SOUTH AMERICA.

PROGRESS OF THE PARAGUAYAN WAR.

Inauguration of Sarmiento as President of the Argentine Confederation.

The Financial Condition of Brazil.

BUENOS AYRES.

New Line of Defence in Paraguay—The Diplomatic Question—Inauguration of President Sarmiento—Peace in the Argentine Republic.

BUENOS AYRES, Oct. 26, 1868.

Already we have European newspapers that are filled with rejoicing over the closing of the Paraguayan war—an event predicted as implied and near by the taking of Fort Humaita. But here we see no signs of its close, either in the spirit of the parties or the location of the forces. It is true Humaita has been abandoned, not taken, and the line of defence is removed perhaps fifty leagues farther in, capital wards, but at Angostura Pass, on the river Paraguay. Lopez has been employing hundreds of workmen to build for him a palace, as if to defy both labor and prophecy. At the river, in sight of his rising palace, there is a battery of twenty-four guns of sixty-eight pounds, well located, where the river is narrow. The forces of Lopez are estimated variously at 12,000 to 15,000 men. The latter figure is probably true.

Field Marshal Caxias, Commander-in-Chief of the allied forces, is now sending a force of 20,000 men across the river, below this defence of Lopez, who will march by the right bank of the Paraguay river up to Asuncion, the capital. It is his intention to establish there his headquarters and so outflank Lopez, and it is believed that the latter has not forces at command to dislodge him.

It is predicted that Lopez will burn Asuncion, if compelled to leave it; but this is not history yet, and may not be. From Angostura to Asuncion is only seven leagues. It is said that the iron-clads can pass without difficulty and can thus prevent actual want among the army of occupation after it reaches Asuncion. At the capital there is only one regiment with ten pieces of cannon.

The ground on the left of the Paraguayan defences is of the most wretched kind, being a combination of thick jungles and deep morasses. Position is at present highly favorable to the Paraguayans, but forces are far superior among the allies, both of men and ships.

It is reported that Lopez has now only two chief officers, Resquin and Caballero, the rest having been shot on one pretext or another. It is also said that he has put in prison, on suspicion of disaffection, Mrs. Barrios, wife of a late general, and his own bishop. His army has hardly any provision for war except implements of death, fresh beef without salt being the staple food.

The Italian gunboat Ardita has lately made a voyage up to Villeta, nine leagues below Asuncion. The commander was invited to Lopez's camp, and was feted and feasted and flattered until the conclusion was reached that Lopez was not as black as he was painted; that his army has everything really needful, wanting only foreign wines and cotton goods; but the men are in good spirits and the prisoners are under the protection of the law. &c.

Mr. Gerard F. Gould, English Chargé d'Affaires here, has also gone up to Paraguay on a mission to rescue, if possible, many British subjects there who are not allowed to leave Paraguay. He worked diplomatically, not placing himself in the power of Lopez at all. He has returned, and goes by this mail to England, and perhaps some decisive steps will be taken by the British government to liberate its subjects, most unjustly detained by Paraguay. George F. Masterman, who was a member of the United States Legation, was not an American, except as being a Canadian. We have no further word of Porter C. Bliss, who was arrested on a trumped-up charge of conspiracy and taken from under the very flag itself. This outrage on the United States has aroused all the Ministers of this Court. General Webb is expected here in a few days accompanied by General McMahon, the new Minister to Paraguay. Mr. Washburn, who just escaped with his life, though a Minister, is waiting here until these Ministers arrive. They will be followed by all the war vessels of this station, and a summary demand for Bliss and for reparation for the insult may be made. It is very aggravating to Americans here that Lopez has very little exposed to damage by a fleet—indeed nothing at all that is not likely to be destroyed by the allies, and that very soon. Lopez has lost immensely in the estimation of the world by his glaring injustice to foreign residents and his unparalleled cruelties to his own people.

President Sarmiento has entered upon his duties with skill and vigor indicative of complete success. He has gathered about him tried and substantial men. To ex-President Mitre he offered the supreme command of the army against Paraguay; this post being declined was given to General Gelly y Obez, the next in command. To several officers of the late cabinet good positions were offered. The Minister of State, Dr. Velez Sarsfield, has gone to visit General Urquiza in the hope to arrange the present awkward civil war in Corrientes. President Sarmiento has commenced a series of economic reforms that promise well for his administration. It is refreshing to an American to go into President Sarmiento's house, marked by republican simplicity as it is, and to see perhaps 500 volumes of American books in his library and for the ornaments of his house, pictures and statuettes commemorative of the great American war.

Wool is beginning to arrive. The estimate for this year's clip is 200,000 bales, 1,750,000,000 pounds.

On Saturday, October 24, Congress adjourned. President Sarmiento read to both houses a very appropriate and brief message, the formal act of closing.

A most singular trial of editors as to the right to publish news of any kind and criticise public officers has just occurred. The world knows that some months ago ex-President and ex-Dictator General Flores was assassinated in the streets in public and in daylight. Two of the daily papers—*Tribuna* and *Orden*—recently declared that they had information concerning that conspiracy, involving some men high in office and influence. They were arrested for libel, tried by a jury, and sentenced to pay costs of prosecution and to be banished to Buenos Ayres for six months. The whole proceeding has been novel. The place of banishment, also, it is like banishing a man from Montreal to Washington.

Señor Don Manuel R. Garcia has been appointed Minister to the United States.

Congress before adjourning authorized the borrowing of four millions of hard dollars for the prosecution of the war.

Money is now abundant, and exchange on England is 49¾d. to the gold dollar.

BUENOS AYRES, Oct. 28, 1868.

We have to-day dates from the army to the 17th inst.

The expedition by way of the *chaco* (wilderness), on the right bank of the Paraná, not only met a strong force of Paraguayans, but also found fortifications. Access to Asuncion is therefore impeded by the *chaco* on the right bank and by the left, on which Lopez's main army is lying, with all his defences by nature and art, and the batteries on the shore are making a passage even by the iron-clads difficult and doubtful. The iron-clads can pass almost any kind of fortress here, but they do not do much at battering down the defences on shore. One of the Brazilian captains has been made a baron for his bold stroke in passing a Paraguayan fort, and he is now the Baron of the Passage. There is now a chance for some one to become Baron of the Battle or Baron of the Bombardment. The improved weather and the change of locality have caused the cholera to disappear from the army.

The civil war in Corrientes has been arranged peaceably. The Minister of State went to the parties and agreed with them. All the irregularities are to disappear by resignations and regular appointments are to be made by the national government. The process was as easy as was that of Columbus making the egg to stand on its end, and it reflects the greatest honor upon the new administration. There is no sacrifice of law or principle, and even enemies are made to respect the hand that holds them in wholesome check. Since May last this civil strife has devastated that fertile province, until a strong national force was withdrawn from Paraguay for its suppression. Already the national general was in march, with his artillery in ox carts and his infantry well mounted, to put down a revolution that goes on horseback. All this is ended and peace is now made.

There has just been discovered a tremendous fraud effected by counterfeiting national bonds. It is done in such a way as that the genuineness of the signature is preserved, but the sums are altered. The amount is supposed to reach three millions. The papers say they must be paid; but if the fraud can be proved I do not see how it will follow that they must be paid.

BRAZIL.

Finances of the Empire—Communication with the Interior—Patent Laws—British Minister En Route from Rio de la Plata—The War with Paraguay.

RIO JANEIRO, Nov. 7, 1868.

If the military operations in Paraguay be almost at a standstill the expenses of them do not follow the same course, and the bills come regularly forward with even increased amounts. The sum of about 14,000,000$, which was appropriated for the ordinary expenses of the department of the army during the current financial year, has been exhausted before a third of it has passed, and consequently the Emperor has just signed a decree granting the department a further extraordinary credit of 22,725,858$935 for its estimated outlay during this first half of the current financial year—namely, from July 1 to December 31, 1868.

The sum already expended by the Army Department is stated in the official *exposé* to be 14,405,201$395. Adding this to the amount of the extraordinary credit just granted they give a total of 37,131,060$326 for the sum which the chief of the department believes will be required for the half year's cost of the army. Estimating the outlay of the Navy Department to be about half of that of the army—which is below the proportion—the total expenditure upon war is at the rate of nearly 10,000,000 milreis a month, or $60,000,000 a year.

The means at the command of the Minister of Finance must be exhausted about the end of the year, counting the 40,000,000$ issue of paper, the 27,000,000$ procured by the sale of gold bonds and 1,820,000$ received for a sale of ordinary bonds at a lowered rate. Every one is anxious to know what he will adopt to raise the future large sums required, as, although a foreign loan was semi-officially stated to be the next move, no notice of any negotiations for it have been received from London.

General Webb's letter responding to the accusations made by the Brazilian press against Minister Washburn was translated and entered into the semi-official journal, the *Correio Mercantil*, evidently for the purpose of being commented on by some member of the Cabinet. Two articles immediately followed the insertion, written, it is believed on good authority, by Paranhos, Minister of Foreign Affairs, with whom the General had the sparring match over the resuscitation of the Caroline claim.

The tone of those replies is cutting and bitter. The writer repudiates the service rendered by Minister Washburn when Lopez stayed the Brazilian Minister at Asuncion and reluctantly permitted a steamer to take him to Buenos Ayres. He reiterates the charge that Washburn was devoted to Lopez, and hostile in deed and word to Brazil, and denying the right of the United States gunboat to pass up through the blockading squadron, he quotes the case of the blockade of Charleston as a precedent, establishing the right of the Brazilians to refuse. With regard to the allusions in Washburn's and Webb's letters to the slowness of the allies, he sarcastically reminds General Webb of the long delay after the battle of Bull Run, and of the ill success of McClellan on the Peninsula. To these cuts a response from General Webb has been expected by the public, but hitherto the General, who is up cooling himself in the mountains of Petropolis, has made no rejoinder, although a week has elapsed.

Caxias has at length come out with a denial of his having any knowledge of any conspiracy in Paraguay. Although many of his despatches have been published at various times, reporting the Paraguayans to have been almost unanimous in their desire to get rid of Lopez and to have been in a condition of virtual conspiracy against him, he now says that he refrained from stirring up insurrections against Lopez for the sole reason that he found it impossible to effect any.

The news of the Spanish revolution has caused much excitement, especially among the large Portuguese population, whom the report that Spain wanted to annex Portugal had stirred up to the length of raising large subscriptions in aid of fortifying and arming Portugal against any attempt upon its autonomy. The resolution is generally favored by the Brazilians, and of course the liberal newspapers hold up the fate of Isabella of Spain and of the Bourbons generally *in terrorem* to Pedro II. of Braganza, lest, if he do not change his policy, he be the last Gonzaga and the last Emperor of Brazil.

The news from Spain in regard to the proposed emancipation of the slaves in the colonies, and reported intention of Cuba and Porto Rico to annex themselves to the United States, is felt here to strike home at slavery in Brazil, and as likely to precipitate emancipation much earlier than was anticipated by the most sanguine promoters of freedom to the slaves. But the blow would at once annihilate here the sugar, coffee and cotton exportation, which depend entirely on slave labor. As for emigration to Brazil, it is not likely to soften the catastrophe, as it is not progressing. Even Irish and English immigration, which a short time ago was looking promisingly, is proving to be a failure, as the government has not fulfilled its promises. Those that went to the government colonies are leaving at every chance, and parties who arrived in steamers proceeded to the river Plate on hearing from the previous comers how they had been deceived. No experience, no teaching and no example of United States methods and success in populating wilds seem to have the slightest effect upon the minds of the Brazilians, and it looks as if the future Brazilian nation will be either monkey or nigger, if not conquered and regenerated by the States around it.

A hoax or stock speculation was effected with considerable success upon the arrival of the Liverpool steamer on the 30th of October. Before the mails or papers were landed a newspaper previously got up here, announcing the breaking out of war between France and Prussia, was cried about the streets and the copies were bought up with avidity. Gold jumped up to fourteen dollars for sovereigns and the banks would not sell exchange. Large transactions in gold were effected, but most were canceled next day by mutual consent. The distribution of the mails soon showed the hoax, but at the same time it gave the first intimation of the Spanish revolution. The authors of the hoax have not been found out.

The government has just effected an arrangement with the Union and Industry Company, whose splendid Macadam road is cut by the Dom Pedro Segundo Railroad at the depot of Entrerios. The details of the arrangement are not yet published, but I understand the road company leases the railroad for thirty years, giving an interest of four per cent annually upon the capital already invested in it, and agreeing to apply to the construction of the extensions the half of the surplus profits, to which will be added sums annually voted by the Legislature. At present the railroad pays from six to six and a half per cent upon its cost, and by the passage of the Union and Industry traffic over it is expected to pay at least seven per cent. The new arrangement should be very advantageous to the country and the Union and Industry Company, as the company's road and traffic are splendidly managed by its director, Señor Marianno Procopio Lage, one of the few Brazilians up with the era.

The preliminary survey of the ground in the province of Alagoas, which lies between the head of navigation of the Lower San Francisco and the foot of navigation of the Upper San Francisco, turns out to be very favorable for a railroad, according to the report of the examining engineer, and the line would not require to be more than sixty miles. It is very probable that a road of some kind will be made soon after the war is over; but the country through which the Upper San Francisco passes is so unsettled and poor that it is scarcely probable that the opening of the lower river to foreign shipping will even then have early success in developing trade.

The province of Bahia is suffering greatly from a drought that has prevailed for some time, and it is feared that a famine must ensue if rains do not soon come. In the western parts the rivers and ponds had dried up and the cattle were dying in hundreds for want of water and pasturage. This liability to great droughts is the plague of the provinces of Bahia, Pernambuco, Ceara and Pianky, except near the seacoast, while from Rio to the south this scourge is rarely felt to a very injurious extent, the climate not being so strictly divided into wet and dry seasons as in the northern and western provinces.

The Southern telegraph has at last been rendered capable of sending a through telegram over its whole extent—namely, from Rio to Porto Alegre, and a despatch came on upon the 27th of October, which should be placed on the Brazilian calendar as the first day their telegraphic abortion learned to speak.

Coffee machines continue to be a well explored mine by inventors, not, of course, by Brazilians, for these leave the base art of mechanical invention to the less poetized foreigner. Three months ago a batch of coffee machine promoters got disposed of, the Rainey, the Lombard, the Estrella, the Angeli and the Adams & Combs machines being denied patents on various grounds, the Gony Stephens being the only one favored by the society to which the application for a patent is first remitted for a report on its merits and its deserts. Now some new ones are again in the field. Among the rest Mr. Angeli has not been dispirited by his former repulse, and Mr. Ridgerwood is claiming a patent for improvements on his own machines, and will of course get what he wants, he being in the fortunate position of active membership in the society referred to.

There is no doubt that the prize for success in the coffee hulling and polishing machinery competition is very great, and that there is also a great prize for improved apparatuses which will effect the drying of the fruit rapidly and satisfactorily, so as to get rid of the slow and troublesome process of sun drying; but it requires little consideration to see that the grand prize of all lies in the direction of so simplifying and improving the pulping machines, which do away with all the processes of previously drying and hulling the fruit, so as to render them more generally available and popular than those actually used to a small extent.

The state of the Brazilian patent laws, however, is not calculated to encourage invention. For instance, the report of the society alluded to, although amounting to a virtual decision on the granting of a patent, is, it is well known, not based upon considerations as to the value and justice of the claim, but solely upon considerations of favor and influence. Another anomaly is that an article patented abroad cannot be patented here, and a still more serious difficulty to the inventor is that the specifications of patents are kept secret and can be got at, only by special favor, by the process of memorializing the Emperor, which memorial having to pass through sundry departments, each legally authorized to effect six months' delay, the applicant will have reason to bless his stars, or rather his influential friends, if he get an answer *pro* or *con* within a year. Under these circumstances and the customary delays in getting any answer to an application for a patent, the unlucky, friendless, would-be patentee is apt to imitate the unfortunate Snyder's denunciations of a trans-Atlantic circumlocution office.

The condition of the city is not satisfactory at present in regard to security of property, especially in the suburbs, where the houses are detached from one another and usually one story, which in the warm weather facilitates the lightfooted niggers, who turn their black color to advantage for making watches and clothing go without the owner's consent. Only three or four nights ago the British Minister's plate cupboard was stripped, and one of those old silver teapots which are cherished as heirlooms through generations of English families disappeared and left not a wrack behind.

The fat, hospitable and jovial monks of the Monastery of St. Bento here have not escaped any better than less holy mortals, notwithstanding that the building looks impregnable to a regiment of sappers. In spite of bolts, bars, locks and iron-grated windows the good brethren found day after day that some one was preying upon their larder. This touched the good brothers to the quick, but nothing was discovered until one day an apparition was seen overhead in one of the halls, to the great dismay of the community. However, as soon as they recovered from the shock and could entertain the idea of a mundane presence, all the outlets of the building were closed and a strict search made, but vainly; nothing was to be found, high or low, and it seems probable that there exists some secret hiding place, or some secret outlet, such as was discovered many years ago, leading subterraneously from the Jesuit convent in the Castello hill to a house at some distance, situated in the low part of the town.

The great earthquake of August 13 appears to have extended its influence eastward to the Peruvian frontier. At Tabatinga, on the Upper Amazon, the river rose suddenly at five P. M. and quickly receded. Also, at the mouths of sundry of the rivers flowing into the Amazon, near the same town, a phenomenon similar to that called the pororoca or bore, which occurs near the mouths of some rivers in both hemispheres, was witnessed, to the great dismay of the natives, who had never before seen the huge waves rolling in, and some boats were swamped. The news of the earthquake had not reached that region.

The British bark Australian was lost near Cotinguiba, on the Sergipe coast, on the 23d October, while conveying a cargo from Sydney, Australia, to London. The twenty passengers on board were at once taken off by a tugboat then in sight, and next day the crew also, as no hopes existed of saving the vessel.

Mr. Gould, the Secretary of the British Legation at Buenos Ayres, has just passed through Rio on his way to England with despatches for England. He was unable to obtain the release of the English held by Lopez, but it is said Lopez has since declared he would not detain them longer if sent for. He corroborates to some extent the statement of the Portuguese Minister, who went up the Paraguay, that the foreigners are on the whole not badly treated, although probably pressure was used to get them to enter into the new contracts, upon whose existence Lopez founds his refusal to let them leave.

The Emperor sent for Mr. Gould, and they had a long conversation, doubtless on the state of affairs in Paraguay. Mr. Gould says that on visiting the Brazilian camp the subalterns exhibited to him their discontent with their leader, and begged him to let the truth be known in Rio, that they want to fight and not to be killed by disease through the incapacity or treachery of a lot of old women who surround Caxias, and are making fortunes by delaying the campaign. It is asserted that he has not concealed this from the Emperor, or the fact that the war is being unnecessarily prolonged by the fault of the general and his advisers.

A steamer arrived on the 5th with despatches from Caxias, which have not been published. The talk about town is that he requires a reserve force of 20,000 men to be at once raised if he is to bring the campaign to an early close.

Six iron-clads were above Angostura, trying to cut off its communications with Asuncion by water, and awaiting an opportunity to act with the Chaco expedition. Some torpedoes had been picked up. Lopez has five or six small steamers above, but the slow and deep Brazilian monitors cannot catch them.

Asuncion is now said to have ten 68-pounders in position to defend it from attack. The batteries at Angostura are not so strong as at first reported, and foreign naval officers say several of the pieces appeared to be quakers. The 150-pounder asserted to be in the water battery is said by a Brazilian correspondent to have been brought up by the United States gunboat Wasp, but Mr. Gould says its existence is a fable, and that the heaviest cannon there are 68-pounders. At all events the iron-clads seem able to pass without much risk; but the finest one, the Silvado, has had to go down to Humaita to repair what is called a disarrangement of her machinery. In passing down this vessel had a narrow escape from being blown up. A cannon ball struck a gannet and drove the iron ring, heated by the concussion, underneath the turret and to the very door of the powder magazine, which was, fortunately, shut at the moment.

The army at Caxias' headquarters, Surubihy, is deeply in the mud. The only spot for the camp is a ribbon of dryish ground, with the marshy river bottom on the one side and immense flooded forests on the other, while as for the outposts they have to roost in trees or stand in water to the knees. The weather was very wet for a time and excessively hot, so that, together with scanty rations of the half starved beef of dying cattle and rotting provisions—it being impossible to keep things in the camp—there is a great deal of sickness. At first it was cholera, but of late it has been chiefly agues and bad fevers. The cholera appeared to have been introduced from Hamaita by the troops sent up from that place, and a doctor there ascribes its origin to the opening of new defensive works by the garrison.

The general impression is that Lopez will obstruct the progress of the flanking corps as long as possible; but that, if it successfully establish itself in the rear of his present position, he will delay the corps by every possible means except a pitched fight, and will abandon Vileta as soon as he would have to fight a serious engagement to hold the position. He will, however, do so only to turn up at some other strong spot, which the allies will, of course, as hitherto, give him plenty of time to fortify and arm with the cannon of the old place. Unfortunately, Paraguay abounds with strong defensive positions, and the further inland they are the worse for the allies. He is said to have 100 to 120 cannon of all sizes in the fortifications opposed to the allies at Surubihy, and, according to deserters, the swampy ground in front cannot be traversed, so that the only practicable operation seems to be to get above.

Paunero is to come to Rio as Argentine Minister, a place which he visited forty years ago in a different category—namely, as a subaltern prisoner of war, when he was lodged in the fortress of Santa Cruz.

At last dates the United States squadron, which left this port on the 27th and 28th of October, had not arrived with Minister McMahon. Ex-Minister Washburn has not yet come up.

The gold bonds of the late issue ran up like a skyrocket on the afternoon of the 26th ult., and touched 99 premium on 250 milres paid. Since then they had been steadily falling until they got to 50 a 55 premium; but they have rallied to 80 premium in consequence of the prospect of the war continuing some months longer. Exchange has slowly declined from 19⅝d. to 18¼d. to the milreis, and sovereigns are 13$350, or gold at 150, with a rising tendency.

The Princess Imperial is looked for from the medicinal springs of Minas Geraes. It is whispered that her disease is a dreadful species of Asiatic leprosy, which devours the external organs and fingers. If there is any truth in this she will probably never sit on this throne, and her sister's children will inherit it.

A POST OFFICE MYSTERY.

A Connecticut Post Office Systematically Robbed for Months.

[From the New Haven Palladium, Dec. 17.]

For some days past there has been considerable excitement at Waterbury, in consequence of the discovery that the mails from the Post Office had been robbed of about a bushel of letters, some of them with quite valuable enclosures. The envelopes and débris were found in a water closet near the Post Office. The letters which could be deciphered were all directed to parties out of the city, and it is probable that the entire mail was outward bound. One draft for $1,000 was found; also others for smaller amounts, and how much money was taken it is impossible to say.

A special agent of the Post Office Department was sent for, who on his arrival proceeded to investigate the circumstances attending the robbery, and soon after the junior clerk, named Byer, was arrested. The postmaster, Dr. John J. Jaques, after an investigation of the circumstances implicating Byer, declared that there was not the least reason for holding him longer, and he was therefore promptly discharged.

The postmaster, and his son, a lad of about fifteen years, and the chief clerk are, with the junior clerk, the only persons who have had access to the Post Office. The postmaster and others are satisfied of the entire integrity of the chief clerk, and the junior clerk has been shown to be innocent. The question now is who is the guilty party? The special agent is now engaged in investigating the matter thoroughly. The Waterbury *American* said nothing on the subject until yesterday, when it explained that it had said nothing because there was little to be said, and it had been officially requested not to make the matter public for several days lest it should interfere with the ends of justice. All the information it now vouchsafes is that all known at present is that the mails have been tampered with for several weeks, and that suspicion does not point to any one in the office.

P. S.—Since writing the above we have received the following special despatch from Waterbury.—"It was first discovered that something was wrong about the middle of October, and a special agent notified, who has been investigating it ever since. It has been ascertained beyond a doubt that some person has been in the habit of entering the office nights by false keys. The postmaster thought he had the rogue and arrested him, but it proved otherwise. Hence the real culprit has escaped."

The Waterbury *American* of the 17th contains a statement of the postmaster in regard to the robbery, which renders the affair more mysterious than ever. We suppose the citizens of Waterbury will wake up some morning and learn all about it through the newspapers. Perhaps the culprit is nearer home than the postmaster imagines.

COTTON CROPPING IN UPPER GEORGIA.—The Athens *Banner* gives the following paragraphs on cotton cropping in Clarke and Jackson counties, which are generally regarded in Georgia as a little above the best cotton producing region:—

A young man in Jackson county, named Jackson, planted an acre and a half in cotton, without manure, and made 500 pounds of lint cotton. He exchanged 400 pounds of it for forty barrels of corn, and is pretty well fixed for running a somewhat larger patch next year.

Dr. Durham, of this county, has grown 700 pounds of seed cotton from three acres and a half of ground, a part of which is shaded by fruit trees. This is about 670 pounds of lint to the acre. The cotton sold in Augusta at thirty-three cents per pound, realizing over $200 to the acre.

THE NATIONAL MANUFACTURERS' ASSOCIATION.

This association held a secret meeting at the Metropolitan Hotel in this city on Wednesday last, and elected the following officers for the ensuing year:—

President—J. S. Newberry, Detroit.

Vice Presidents—T. S. Tuxton, New York; C. Dickinson, Connecticut; P. W. Gates, Illinois; G. P. Tiffany, Maryland; J. P. Arnold, Massachusetts; G. W. Allen, Wisconsin; J. I. Bennett, Pennsylvania; D. M. Richardson, Michigan; W. B. Castle, Ohio; R. Montgomery, Indiana; B. F. Hamilton, Maine; J. H. Woodman, Vermont; Edward Harris, Rhode Island; W. A. Currier, New Hampshire.

Executive Council—E. B. Ward, Detroit; O. W. Allen, Milwaukee; J. D. Shepard, Buffalo; J. L. Hayes, Boston; J. R. Paddock, Cincinnati; William Divine, Philadelphia.

Treasurer—E. B. Ward.

Secretary—G. B. Stebbins, Detroit.

Among the resolutions the following were adopted:—

Resolved, That in the present abnormal condition of our trade with Europe specie payments should not be attempted, and we believe the whole question should be postponed until labor, the chief source of national wealth, shall have restored equality to our foreign trade, and until the precious metals from our rich mines accumulate so as to make resumption an easy matter.

Resolved, That the national banking system having proved superior to all others, its benefits should be extended to meet the necessities of the West and the rising industries of the South, and the interests of our widely extended country demand that the National Banking act should be amended so as to make it a free banking law, that the benefits and privileges of the system may be extended to meet the business requirements of the country as indicated by the natural law of supply and demand.

Resolved, That with a view of providing a solid and permanent basis for banking, we believe provision should be made by Congress for the adjustment or funding of the public debt by the issue of long bonds bearing interest not exceeding 3.65, and that United States notes, called greenbacks, at the option of the holder, should be convertible or reconvertible to the bonds at par; and further, that the 3.65 United States bonds should be required by law as the basis of banking under the National Banking law.

Resolved, That the reduction of the interest on the national debt is, in the judgment of this association, a question of urgent necessity, and the proposed modification of the National Banking act will secure a demand for public securities available as a basis of banking, thus providing a practical plan for the adjustment of the public debt at a low rate of interest.

The following address was ordered:—

TO THE TAXPAYERS AND PRODUCERS OF THE UNITED STATES:—

The Presidential campaign is over, and whatever party is in power the interests of the people—who perform the labor, increase the capital, pay the taxes and support the government—are still the same. While ready to meet public obligations, pay fair expenses and sustain needed public improvements, you have a fair claim that your public servants should use decent economy and promptly attend to all legislation needed for the better systematizing and more thorough conduct of public affairs.

A year ago your delegates to the National Manufacturers' Convention at Cleveland, Ohio, choose a committee to visit Washington and ask Congress to adopt certain measures important to the common good. These were:—The reduction and simplifying of taxation; the decrease of government expenses, and the purifying of the official service of the United States. The two first objects were partially obtained by prompt and patriotic action of Congress, the last remains as it was, in the hands of a corrupt Executive.

With the opening of the coming session of Congress the completion of these vitally important measures should come up for early and thorough action. A new Tax bill, aiming to simplify and improve our internal revenue system and to reduce taxation, was partly adopted last winter, and thus relief, greatly needed, was given to our useful industries. That bill should be finished and passed, and our tax system thus made complete.

The "Civil Service bill" of Hon. T. A. Jenckes, introduced late in the last session, was laid over. It is of great importance, and its passage has been urged by able business men, irrespective of party, in different parts of the country. The demoralization of our official service, growing out of the rapid and unexplained gaining of wealth by high officials, is no longer covered by the flimsy pretence that such gains are honest. This matter has grown to such vast proportions as to demand the serious attention of the people. This bill strikes at the root of this corruption and will be of more benefit to the country than all other legislation combined, of any one Congress, as it will save millions yearly to the treasury, and help raise the standard of official honor and character to a height worthy the dignity of a great and free republic. Under its provisions, while public services will not be ignored, or recommends from fit persons be without weight, they will not stand instead of fitness, but will open the way for thorough examination of all applicants for place. Surely, it should be made a law, with no day lost in needless delay.

While government expenses have been reduced, that reduction has not been what it should be, as the deficiency bills to be presented to the coming Congress will fully prove. The army has nearly twice the officers needed for the rank and file—the most costly as well as ornamental part of the service—and the question is, Will the people be taxed millions for their support? The navy is loaded with an official retinue, relatively larger even than the army and quite as useless. There are too many superfluous officials at Washington and in the navy yards, whose principal business it is to draw their monthly pay, and ships are still kept in commission with no other apparent object than spending millions of our coin abroad that had far better be kept to reduce our debt. The disgraceful squanderings of the Navy Department in years past, owing to the incompetence of its chief officers, will remain a blemish on its history for all time. All we can now do is to remedy its present wastes, and it is the judgment of most competent men that the public good does not require an expense of over $10,000,000 yearly in that branch of the service.

The departments at Washington, as well as the whole civil service, need reorganization, and the dismissal of thousands of needless and half-worked political officials. Many hundreds of thousands of dollars are yearly paid for extra clerk hire, all of which should be saved and those under regular pay required to do the work or be dismissed. Fewer men, competent and reliable, even with better pay, would cost less than many drones. The Indian Department, full of waste and corruption, should be handed over to the War Department, in which officers are held closely accountable for funds in their hands.

The great temptation offered to speculators by land treaties with Indians makes it important that all lands acquired by treaty should be sold only in the public land offices, and not in large tracts. Thus a great and dangerous source of secret corruption would end. Public interest and public opinion are opposed to further government subsidies to railroads, beyond land grants carefully given in the regions traversed by the roads, as such subsidies open great temptations for corrupt legislation, and because we must pay our debt, justice coming before generosity.

The vast frauds exposed in the recent elections demand the passage of a law requiring naturalization papers to be issued only by the United States courts under a new and efficient system, and that all violations of law in such cases be tried only by these courts. There are many judicial districts apparently organized to accommodate hungry politicians. Some twenty-five of these, costing yearly over $20,000 each, and in which that cost exceeds the business done, should be merged in other districts. The judiciary has been and is greatly embarrassed by the incapacity of decrepid and superannuated judges, who would gladly retire did government make any provision for their support. A law is imperatively demanded allowing such to retire on a suitable salary.

The wasteful and extravagant appropriations for custom houses and hospitals should be largely reduced. The interest on the cost of our marine hospitals would more than support all our invalid sailors.

Our yearly imports largely exceeding our exports, the difference being made up in coin or bonds sent abroad, Congress should early adopt measures to turn the balance of trade in our favor, as a long continuance of its present condition must surely lead to humiliating financial embarrassments.

Could all these economic measures be adopted, our expenses would be so reduced that the import duties, the taxes on spirits and tobacco, stamp taxes and licenses would pay all the expenses of the government, interest on the debt and pensions, and leave a handsome surplus as a sinking fund to pay the national bonds.

It has been made matter of commendation that our expenses are no greater than in the days of Buchanan, but we should rather blush for shame that they are as large as under an administration corrupt beyond precedent.

Let the party in power bring the relative expenses and the character of the government up to the standard of the days of John Quincy Adams—when not a dollar was lost for four years by fraud or maladministration—and a grateful public will rejoice that power, courage and patriotism combined can crush the terrible corruption which will, unless checked, annihilate every element of value in this republican government.

Any legislation that will encourage our home industry or tend to lessen the national mania for political office will be gratefully received by all. Thousands of able bodied men spend years in vain efforts to obtain office who would be valuable members of society in some industrial calling.

If the estimates of the Secretary of the Treasury for the expenses of the fiscal year ending June, 1869, exceed the probable receipts there must be error in his estimates or wholly needless extravagance, as the reduction of appropriations by Congress kept pace with the reduction of taxes.

If the people expect any or all of these measures to be carried through they must themselves make due efforts.

Letters and numerously signed petitions to our national legislature are the most potent means for reforming abuses and making improvements, and no men have more profound respect for the wishes of the people than those who need votes to retain their places. Let the members of Congress do their whole duty, and a discriminating public will keep them in place so long as they thus earn and deserve public confidence.

A petition of which the following is a copy was ordered to be circulated for signature:—

To the Honorable Senators and House of Representatives of the United States, in Congress assembled:—

Your petitioners respectfully and earnestly ask that you will act early, in your short and busy session, on the following important matters (and on others named in the address herewith), viz.:—

1. Pass the Civil Service bill of Hon. T. A. Jenckes.

2. Complete and pass the new Tax bill, reducing taxation wherever possible.

3. Reduce expenses in all departments and decrease the proportion of costly officers in army and navy.

4. Put all Indian affairs in charge of the War Department to save cost and stop fraud.

5. Let lands acquired by treaty from the Indians be sold at public land offices and not in large tracts to speculators.

6. Grant no subsidies in money or bonds to railroads.

7. Stop large and useless appropriations for custom houses and hospitals.

8. Adopt such measures as in your wisdom you deem best to turn the balance of trade in our favor, that our coin may be left at home as a means of resuming specie payments.

MORE CORRUPTION IN WASHINGTON.

Extraordinary Charges of Fraud Against the Post Office Department—How Contracts Are Managed and the People Swindled.

A Washington correspondent of the Boston *Traveller* makes the following remarkable disclosures in regard to certain alleged operations in the Post Office Department at the seat of government:—

The fact of awarding the carrying of the overland mails to Wells, Fargo & Co. only a short time ago is still fresh to the minds of your readers. Last year the mails—not including paper mails—were carried from North Platte station on the Pacific Railroad, 200 miles west of the Missouri river, by Wells, Fargo & Co., for $750,000. Proposals were asked for this year by the Department to carry the mails from the terminus of the two Pacific Railroads, a distance of fully 800 miles less than last year. Wells, Fargo & Co. bid $1,350,000. John Allman bid $500,000, and a Mr. Spades, of Chicago, bid $350,000. The contract was awarded to Spades. Some time elapsed and no response came from Spades; but an agent of Wells, Fargo & Co. had, in the meantime, seen him, and a private understanding between the parties was effected. As Mr. Spades did not deposit proper security the contract was annulled. It was then offered to Mr. Allman, but for some reason he also declined it. All the competitors being thus out of the way of Wells, Fargo & Co. they were offered the contract, but as their scheme was not ripe Mr. Randall was told to look elsewhere. One morning there appeared in the leading daily papers throughout the country, among the New York news items, these few words:—"Postmaster General Randall arrived here this morning." A couple of days' sojourn in the metropolis and our Postmaster General returned to Washington, having in his valise a contract with Wells, Fargo & Co. to carry the overland mails at the rate of $1,700,000 per annum. As soon as it was known the swindle (for what else can it be called?) was denounced in all parts of the country through the press. Your readers are aware that Randall made a semi-official explanation, through the Associated Press, that this very great increase over the year previous was made necessary by the fact that the new contract provided for the carrying of newspaper mails. A shallow explanation, but withal the best he could make. In less than one month after the new contract went into effect, among the items telegraped from San Francisco was one saying that great complaints were made against Wells, Fargo & Co. because, instead of bringing newspaper mails through, as agreed, they were thrown indiscriminately along the route over the Plains, there to remain until destroyed.

The department finding Wells, Fargo & Co. unable to carry through these mails, at once ordered the greater portion of them to be carried by steamer by the Panama route, without making any deductions whatever from Wells, Fargo & Co.'s bills. The affair will probably be investigated by Congress and the entire transaction sifted from beginning to end.

A ONE HUNDRED AND EIGHTY THOUSAND DOLLAR SWINDLE.

Among the post routes established was one two years ago in the Territory of Arizona. At least it is supposed the route was established, from the reason that a contract was awarded to one Mr. Poston—a brother of the delegate from that Territory—to carry the mails over said route for the handsome sum of $90,000 per year.

Everything was going on smoothly and not a murmur of discontent was heard about this contract; for no one knew of it at the time it was made except the parties directly interested. Now for the sequel. The bill for the first year's service came in and was promptly paid by the department. The affair now is no longer a secret; but Governor McCormick, of Arizona, learns in an indirect manner that $90,000 a year is being expended to carry the mails over a route in the Territory of which he is Governor. He examines into the matter, and in a letter to the Post Office Department, signed in his capacity of Governor, and with seal attached, he reports that "not a single letter or an ounce of mail matter has ever been carried over the route;" pronounces it a swindle from beginning to end and protests against the payment of any more money. The contractor becomes alarmed and hastens at once to Washington to fix up matters. The second year's bill is presented for payment; but the pay clerk, with Governor McCormick's letter before him, refuses to pay it. An intimate personal friend of Randall's appears on the scene—has several interviews with him. On the day following one of these interviews the pay clerk has a note laid before him. It reads:—

Pay this bill. A. W. R., Postmaster General.

The bill is paid and the contractor leaves in high glee.

STILL ANOTHER SWINDLING OPERATION.

Any one at all familiar with postal matters is aware that the government pays upon all letters going to most of the foreign countries what is called "sea postage"—seven cents per letter—the amount for carrying letters upon the ocean highways. The most of the steamship lines are well satisfied to receive merely this sea postage as their compensation for carrying the letters. The regular line of mail steamers between New York and Havana are paid this sum upon each letter. The department has a contract with the New York and Havana Mail line to carry the mails at this rate. Some time ago, however, a company was formed in Baltimore to run a line of steamers between that city and Havana, and the idea was conceived to effect an arrangement with the Post Office Department to carry mails to Havana.

So far as the necessities of the department were concerned, the regular line from New York answered every purpose and was perfectly contented to receive the regular rate of seven cents per letter for the service performed.

How it was arranged I know not, but the Baltimore Steamship Company succeeded, and the Postmaster General authorized