

NEW YORK HERALD

BROADWAY AND ANN STREET.

JAMES GORDON BENNETT, PROPRIETOR.

Volume XXXIII. No. 305

Advertisements this evening.

WALLACE GARDEN, Broadway—Miss Matilda Heron as Camille.

THEATRE OPERA HOUSE, corner of Eighth street and Fifth Avenue—The Captives.

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difficult declaration of intention to become a citizen. A witness swore to seeing Allen erase a figure on the paper, thus changing the date from October 25 to October 5.

Mrs. William Duke, of Macon county, Ala., hung herself last week on account of discord with her husband. They were married last year, at the ages respectively of eighteen and sixteen. She suspended herself from one of the joists in the house, and when cut down her little babe lay tranquilly sleeping in a cradle near her feet.

A fire in Boston yesterday destroyed the passenger cars of the Boston and Albany Railroad and nine cars, one of which was the handsome drawing room car that carried the Chinese embassy. The loss is \$100,000.

It is believed that Judge Davis will cast his eyes towards Wall street at the present moment he so ably and ingeniously sustains and of which Secretary McCulloch is the great high priest. We are at the present moment in the midst of a panic, which finds its origin in the non-expansion and contraction cries of the politicians of the Davis and McCulloch school.

The House of Representatives, on the 18th day of December, 1865, passed a resolution endorsing the Sangradolan policy of our financial Dr. McCulloch by the decisive vote of 144 to 6; absent and not voting 32. Ever since that date both houses of Congress have, with a persistency worthy of a better cause, fully sustained him in every measure recommended. Clearly recognizing a circulating medium as the lifeblood of the nation, and as Dr. Sangradolo attempted to restore his patients by withdrawing their lifeblood, so our financial Sangradolo has done.

The Tammany war democracy met last evening at the wigwag, being about the final and last rallying effort of the party sustaining the democratic ticket for President and Vice President. It was not, however, much of an effective rally, the hall not being in any sense over-crowded. The principal speaker was General Blair. Letters were read from Generals McClellan and Hancock expressing their absence. The adjournment of the party.

The General Transatlantic Company's steamship Perseus, Captain Duchesne, will leave pier No. 50 North river at two P. M. to-day for Brest and Havre. The mails for France will close at the Post Office at twelve M.

The National line steamship City of Boston, Captain Hoskell, will leave pier 45 North river at one P. M. to-day for Queenstown and Liverpool. The mails for Europe will close at the Post Office at twelve M. to-day.

The Anchor Line steamship Caledonia, Captain McDonald, will sail from pier 20 North river at noon to-day for Glasgow, calling at Londonderry to land passengers.

The steamship Sherman, Captain Henry, of the Merchants' line, will sail from pier 12 North river at three P. M. to-day for New Orleans direct.

The Black Star line steamship Huntsville, Captain Crowell, will leave pier 12 North river at three P. M. to-day for Savannah, Ga.

The stock market was irregular yesterday. Government securities were strong. Gold closed at 134 1/2 and 134 1/4.

General Averell, United States Consul General at Montreal; Judge Loring and H. B. Means, of Washington, are at the New York Hotel.

General E. M. Lee, of Connecticut; Judge E. C. Higgins, of New Orleans; John A. Caldwell, of Troy, N. Y., and Richard Cox, of Washington, are at the Fifth Avenue Hotel.

General A. A. Humphreys, of the United States Army; J. B. Lippincott, of Philadelphia, and Sam Laro, of Long Branch, are at the Hoffman House.

Major Frank W. Taylor, of the United States Army; Captain E. Donaldson, of the Canadian Rifles, Toronto, and Lieutenant H. Saunders, of the United States Navy, are at the St. Charles Hotel.

Captain J. B. Merritt, of the United States Navy; Captain J. R. Young, of the British Army, and Captain J. H. Gibson, of Jackson, Miss., are at the St. Julian Hotel.

Captain L. E. Simmons, of China; Judge F. D. Hughes, of Connecticut; Mr. Thomas Drew, of Boston, and Dr. L. C. Pike, of Troy, are at the Metropolitan Hotel.

Our Political Financiers and Our Financial Sangradolo.

It is a little singular that the two representative speeches in the present campaign on the important issue of our financial policy should have been made by two politicians from the rural districts, both residents of Orleans county and a few years ago partners in the same law firm. Yet such is the case. Sanford E. Church delivered some time ago the best speech of the campaign on the financial question on the democratic side of the house, proving himself the superior of Seymour as a statesman and debater; and Judge Noah Davis, Church's former law partner, made the best speech of the campaign on the republican side on the same subject at the Cooper Institute on Thursday evening last.

Judge Davis is peculiarly clear, concise and logical in his argument. He puts his points strongly, avoids embarrassing them by intricate calculations and takes his positions plainly and boldly, so that his precise meaning can be readily understood. It is thus made clear from the start that he is a determined advocate of gold payments to the creditor of the government both for principal and interest; that he is a strong upholder of the national banks and regards them as a great public blessing; that he has sufficient faith in a large public debt to believe that there may be evoked out of it incidental blessings of great benefit to the people, and that he regards the issue of any larger amount of greenbacks than were in circulation at the close of the war as of very questionable constitutionality and as calculated to bring insupportable evils upon the government.

But Judge Davis falls into the error common to political financiers. He seeks to make a party question of the financial system of the country. He insists that the proposition to pay the government bonds in the legal currency of the United States, where gold is not specified upon the face of the instrument, is bare repudiation, and even places in the same objectionable category the suggestion to lower the rate of interest upon the national debt or to tax the national securities. But England, whose commercial and financial honor stands so deservedly high among the nations, has time and again reduced her rate of interest without incurring the odium of repudiation, and every government, after the heavy expenses of a war, has economized in the same manner. The expansion of the legal tender greenback currency is, however, the great bug-

bear of Judge Davis and the political financiers of the class to which he belongs. The issue of more greenbacks to pay the bonds, they tell us, is repudiation in disguise, for they will never be redeemed. We have more faith than this in the natural resources of the country, which can only be developed by a sufficient circulating medium—the true lifeblood of commerce.

If Judge Davis will cast his eyes towards Wall street at the present moment he so ably and ingeniously sustains and of which Secretary McCulloch is the great high priest. We are at the present moment in the midst of a panic, which finds its origin in the non-expansion and contraction cries of the politicians of the Davis and McCulloch school. The contraction policy which Secretary McCulloch inaugurated in 1865, and which has ever since been sustained by Congress, maugre a little buncombe to the contrary, has been the real primary cause of all our financial troubles, particularly the great Wall street lock-up. The House of Representatives, on the 18th day of December, 1865, passed a resolution endorsing the Sangradolan policy of our financial Dr. McCulloch by the decisive vote of 144 to 6; absent and not voting 32. Ever since that date both houses of Congress have, with a persistency worthy of a better cause, fully sustained him in every measure recommended. Clearly recognizing a circulating medium as the lifeblood of the nation, and as Dr. Sangradolo attempted to restore his patients by withdrawing their lifeblood, so our financial Sangradolo has done.

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Wall street is a queer place and offers chances to great and small, though the large fish seem to swim best. The smaller operators, when they wish to limit their risks, go to buy "privileges"—that is, the right to receive or deliver so much stock at a certain price within a certain time. The right to deliver is called a "put" and the right to receive a "call." For some time this business in puts and calls has been very fashionable. Either the buyer of the privilege stands on it and waits for the market to yield him a profit or he makes an operation to which his privilege serves as a hedge.

Now the privilege is always given for "value received," and this is so stated in the memorandum which passes between the parties, and so long as the persons or firms who sell the privilege remain solvent it is always duly honored. When they fail it is recognized as a liability. But suppose the case of an individual repudiating his "puts" or "calls," what legal remedy would there be? We believe the Stock Exchange does not recognize these transactions, and this might have weight with the courts. Of course the repudiator would be done for in Wall street; but if he were wicked enough to repudiate he would be sharp enough to know that his ill-gotten gains could be used elsewhere. In any case it is not likely the practice will be driven out of fashion by this open rascality.

But suppose a man to die and his executors were called upon to pay for several thousand shares of Nebraska Central on the strength of a number of little documents in which the deceased had expressed this privilege of delivery for value received. Is it quite certain, supposing the payment for the stock to be against the interest of the estate, that they would take the same view of the matter which the deceased would have taken in his lifetime? Perhaps they might think it their duty to contest it, and try, as defendants, whether the law would recognize bargains of this nature or bar them on grounds of "public policy." At the least they would have the usual length of time in which to settle the estate, and that would be long enough to weary out most men's patience.

We fancy a question of this kind would be an interesting and novel one in our courts, and the lawyers would be sure to benefit by it if no one else did. However, all speculative operations seem founded on the belief that everything and everybody will last forever, and perhaps it is best so. Still it is good advice to bid men hatch their plans carefully, ward well their position, garner their profits at the right time, and, above all, to keep them.

THE ATTORNEY GENERAL ON WHISKEY.—Mr. Attorney General Everts has delivered an opinion on the subject of distillation and redistillation of spirits—"singlings," "doublings" and "backings"—all of which terms are better understood by the distillers and the Attorney General than by ourselves, or, perhaps, anybody else not initiated in the twin mysteries of the Internal Revenue law and the whiskey rings. However, in so far as the Attorney General's decision goes, it would appear that there will be a considerable increase coming to the revenue, and that multitudes of stills now as still as hibernating animals in winter will be started in fresh vigor, all of course, paying taxes to the government. In a financial point of view this may be satisfactory. Considered in a sanitary light it may be a matter of indifference to the public whether "singlings," "doublings" or "backings" are warranted to kill at the shortest range; for all these delicate gradations of potent poison enjoy a generous rivalry in this respect. The question of real importance is whether the decision of Mr. Everts can put a check on fraud and bring a larger tribute to the public treasury.

POLAR EXPEDITIONS.—From the ninth and tenth centuries to the nineteenth, from the discoveries of the Icelanders and Northerners, who were the first Arctic explorers, to those of Sir John Franklin, Dr. Kane and Dr. Hayes, the Polar regions have had a fascinating interest for both the commercial and the scientific world. The dream of commerce that a north-west passage would be found a practicable road to the Indies was long ago dispelled. But science still demands further and more complete explorations than any which have hitherto been made. The ocean cable announces that two scientific expeditions to the North Pole are now fitting out—one at Bremen, under Lindbergh, and the other at Havre, under Petermann, the celebrated Prussian savant, whose views of Arctic geography were corroborated by Dr. Kane's discoveries of a Polar Sea.

THE NEWS FROM PARAGUAY.—By a cable despatch from London we learn that the allied army had reached the vicinity of Vitella, where the Paraguayan forces were concentrated. A battle was daily expected. It is also stated that the Portuguese Consul at Assunon was dragged from the American Legation and shot, and that an American war steamer had gone up the river to obtain redress. In this connection the course of Minister Washburne was severely commented on at Buenos Ayres. We have had this fact announced before as coming from a Paraguayan prisoner, and, therefore, must wait for its confirmation by next steamer.

THE LATEST SPANISH NEWS.—The deficit in the Spanish revenues this year proves to be even greater than was anticipated. It is estimated that it will reach the enormous sum of fifty million pounds sterling. The Spanish government seeks to raise a loan of two hundred million crowns at an interest of six per cent. Señor Escalante has resigned his office under the present government. General Dulce has at last accepted the appointment of Captain General of Cuba, and will soon sail for Havana.

OFF FOR AUBURN ONCE MORE.—The Secretary of State, who never fails to make the trip from Washington on the verge of the November election. He has seldom spoken at Auburn, and in accordance with this time-honored custom it is announced that he will address his friends and fellow citizens this afternoon on the political questions of the day. It is also given out that Mr. Seward will vote for Grant and Colfax, which will probably be a better thing than any speech he may now deliver as Secretary of State.

THE GREAT VALLEY OF LA PLATA AND THE STRUGGLE FOR ITS DOMINATION.

We publish to-day the closing half of a historical sketch of the troubles in the Plata valley from the anti-Brazilian standpoint. To wipe Spanish American political questions clean from the dress and blood which besmeared them and discover under all this any great political principle which gives impetus to contending factions is a difficult matter. Here, however, we find a clear statement of the policy, the steady territorial march and the stealthy diplomacy of Brazil in the direction of the great valley to the southwest of her. The outlet of this valley once gained, the States of Uruguay, Entre Rios, Corrientes and Paraguay once under the imperial heel, Brazil will be master of the southern half as we are masters of the northern half of the Western World. It will be an easy matter for her afterwards to stir into civil war action the feuds which exist between the gaucho and civilized elements in the Argentine republic—elements which more than once have yielded blood at the touch of Brazilian gold and imperial diplomacy.

We are accustomed to point to Brazil and compare her peace to the turmoil of her neighbors, and wonder why the empire gives more quiet than the republic. Few, however, imagine that the existence of the empire has in South America been the cause of more civil warfare than any other element. The history of the Argentine Confederation and Uruguay are bold proofs of this, while the combination made against Paraguay shows how plastic the blind leaders of the republics are in the hands of the imperial statesmen. If, however, we compare the material prosperity of the Argentine republic, Uruguay and Paraguay with the empire, we find at once how infinitely beyond the monarchy they have marched during the brief period of their national existence. In exports, imports, national revenues, reclaiming of virgin lands, extension of agricultural and pastoral industry, railroads, telegraphs, literature—in fact, in everything which gives solidity in the future and guarantees a compact nationality—Brazil is far in the rear of any of her neighbors whom we have mentioned, despite the warfare which has periodically desolated them. In view of these heretofore unconsidered facts, it becomes a serious question whether Brazil has a right to exist any longer as an empire. When we consider that progress in the republics has to fight its way through Brazilian efforts to crush it; that the policy of the empire is to mount to power upon the misery which she foments among her neighbors; that commerce is by her annually cheated out of untold millions of dollars in civilizing exchanges; that it was not until the past year that the five nations at the head waters of the Amazon were permitted to enjoy the same contact with the world that Brazil enjoys; that the empire represents the hopes of monarchial Europe as against republicanism on this Continent we submit that imperialism in Brazil should give place to republicanism as the one thing necessary to put South America in that track of prosperity to which she is entitled by her wondrous products, her magnificent valleys, her mighty rivers and her geographical position with reference to ourselves. So long as the two antagonistic systems—the monarchy and the republic—exist side by side there will be no peace. We recognized this fact upon the northern half of the Continent when we drove the empire out of Mexico. The rule is not less applicable with reference to Brazil and her neighbors. It is as inevitable as fate that South America must be wholly republican or wholly imperial. To-day the empire is gaining ground owing to the suicidal position assumed by a few Argentine leaders in opposition to the great majority of the people. This, however, will change; and it is not improbable that the world will before long witness the more natural war of the Argentine republic, Paraguay and Uruguay against Brazil—the latter, if possible, seizing upon Uruguay as a base of operations for the salvation of her present form of government.

It is conclusively shown that, in the war against Paraguay, Brazil and the Argentine republic were the aggressors. The allied treaty was made before it was known that Paraguayan troops had touched Argentine soil and was the result of a long premeditated plan between the parties signing it. Paraguay, instead of being the aggressor, was clearly standing on the defensive; and it was only the daring, quick strokes given against her enemies that enabled these to decelerate the world into the ridiculous idea that ten millions of Brazilians and Argentines were standing on the defensive against the half million of Paraguayans occupying but seventy thousand square miles of territory, shut out from the world in the heart of South America.

In a military view Paraguay occupies a splendidly defensible position; but her aggressive strength is very limited. If Lopez will only show the same powers in the defence of the interior that he has shown upon his frontiers we may expect to see the allies fail in their efforts to conquer the country. They can no longer use their iron-clads. Lopez gains strength by retiring, while he reduces the attacking power of his enemies at least one-half.

Uruguay must indirectly remain a Brazilian province so long as Brazil is imperial. Her Presidents deposed and created at will by Dom Pedro II, her laws dictated, her troops handled, her territory despoiled by imperial agents, leaves her no hope until the Plata valley, handing its strength, recognizes that its natural enemy is the empire.

SENATOR SUMNER ON SPECIE PAYMENTS.—In a late speech of Senator Sumner at Cambridge, Mass., he advocated the return to specie payments on the 4th of July after Grant's election; and so do we, provided always that this thing can be done without any shock to our financial and business affairs. In this view we apprehend, however, that we cannot restore our old time hard money circulation by the 4th or the 5th of July next even under General Grant, with Mr. Sumner as Secretary of the Treasury.

A TEMPTING OFFER.—The Hon. Fernando Wood says that if elected for just another term to Congress he will, at the expiration thereof, forever retire from the arena of politics.

SOUTH GRAVES.—Horace Greeley declines the republican nomination for Congress in the Fifth district.

Future Candidates of the Democracy.

A South Carolina paper refers to Chief Justice Chase as being the next standard bearer of the democracy. There are a great many distinguished gentlemen, democrats and quasi-democrats, disgusted republicans and forlorn old foggy whigs, who may claim a similar distinction. There are Pendleton, Hendricks, Adams, McClellan, Stevenson, Kentuck, Wade Hampton, Ben Butler, Bob Toombs, Herschell V. Johnson, Alexander H. Stephens—who, by the way, and it is not too late to state the fact, would have been the compromise candidate at Charleston in 1860 between Douglas and Buchanan had he chosen to accept the nomination—and many others. But one thing is certain, the democracy, in order to succeed in 1872—and the