additional explanatory remarks.

Mr. SCHENCK, (rep.) of Ohio, said the debate had disclosed the fact that, under the question as to the admission of a member there was the more important one, viz. whether there was a State entitled to representation or not. He therefore moved the reference of the credentials, with instructions to investigate, inquire and report, by bill or otherwise, whether there is any such existing organized government in Arkansas as entitles the State and people to be represented in the Congress of the United States.

The motion was disagreed to by a vote of 53 yeas against 104 nays.

The credentials were referred to the Committee on Elections.

THE INTERNAL REVENUE BILL AND THE WHISKEY TAX.

The House resumed the consideration of the Senate's amendments to the Internal Revenue bill.

After remarks by J. C. ALLEN and Mr. STEVENS, the question was taken on the following Senate amendment, which was disagreed to by a vote of 41 yeas against 105 nays.

And upon all liquors that may be distilled after the passage of this act, and sold or removed for consumption or sale on and after the 1st day of July next and previous to the 1st day of January next, seventy cents on each and every gallon; and on all liquors that may be distilled after the passage of this act, and sold or removed for consumption or sale on and after the 1st day of January next, eighty cents on each and every gallon.

The House agreed to the Senate's amendment striking out the additional tax of twenty cents on adulterated spirits sold as whiskey, brandy, &c.

The House by a vote of 77 to 78 agreed to the Senate's amendment striking out the proposed tax on all spirits now on hand.

Without disposing of the bill the House, at half-past five o'clock, adjourned.

WENDELL PHILLIPS ON RECONSTRUCTION.

Lecture Before the Women's Loyal League.

The announcement that Wendell Phillips, the well known abolition speaker, was to lecture, drew together a large number of our citizens in the Cooper Institute last evening. The hall was very comfortably filled, and on the platform we observed several shining lights of the Anti-Slavery Society.

The lecturer was received with loud applause on appearing on the platform. He was presented to the audience by Mr. Johnson, and spoke as follows:—

LADIES AND GENTLEMEN—I am to talk to you to-night on reconstruction—the way out of the war; and in the course of that talk naturally it will come in my way to criticise the efforts and plans of reconstruction which have been placed before the nation. Let me say in the outset that this criticism does not flow from any desponding view of the present hour, from any lack of hope for the future. As I had the pleasure of saying when I stood before you more than a month ago, I have an undoubting faith in the two most important points of the future—that is, I believe that the North will triumph and our civilization supersede that of the South, and the result will be one nation, as immortal and indivisible as any nation in history. (Applause.) I do not believe that it is possible that that result should be prevented. I do not believe that the purpose of Heaven above or the counsel of earth beneath, or the secessionist of Richmond under the earth, could prevent it. (Applause.) And, secondly, at the same close of the epoch in which we live—the epoch marked by the convulsion of a struggle between two ideas—do not understand me that the end of the war is merely in the sense of a military struggle, when we call home the cannon and furl the banner; but when the real convulsion and struggle between the two ideas is ended by the substantial and absolute triumph of the Union. I believe that the nation will be a free one when the negro, under the Stars and Stripes, will have his manhood accorded. As the old negro said, it would be as impossible to put a chicken of six weeks back into the egg as to prevent that result. On these two points I have no doubt. But you will observe the limitation, which I endeavored to explain, at the end of the epoch. Now we have a familiar phrase that slavery is dead—the war has killed it. Well, I believe that the war has killed slavery, just as a typhus kills a man. But the invalid will rise from his bed when the fever ceases; but he will drag his weary life in pain perhaps half a dozen years before he falls into his grave, and yet it is essentially true also that typhus killed him. So the rebellion has killed slavery. When it will die neither you nor I know. When it will absolutely cease to exist depends not upon the past, but upon the future. Whether its taproot, now cut, shall be absolutely rooted up and left to rot on the surface of the ground, or whether it is to struggle out ten, fifteen or twenty years of invalid and disastrous existence, depends upon the statesmanship of the future—depends upon the method of reconstruction—that is, we may adjourn the decision of this question from the battle field to the Senate. We may remand it from cannon back to politics, and there we may see the solution of the problem hang for a dozen years undecided; and it is in that respect, and considered from that standpoint, that the statesmanship of reconstruction becomes so vitally important. Now, in talking of it, I shall say perhaps, you may think, too much of the negro—of that phrase, freedom or slavery. You might think that the time had come when it could be dismissed from the discussion, and that our data and our arguments should take a broader sweep. But I believe that still our treatment of it is the pathway upon which the white man's interest and national unity and prosperity of that union turns and will turn for many a year. God has linked justice to that victim people with the inevitable necessity of the white race to provide its own place, its own peace and its own future. We are to see not the sense of justice merely, but the absolute prosperity and peace of twenty-five millions of white men hang on justice to the negro. And in the world's history this is no uncommon sight. An ignorant workman forgot to close a drain under the outermost wall of Windsor Castle. Rever wiled its way along the unguarded line until it entered the chamber of Prince Albert, and the islands were clad in mourning and their queen was a widow. So God linked wealth and royalty to ignorance, intolerance and poverty. And so it is to be in our problem. The royalty of the white race is to live or die accordingly as it understands and does justice to the victim race in its hand. (Applause.) Therefore in talking of this problem I shall necessarily demand still largely for justice to the negro. When Mr. Sumner says that slavery is the rebellion, and the rebellion is slavery, no doubt he speaks an essential truth; but still it is to be remembered that, as Benton said in a letter written a couple of years before his death, the rebellion is ready to break out; we shall soon see it; its pretence is slavery; the reality or the truth is aristocratic institutions; it is to preserve this that the stalking horse of slavery is made use of by the social aristocracy of the South. Now, we are to bear in mind this analysis of the ablest student of this phase of our history—one who, from early life, from deep interest, from close observation, was competent to understand it; and it is the difference between Northern and Southern civilization to-day which makes the rebellion fully stated. It is because the South hates labor and despises it, and because the North is essentially democratic, the working men's temple, that the two cohere. Now, briefly to state the pathway and the goal, which is peace, would be to say that South Carolina cannot avoid union with New York and Massachusetts. The moment you have made her a working man's State, that moment you have given the formation of her State and politics into the hands of Massachusetts; and until you have done that, the epoch is not ended. You may abolish chattel slavery—you may bring the States back consolidated into Congress; but until you have destroyed the element of divergence, you have only changed Chattanooga into the Senate chamber. (Applause.) The battle field is not a very excellent schoolhouse, but its scholars ripen quick. Politics is a very slow teacher, and teaches more tricks than anything else. (Applause.) As long as war lasts the nation ripens rapidly. Whenever the war ceases we go back to the comparatively slow change that preceded; for, as I have frequently troubled you with saying, this is no new battle. In 1861 the South, defeated at the ballot box, fell back upon the bullet. Now, the epoch seems come when, although she may not give up the bullet, she will no longer trust it. Grant will meet her on many a fierce battle field, covered with dead and fifty thousand dead men, before he reaches the Gulf; but still the leaders of these men, in their heart of hearts, recognize that, unless some hand outside strengthens them, their power is gone forever. There is no human probability that their fight for victory—it is only for terms. They must give up the idea of dictating the law to this belt of the continent, although they will still fight fiercely for a broad place upon it. Under that statement reconstruction means South Carolina, the counter part of New York. Nothing short of that is peace. What is it wrapped up in that phrase? It is each man owning his house, with a school house behind him and a ballot in his right hand. (Applause.) The North said in 1776, in defiance of Europe, there is but one reliable government; it is where each class has the ability in its own hand to protect itself—the civil power to protect itself. Europe says, Poverty, don't be anxious; I, wisdom, will take care of it. Europe says, Ignorance, don't be anxious; I, wealth—which is but another name for culture—will take care of it; that is, the whole world apprenticed to wealth and wisdom. America says, take yourselves out of the light of sham wisdom and wealth; each man and each class holds in its hand the power to protect itself, and it is given the education to know how to protect itself; that is democracy. (Applause.) That is New York—that is New England. It is not, and will not be for a long time. The South. On the contrary the South is modelled on the European plan, a small segment of the white race protecting everything else, and locking down on labor. Labor is dishonorable; the touch of the right hand to work and you are no longer a gentleman. The South does not believe to-day that in her sense there is a gentleman north of Mason and Dixon's line—that is in the sense of a laboring class below it, exclusively devoted to work. Until, therefore, she can be either cured or converted there is no place for her re-admission into the capital if you want a homogeneous democracy and republicanism working there—if you want South Carolina anything but a neutralizer of New York. I have known a Southern man lose his passage on a railroad train waiting for a negro to put his valise into the freight car. A friend of mine at Nashville saw a white man clad in rags come to the Provost Marshal and ask for rations and transportation one hundred miles down the Mississippi river. The Marshal replied, "I have as many gratis names as I dare to put there." "I am hungry and want to get home." "I cannot help that," says the Marshal. The secretary of the Marshal looked up and said—"My good fellow, strong and hearty as you are, you have only to go on board a boat, handle a little wood at the wooding station and you may have double your passage and rations beside." Rags looked down for a moment. "I never did work for an hour and I guess I shall not begin now." (Laughter.) The Northerner suggested that it had come to the question between starving and working, to which Rags replied, "I will starve a week before I will work an hour." (Laughter.) You have not converted that poor white man; you have not brought him an inch nearer to Northern ideas. Suppose you leave him where he stands (he will have nothing but a poor white skin), and go up to the cap sheaf of Southern statesmanship—to the ablest man west of the mountains, perhaps, to the ablest statesman on either slope—I mean Andy Johnson, of Tennessee—(applause)—suppose you ask him, and he will tell you probably, the cap sheaf of Southern minds is to its Unionism. He will tell you I am for the freedom of the black man and the white man. Every man shall have his natural rights; but I am for a white man's government. That is, the negro can fight; as a good musket, he can work, he is a good shovel; but the hand that has wielded the rifle and made the Stars and Stripes victorious to the North is not fit for the ballot. The brain that through the dark night has travelled to the Union camp and warned it so that victory was saved or defeat averted, is not fit to sit on a jury. After all, he is not a man—only a tool. Now, there never will be a state of mind in Tennessee fit to sit down and legislate on the interests pecuniary and honorable of the Empire State until Andy Johnson sees John Hancock under a black skin. (Applause.) That is my idea of reconstruction. You may not like it. The reason is that you have not seen John Hancock under a black skin. You have that same prejudice against the negro, more of it than the Southerner has. In a certain sense the consequence is, you do not recognize that four millions of men and women whom you are willing to use as champions, and as such, for the people, you are not willing to recognize that thereby they have won the right to citizenship, to land, to the ballot, to education, and until the nation does recognize it North and South the epoch of civil dissensions is not ended. (Applause.) Now, the Southerner knows that perfectly well. Take Illinois and Massachusetts; they put their sovereignty in common. The two States have all their future, their interests, their tariff, their prosperity, their international relations depending on the votes of both. Massachusetts can appeal to the Illinois mind. The Illinois mind can appeal to the Massachusetts mind. There being a mutuality of sovereignty there is a mutuality of opinion. Now, the South has never allowed us to approach her civil base. I had an Alabama slaveholder pass a day, some six years ago, with me, and he said in our lower counties, where we have a large mass of slaves, there is no difference of opinion; we are all disunionists, every man under forty; in the upper counties there is a different population. There a white man perhaps holds a single negro, works at his side, sits down at the same table with him, sleeps in the same room with him (there is but one in the house). Now, that man is not only and essentially on your side in his feelings, but he cannot read, we offered him no encouragement to read, and he never hears a speech except what we make at elections, and we never mean he shall. If he did, he would be on your side. They were fully conscious that if Northern civilization could penetrate the walls of their oligarchy and reach their masses, that the State would be upheaved, and that their rule would be ended. They kept that state of things in order to carry Alabama out of the Union, and they have succeeded. When you reverse that state of things Alabama will gravitate back to the Union, and she will never stay there permanently and peacefully until you reverse that state of things. (Applause.) How shall I make it for the interest of white men, landlords, educated men and men of social influence and prestige—how shall I make it the interest of that class of men, dividing them up, to let education penetrate to these masses? But democratic principles can make them. If you give the poor white man and the negro the ballot, the moment he has got it the demagogue who wants his vote will be careful that he is taught to read, so that he will not get the other demagogue's name on his ballot by mistake. (Laughter and applause.) The guarantee of education to the lower masses is giving them the power to affect the welfare of the highest directly at the ballot box. I have stated on this platform, and the one that preceded it many a time, and others have argued about the slave question. Well, you would go away from here, the most of you, saying the argument is good—slavery is an evil which ought to be ended, to be annihilated. We should like to have it in our power to do it. The only lack wanting in that man's behalf is, that we have no more power over it than Timbuctu has. There was a constitutional, broad, black line between New York and Charleston—the constitutional State sovereignty; but you could not pass it on this question. We recognized that you could not pass it. But one day Charleston loaded a cannon and fired it at Sumter, and when the smoke cleared away the line was gone. (Applause.) That cannon God forged into a thunder bolt and gave it into the President's hand. To-day you have exactly the same power to protect the negro in Charleston that you have in Washington, the democratic District of Columbia. That is the lesson that Providence addresses to this nation to-day. To-day omnipotence is in your right hand to so curb the unconverted oligarchy of the South and to merge the machinery that produces the future in such a shape that it shall produce a different set of white men. Omnipotence is in your hand to-day to do it. Before you part with it, unless history and the world brand you as hypocrites, see to it that you do the work thoroughly to the centre. (Applause.) We must reconstruct so to plant this race, typified by Governor Aiken and Robert Small, the bravest of the navy, who brought the steamer Planter to us, side by side, with ability to produce in the future the exact counterpart of New England. When that is done the epoch shall end. That is the statement of the problem which ought to be discussed to the widest extent of radicalism. We have difficulties enough ahead of us. You are never to see again the nation to which you were born—the old republic to which you were born is gone forever. The Union as it was! Why a Connecticut full of Barnums could not find it if offered $1,000 a minute for the sight of it. In the nature of things it is gone irrecoverably. All that is before us will be utterly different from the past. In the first place, when the epoch ends, no matter when, we are for a nation developed unconsciously into a first rate military Power. Scattered among the millions are to be one million of disbanded soldiers, half fit for war and half unfit for anything else. They are to bring back with them to civil life ten thousand officers whom they have followed, and who are their idols. They are to come back to find the law and medicine and the counting house moderately crowded. Where are they to find places? Hardly any where except in politics. Still more, there is to be that which followed after the revolution of 1812—that military men are to be the available candidates. There is always to be thrown into the scale the large vote of the soldiers, who will remember them as partners in a common danger and a common struggle. Suppose Burr or Hamilton, when the Revolution closed, came back to New York and found the professions too crowded to admit them, and they were thrown on the surface of political life—no food for their ambition but here. A man like Burr, matchless in ability, incessant in activity—suppose he began, with the love of the soldiers behind him, that plot in 1789 which nearly finished the Union in 1801? Why the federal government would have been as a matter of history, vanishing almost before it commenced. That same military spirit has been the grave of free governments in all time. On the other side we see another great danger to free government—the accumulation of an immense debt. I believe we shall pay our own debt, and the Southern debt besides. I have no doubt of it. Only consider what Congress is made of. One-third of men of historic ambition, looking down the future, anxious to leave a name that will float down the tide of time on the honor of the good to come. No fear for them. Another one third, honorable men, trusting to come home so that they may look their neighbors in the face, live respected lives and sleep in quiet graves. No fear for them. Another third who have wriggled their way to office by every equivocal means possible to devise—the last time they may expect to hold office. What have they to fall back upon? Now to this third comes your New York merchants, who have got to day in their strong boxes millions of notes of confederate paper, worth nothing, but keeping it till they can go shares with those who will make it something. I hold with your journals, who told us six or seven years ago that the debt of one little foreign Power, which would not be as a drop in the ocean, was able to check the march of republicanism in the Empire State and put back your political progress. How will the thousand millions of dollars held in the repudiation of foreign capitalists, guided and moulded by the aristocracy, affect your banks and control your mercantile currency, while our democracy is too wide to pilot us through that dark and stormy night of military ambition, and the temptations of foreign funded controllers, till we know not whether our children will record the verdict whether it survives a pure and simple democracy. If it does survive, it will be the first instance in history. Let every man bestir himself, therefore, since this inevitable difficulty lies before us let us clear every other obstacle out of the path and make every other element in the future surely upon our side. I contend that Mr. Lincoln, in December, descended to share its sovereignty with unconverted secessionism; it will not be like an amnesty from the lips of the Czar of Russia, which only means letting the Russian peasant live to plough the land he does not own. But the amnesty from the lips of Mr. Lincoln to Louisiana and Tennessee means come up and share the sovereignty of the nation. These men have nothing to do but change their minds—men utterly disbanded, bankrupt in heart, their children gone, their wealth vanished, their homes destroyed, and these have nothing to do but change their mind and take their chances upon Providence. When Butler run up the flag in New Orleans they came in crowds to him. But the only foundation we can reconstruct the Union on is on the basis of the manhood of the poor white man and the negro. All the men in the South that are waiting on Providence to-day within our lines, who would be willing to reconstruct on this basis I could put in an omnibus and handle up Broadway. We cannot convert men by conquering them. The cavaliers and Roundheads of England did not—they did not change their minds. It is a marvellous thing that New York thinkers of old are secessionists to-day. The Hunkerism died out—they did not change. And so it is at the South. But break up the land of the South into farmholdings, put twenty thousand soldiers, riles in hand, with officers of their own choosing at their head, and put three hundred thousand white and black farmers by their side, and the South will rush itself into democracy; that is the natural line out there. Then they would have civilization like that, at the North—that is, they would have the permission of the NEW YORK HERALD for an amendment to the constitution, provided that no State shall re-enter the Union, and no State shall exist in it, where slavery or involuntary servitude exists. But that is not enough, although we have got a common level for politicians; and Sumner and Wilson in the Congress, and the clear blue ether of the NEW YORK HERALD, are unanimous on that point. But I will leave this arena of the war power, and come to the limitation of State sovereignty. One chapter of the constitution limits the rights of States by certain restrictions. They cannot conclude treaties nor declare war; they must not coin money, nor grant titles of nobility. Our fathers dreaded the consequences of such powers, and saw it right to give some far some limits to State sovereignty. We want another provision also that no State shall have slavery. And a third thing is also needed—that no State shall be permitted to make any distinction among its citizens on account of race. (Applause.) In New England, when they first had colored schools—a long time ago—he well remembered how a colored master, who was over one of these institutions, adopted the Turkish system, and whipped the scholars on the soles of their feet, after that fashion. The practice was a horrible one, but it took the people many months to get the man turned out. The reason of this was plain. It took them such a long time to turn out this man as master because they were moving in behalf of a poor, despised and isolated class. If the case had been different, and the child of a banker or some leading clergyman, the schoolmaster offending would have been turned out immediately. Because the prestige of wealth and social position would have made it clear that he was unfit for his position. Mix up these classes into an aggregate and you protect them. He would have rights and privileges and exemptions and restrictions equally divided, to black and white the same. You say that a man must not be permitted to vote unless he has a thousand acres of land. Granted, provided the restriction presses equally on white and black. No man shall vote if he does not read. Granted, but let it be the same to the negro and to the white man. But if they should say that the Irish, the Catholic, or the black shall not vote unless can read, then he was opposed to any such distinction. Then his amendment should be considered that no State shall come into the Union that makes distinctions among its citizens on account of their color. When they come to understand this principle, let them come in as soon as they please. This, then, was his plan. Why, he asked, should he trouble the public with it. As a single individual, of no particular public prominence, perhaps he had no right to bring it before the public. He would tell them why. I do not, he continued, distrust the President. (Applause.) I think he is all God made him. (Loud applause.) I think he has grown wonderfully in three years. (Laughter.) At first he would not touch the negro. A year or two after he could not use the negro. The South in the meantime was hiding the negro under various forms. First he was a man, then a thing; you could not touch him as either. As I have been accustomed to illustrate it to you, the father of the rebel General Lee was a bankrupt. He had a residence near the national capital, built between two States, Maryland and Virginia, so whenever the Virginia sheriff called upon him he walked into his Maryland parlor, and whenever the Maryland sheriff came, why he walked into his Virginia parlor. (Loud laughter.) This was the kind of way the South was using the negro. First he was one thing and then he was another, until Abraham came and said—"This is either a man or a thing; if he be a man I will enlist him; if he be a dollar I will spend him." (Laughter.) The President, in acting thus, was very much like a New Hampshire lawyer, who was called Jerry. Mr. Phillips then told an anecdote of this man. He was considerably over six feet high, but when in a confined position, curled up together, he looked a great deal shorter. One day while he was riding out in a sleigh, comfortably tucked in under the robes and looking rather small, he met a man on the road who rather roughly desired him to get out of the road. Jerry said we will try that, and began to unroll. He went on unrolling until he got up to about six feet, when the man told him to stop, he would not trouble him any farther. (Laughter.) And so with the President. From 1860 to 1861 he began morally unrolling, until the issue of the emancipation proclamation in 1863. No man can be better than the temper he is made of. Every lady gardener here knows that an orange tree will be as large as the box it is rooted in and no larger. The difficulty between the President type of man and the type he would prefer is just this: In one type the root is as broad as God's creation; they go down to the granite of that creation. Go to Fremont and Butler. (Loud applause.) They were men whose views are as broad as humanity, and rooted in it. There is another type, whose views are just as broad as that of the white race; but their root is in the broad and bloody soil of Kentucky. One man may need a curb and another may need a spur; but you will know the difference when you mount. Our views should be shaped by the broad democratic rule that makes public opinion. You must know whether a man needs a curb or a spur. This, the lecturer contended, he had good reason to know. The error of our politics was this: We take the available man always, instead of the best. Who is the valuable man in this case? That's convert to our opinions? The man who is not so obnoxious to our enemies that they have him, the one that we can forgive.