Richmond Dispatch.

BY J. A. COWARDIN & CO.

☞ The DISPATCH is published DAILY, (Sundays excepted.) Price for mailing, $4 per year, or $2 for six months; three months, $1; one month, $2—in advance.
☞ The SEMI-WEEKLY DISPATCH is issued every TUESDAY and FRIDAY, at $3—in advance.
☞ The WEEKLY DISPATCH is issued every FRIDAY, and mailed to subscribers at $2 per annum.

DAILY DISPATCH.

VOL. XXVI. RICHMOND, VA., FRIDAY MORNING, JANUARY 29, 1864 NO. 25

FRIDAY MORNING.....JANUARY 29, 1864

THE LAW IN RELATION TO SUBSTITUTES.

Yesterday in the House of Representatives a bill was reported from the Committee on Military Affairs amendatory of the bill recently passed upon the subject of substitution in the army. The amendatory bill contemplates a distinction in favor of those persons who are now, and who were during the year 1863, engaged by their own labor, or in superintending the labor of others, in producing supplies for the army and the country. The committee reporting the bill recommended its immediate passage. The usual question of postponing it and placing it upon the calendar was decided in the negative, and the bill taken up for consideration; but before a direct vote was had upon it the morning hour expired, and the House went into secret session. There can be but little doubt that the bill will pass substantially as it came from the committee.

RE-ENLISTING FOR THE WAR IN GENERAL LEE'S ARMY.

It will be seen from the following telegram received at the War Department yesterday, that the North Carolina troops have the high honor of being the first in General Lee's army, to re-enlist for the war:

ORANGE C. H., Jan. 27, 1864.

To Gen. S. Cooper, A & I G:

General: Gen. R. D. Johnston's North Carolina brigade re-enlisted this morning for the war. (Signed),

J. FORNEY JOHNSTON, A. A. G.

The Senate opened [illegible] by the Rev. J. C. McCabe, of the Episcopal Church.

Mr. Semmes, of La., offered a resolution which was agreed to, directing the clerk of the Senate to send to the heads of the four executive departments of Government, copies of all bills, resolutions, &c., which the Senate should order to be printed.

The Military Committee reported back favorably, through Mr. Sparrow, the bill to amend the 65th Article of War.

Senate bill with House amendments to increase the pay of Government clerks and others at Richmond, was taken up and the amendments concurred in. The following is the bill:

The Congress of the Confederate States of America do enact, That the salaries and compensation of all civil officers and employees in the President's office and in the Executive and Legislative Departments at Richmond, whose compensation or salaries do not exceed the sum of two thousand dollars per annum, shall be increased from the passage of this act to the 15th May, 1864, at the rate of one hundred per cent.; provided, the same shall not thereby be increased beyond the rate of three thousand dollars per annum, and the salaries of all said officers whose compensation is above two thousand dollars and does not exceed the sum of three thousand per annum, shall for the same period of time be increased at the rate of fifty per cent per annum; but it is hereby expressly declared that the increased compensation provided for in this act shall not be paid to any officer or employee in any Executive Department of the Government who is liable to perform military duty, or is able to bear arms in the field, unless such officer or employee shall first obtain a certificate from the head of the Department in which he is engaged that his services are absolutely necessary to the Government, and that his place cannot be supplied by any one known to the head of the department who is not subject to military duty; which said certificate shall be filed with the Secretary of the Treasury before the money is paid; and it shall be the duty of the said Secretary, at the beginning of each session, to communicate a list of all such certificates to Congress; provided that no clerk, who by virtue of a military commission receives salaries or compensation of rations shall be entitled to the benefits of this act.

On motion of Mr. Semmes, the Senate resolved into secret session.

The *House* met at 11 o'clock, and was opened with prayer by Rev. Mr. Ryland.

Mr. Garland, of Ark., from the Judiciary Committee, reported a bill amendatory of the bill to prohibit the transportation to, and sale of certain articles in, ports and places in possession of the enemy, or to prohibit the trade or barter in certain articles therein specified to alien or domestic enemies; which was taken up and passed.

Mr. Dargan, of Ala., from the same committee, reported a bill to amend the act to organize military courts to attend the armies in the field, and to define the powers of said courts. This bill was also passed.

Mr. Gray, of Texas, reported back from the same committee several bills and resolutions which have been referred to them, on the subject of military courts; which, on his motion, were laid on the table, with a view to allow him to report a bill entitled an act supplementary to the act in relation to military courts, which,

On motion of Mr. Baldwin, of Va., was laid on the table and ordered to be printed.

Mr. Miles, of S. C., from the Military Committee, reported back joint resolutions of thanks to Gen. Beauregard, and the officers and men of his command, for their gallant defence of the city of Charleston; which were taken up and passed unanimously.

Mr. Hilton, of Fla., from the Committee on Military Affairs, reported back a bill amendatory of the act to put an end to substitution. The bill provides for the exemption of planters and managers who, during the year 1863, were engaged in the cultivation of the soil, and the production of supplies for the sustenance of our armies. The bill was discussed until the expiration of the morning hour, when the House went into secret session.

THE LEGISLATURE.

The following bills were reported in the Senate yesterday:

To amend the act passed March 24th, 1863, entitled An act amending the 10th section of chapter 184 of the Code, increasing the compensation of Clerks of Courts.

To amend sections 31 and 32 of chapter 184 of the Code, so as to increase the fees of Clerks of Courts for certain services.

To amend the 100th section of chapter 35 of the Code, so as to increase the allowance to Clerks for services rendered under said chapter; and

A bill to abolish the present Ordnance Department and create another.

A resolution was adopted looking to the voting of soldiers in camp for county officers.

The consideration of the militia bill was resumed and finally ordered to be engrossed.

A communication from Governor Smith, in regard to the present location and accommodations of the Public Guard, and recommending the purchase of Gamble's Hill and the erection of suitable buildings thereon for the Public Guard, &c., was received.

The bill vacating the commissions of militia officers, passed the previous day, was reconsidered, and so amended as not to apply to the 19th (Col. Evans's) regiment of militia. The bill was then laid upon the table.

In the *House*, the Speaker communicated a message from the Governor, covering one from the Secretary of the Commonwealth and Col. Smoot, in response to a resolution calling for information concerning the State purchases in Europe, which were referred.

The following bills were introduced from the Committee for Courts of Justice:

A bill to amend the 16th and 17th sections of chapter 103 of the Code, in relation to the emancipation of slaves.

A bill to prevent and punish the transportation of slaves in canal boats, &c., without the consent of their owners.

Mr. McCue presented the petition of the Sheriff of Augusta county asking for the detail or exemption of five deputies.

Mr. Robertson, of Richmond, presented the petition of Sampson Jones in relation to a contract made for furnishing the Public Guard with subsistence, and praying relief from the action of the late Governor appointing another.

The bill appropriating one million of dollars for the relief of families of soldiers within the lines of the public enemy, was under discussion at the hour of adjournment.

MEDICAL AND SURGICAL JOURNAL.—We have received the second number of this valuable journal, published by Messrs. Ayres & Wade. Its contents are highly interesting to the medical profession. Several of the surgical cases are illustrated with engravings.

FROM GENERAL LEE'S ARMY.

[FROM OUR OWN CORRESPONDENT.]

ARMY NORTHERN VIRGINIA, January 26th, 1864.

Mosby, Stringfellow, and Kincheloe, are still harassing the enemy on flank and rear. Scarcely a day passes that prisoners are not received at the office of the army Provost Marshal. Nor are prisoners all that they capture—each of these gallant partisans are getting no insignificant amount of horse flesh and other valuable plunder in these predatory raids.

It is a gratifying fact that so many of the soldiers in the army of Tennessee should be re-enlisting for the war, and it cannot but reassure the country of the spirit of our soldiers to achieve independence. Thundering responses will, I am sure, issue from this army soon. Indeed, the ball may already be said to be in motion. To-day Battle's gallant brigade of Alabamians, formerly Rodes's old brigade, re-enlisted, I am told, for the war. Thus Alabama leads off in the glorious work which will doubtless widen and deepen until every brigade in the army shall declare itself "in for the war."

The religious interest in the army is unchilled by the cold weather. Meetings are still held in every part of the army; and in many, if not all the brigades, meeting-houses have been constructed by the soldiers for their own use, and faithful chaplains nightly preach to large and deeply attentive congregations.

A most liberal system of furloughs has been instituted in this army by Gen. Lee, and its influence cannot but be beneficial to the troops. By a recent order twelve to every hundred present for duty are granted furloughs of indulgence. The cars are daily weighed down with the precious freight which they carry to and from these lines. I am also gratified to state that most of the soldiers return promptly at the expiration of their leaves.

The army post-office of this army, under Capt. John L. Eubank, assisted by his intelligent clerks, young gentlemen detailed from the ranks of the different commands of the army, do an amount of [illegible] and some not less than seven hundred letters a day; and yet these young men receive only forty cents extra per day for working from early dawn until long after midnight. Something should be done for them.

Among the recent promotions in this army is that of Maj. W. H. Taylor, A. A. G., on General Lee's staff, to the rank and pay of Lieutenant-Colonel. Col. T. is one of the most faithful and efficient officers of the army, and his promotion is fully deserved. In nearly all of the routine duties Col. T. is Gen. Lee.

The County Court of Orange, sitting as a Court of Oyer and Terminer, has been engaged part of the day yesterday and to-day, in the trial of Ben, slave of Mr. Walke, of Norfolk, charged with the murder of a man named Hudson, in Mahone's brigade, in the latter part of December last. Hon. Shelton F. Leake defended the prisoner with marked ability, and secured his acquittal. The Commonwealth was represented by Lewis B Williams and Capt. John H. Gayle. X.

LATER FROM THE NORTH.

New York papers, of Saturday last, the 23d inst., are received. The intelligence is not important, and we make a brief summary of it:

PROCEEDINGS IN CONGRESS.

The two Houses are still engaged on the conscription bills, the House showing a preference for its own, and not yet having taken the Senate bill up. Mr. Cox, of Ohio, is next week to introduce a bill taxing the holders of gold, and bills of exchange, foreign or otherwise, two per cent. per month. The Senate Finance Committee is considering a bill inflicting heavy penalties upon "sales on a margin" of gold, and requiring its actual delivery when purchased.

LATER FROM NEW ORLEANS—THE TEXAS EXPEDITION.

The Yankees have dates from New Orleans to the 16th inst. Major-Gen. Herron had arrived at Brownsville, Texas, to take command of the "Army of the Frontier," on the Rio Grande, and Major-Gen. Dana had left to take command of the coast expedition.

Governor Serna, of the State of Tamaulipas, Mexico, having levied various sums of money upon American residents of the State, was compelled to refund by Gen. Dana, who, in order to enforce his demands took possession of the ferry-boats at Brownsville and Freeport, and had his forces drawn up with two days' rations. Governor Serna immediately made restitution.

The gunboat Kennebec, on the 7th inst., captured the schooner John Scott, which had run the blockade off Mobile. She had on board 110 bales of cotton and some turpentine. In her efforts to get away forty bales of cotton were thrown overboard. During December the Kennebec captured two schooners and one steamer, with over eight hundred bales of cotton, forty prisoners, and a dog.

The gunboat Sebago arrived at New Orleans on the 13th from New York.

Gen. Banks's Chief Quartermaster is endeavoring to charter or purchase light draught sailing vessels not to draw over five to eight feet when loaded.

The steamship Western Metropolis has arrived at New Orleans, having on board the first battalion Third Rhode Island cavalry. She had a rough passage, during which fourteen horses died.

LATE FROM NASSAU—THE HARBOR FULL OF BLOCKADE RUNNERS—THE YANKEE FLEET INOPERATIVE AT WILMINGTON.

The British steamship Corsica arrived at New York Friday, from Havana 16th, via Nassau, 18th. By this arrival we learn from the Nassau *Guardian* that the steamers Alice, Wild Dayrell, Hercine, Pet, and Despatch—the latter commanded by the noted Capt. Coxetter, arrived from Wilmington previous to the 16th, and that, with the exception of the Despatch, they had sailed again for Wilmington. The Nassau correspondent of the New York *World*, writing on the 17th, says:

There is, perhaps, no place throughout the world where an American—one who is ready to share the varied fortunes of the republic—is subjected to more humiliating spectacles than here. The events of the past few days are sufficient to call for the immediate interference of the United States Government. Nassau, a month since, was as dull as midnight; now it is full of the miserable offscourings of the South, who have ignobly fled from the rebel conscription, but are ready, at any moment, to defend the Confederacy in the billingsgate and blasphemy of South Carolina. The saloons and bar-rooms, and even the lowest boarding-house near the beach, are full of these runaways from the South; but they seem to believe that here they can, under the British flag, establish the superiority for which they so long vainly contended in the land of rice and cotton.

The South seems to view in Nassau a congenial refuge, and her fugitives have come in hundreds during the last week to this port. Yesterday the rebel steamer Despatch, which ran the blockade three times to my own knowledge, sailed into the harbor in the morning with the British flag flying at her peak. She had on board the notorious Captain Coxetter. After coming to the wharf he was surrounded by a party of Southerners, who welcomed him. His steamer was loaded with cotton, which was shipped at Wilmington. The day before the arrival of this steamer four other vessels sailed into the harbor and anchored near the city. They had, as I am informed, all cargoes of cotton.

From one of the officers of these vessels I ascertained that the crews were not permitted to go ashore, as several of them had deserted at Havana. I was also informed by him that Wilmington was full of Southerners, who had sold all their property at a great sacrifice in order to leave the Confederacy by the steamers which were regularly advertised to leave that port for Nassau and Havana.

I can state from my personal observation that vessels are constantly arriving here, ostensibly from New York, with cargoes which are immediately reshipped on notorious blockade runners. How these vessels escaped custom-house surveillance is a mystery which the proper officers in your city alone can solve.

MISCELLANEOUS.

There is nothing of importance from the army of the Potomac.

Gen. Schofield, with his staff, has left for Knoxville, where he is to take command.

Dr. Mackenzie, a well known citizen of Baltimore, died last week.

There are now in construction in the United States twenty-five armored vessels at a cost of $368,000 each. They are to be done in six months.

It is stated that the army of the Potomac, like Gen. Lee's army, is to be reorganized in three corps.

THREE DAYS LATER.

We are indebted to the officers of the Exchange Bureau for a copy of the New York *Herald*, of Tuesday last, the 26th inst. We give a summary of the news contained:

CONGRESSIONAL.

On Monday the proceedings were monopolized by Mr. Sumner's resolution for making Senator Bayard, of Delaware, take the oath. It was passed—ayes 27, noes 11. The Committee on the Judiciary were discharged from the consideration of the resolutions of Mr. Davis, and also from the consideration of the resolution to expel Mr. Davis. Mr. Sumner presented a bill to amend the act of July, 1862, prescribing an oath of office. This was referred.

In the House of Representatives, on the same day, a resolution instructing the Military Committee to report a bill providing for an increase of pay to the soldiers of the army was referred to the Committee on Military Affairs. The bill reviving the grade of lieutenant general, to be bestowed upon major generals most distinguished for courage, energy, and skill, was reported back by the Military Committee, and its consideration postponed till next Monday. The Senate's amendatory enrollment bill was reported by the Military Committee, with amendments, and referred to the Committee of the Whole, a course of action indicating that the House is in no particular hurry to pass it. The Committee on Elections made a report against the claim of Mr. Field, of Louisiana, and Mr. Segar, of Virginia, as Representatives from those States. In Committee of the Whole the bill making appropriations for deficiencies, amounting to between four and five million dollars, for miscellaneous objects, was taken up and discussed. During the debate the Kentucky members indulged in an acrimonious personal controversy relative to their several political positions with reference to the slavery question.

Mr. McDowell, (Opp.) of Ind., offered a series of resolutions declaring that the House fully recognizes the fundamental provisions of the Constitution which grant freedom of speech and of the press and the privilege of the writ of habeas corpus, and prevent the illegal arrest and imprisonment of the citizens of loyal States; that neither the President nor any other person can violate these rights. The resolutions also reaffirm devotion to the Constitution, &c.

Mr. Washburne, (Rep.) of Ill., expressing a desire to debate the resolutions, they lie over.

Mr. Edgerton, (Opp.) of Ind., offered a series of resolutions reaffirming the Crittenden resolutions as the basis on which the war should be conducted; condemning the extraordinary assumption of the executive power, and desiring the peace and restoration of the Union under benign influence and without further waste of blood; deprecating all revolutionary measures and policy as tending to divide the Union men of the country and intensify the animosities of the war.

Debate arising, the resolutions lie over.

POSTER.

The following correspondence is published in the New York papers as having occurred between the two commanding Generals in East Tennessee:

HEADQUARTERS CONFEDERATE FORCES, East Tennessee, Jan. 3, 1864.

To the Commanding General United States Forces, East Tennessee:

Sir—I find the proclamation of President Lincoln, of the 8th of December last, in circulation in handbills amongst our soldiers. The immediate object of this circulation seems to be to induce our soldiers to quit our ranks and take the oath of allegiance to the United States Government. I presume, however, that the great object and end in view is to hasten the day of peace. I respectfully suggest for your consideration the propriety of communicating any views that your Government may have upon this subject through me, rather than by handbills circulated amongst our soldiers.

The few men who may desert under the promise held out in the proclamation cannot be men of character or standing. If they desert their cause they disgrace themselves in the eyes of God and of man. They can do your cause no good, nor can they injure ours.

As a great nation you can accept none but an honorable peace. As a noble people you could have us accept nothing less.

I submit, therefore, whether the mode that I suggest would not be more likely to lead to an honorable end than such a circulation of a partial promise of pardon.

I am, sir, very respectfully, your most obedient servant, J. LONGSTREET, Lieutenant General Commanding.

GEN. FOSTER'S REPLY.

HEAD'RS DEP'T OF THE OHIO, Knoxville, East Tenn., Jan. 7, 1864.

Lieutenant-General Commanding Confederate Forces in East Tennessee:

Sir: I have the honor to acknowledge the receipt of your letter, dated January 3, 1864.

You are correct in the supposition that the great object in view in the circulation of the President's proclamation is to induce those now in rebellion against the Government to lay aside their arms and return to their allegiance as citizens of the United States, thus securing the reunion of States now arrayed in hostility against one another and the restoration of peace.

The immediate effect of the circulation may be to cause many men to leave your ranks to return home, or come within our lines, and, in view of this latter course, it has been thought proper to issue an order announcing the favorable terms on which deserters will be received.

I accept, however, your suggestion that it would have been more courteous to have sent these documents to you for circulation, and I embrace with pleasure the opportunity thus afforded to enclose you twenty (20) copies of each of these documents, and rely upon your generosity and desire for peace to give publicity to the same among your officers and men.

I have the honor to be, General, very respectfully, your obedient servant, J. G. FOSTER, Major-General Commanding.

"REFUGEES" GOING DOWN THE PENINSULA—PRESIDENT DAVIS'S SERVANTS.

A dispatch from Fortress Monroe, dated the 23d inst., says:

The Norfolk *Old Dominion*, of to-day, says there is a rumor that Jeff. Davis's colored steward and chambermaid have arrived in Norfolk, having successfully escaped from the rebel chief. We do not vouch for the story.

Augustus and Louisa Burgess were detected yesterday in Norfolk in receiving and distributing the rebel mail, and were sent to jail.

Major Burroughs, the noted guerilla, is rapidly recovering from his attack of small pox.

Twenty refugees from Richmond, Petersburg, and Augusta, Ga., arrived in Norfolk yesterday.

Thirty seven refugees arrived here from Richmond to-day, via Yorktown.

Gen. Butler has gone to Newport's News this afternoon to have an interview with Admiral Lee.

FINANCIAL.

In New York, Monday, gold closed at 157¾, and Exchange 172. The *Herald* commenting on the bank returns says:

The bank statement is not calculated to create any renewed feelings of confidence in monetary affairs, but, on the contrary, is more likely to produce an effect directly the reverse. The continued decrease in loans in ordinary times would create a stringency in the money market, and the falling off in the amount of specie will probably cause a further rise of the premium on gold. We give below the totals of the bank statements which have been made since the first of January:

	Specie.	Circulation.	Deposits.
Jan. 2	$25,161,935	6,103,331	140,250,856
Jan. 9	25,122,002	6,037,546	134,861,977
Jan. 16	24,884,264	6,008,132	130,311,045
Jan. 23	24,077,513	5,949,807	130,136,203

It will be seen by the above that the specie has decreased $806,751, the circulation $158,375, and the deposits $174,843.

MISCELLANEOUS.

Gen. Steele has been directed to order an election in Arkansas for State officers under the one-tenth proclamation. Lincoln has "pardoned" some men calling themselves the Arkansas delegation, who have arrived in Washington.

Gen. Vance, captured in East Tennessee, has arrived in Nashville. He was captured by Gen. Sturgis.

Gen. Grant is in St. Louis.

At a public meeting held at Topeka, Kansas, on the 9th, Mr. Lincoln was nominated for the next Presidency.

The Democratic County Convention of Huntington county, Penn., met on the 12th inst., and unanimously nominated Gen. Geo B. McClellan as the first choice of the Democracy of that county for their Presidential candidate.

From Meade's army a picket attack on the Yankees is announced as perpetrated by sixty Confederates. It is positively announced that Lee has not reinforced Longstreet.

Latest from Europe.

The steamship Canada, with dates from Liverpool of the 10th instant, has arrived at Halifax.—The Princess of Wales had been delivered of a son. The Schle-wig-Holstein question had a very threatening aspect. The federal German troops on the borders of Holstein were estimated at 60,000 men, and it was thought they would soon muster 100,000. A committee of the German Federal Diet had reported decidedly adverse to the Loudon protocol of 1852. England, it was said, would make a naval demonstration in German waters. Four Italian conspirators had been arrested in Paris. The new ship George H Warren, of Boston, has been lost on the coast of Ireland. She was on her first voyage to Liverpool. Garibaldi's resignation of his seat in the Italian Parliament had been accepted. Other members of the "left" had also resigned. Affairs in Poland remained unchanged. The British journals say that the recent outbreak in India was a mere insurrectionary movement, confined to the frontier of the Punjaub. The English Parliament is to assemble on the 4th of February.

Consols closed in London on the 9th inst. at 90¼@91 for money. The Liverpool cotton market was firmer on the 9th inst., and all qualities advanced slightly. Breadstuffs and provisions were firm.

LITERATURE.—For the year ending November 1863, 4,828 books were published in Great Britain; of which 952 were on topics of religion, 337 in biography and history, 673 in poetry and general literature, and 925 works of fiction.

Before the war there were about seventy-five papers published on the soil of Mississippi; now there are, we believe, only nine.

CORRESPONDENCE OF GEN. LINCOLN AND GEN. M'CLELLAN.

The Inside History of the Defeats Around Richmond—A Bitter Letter to Secretary Stanton—When McClellan Thought He was Safe—Ten Thousand Thanks from the Ape.

The Northern papers are publishing extracts from the report of Gen. McClellan. We copy from it the letters and telegrams which passed between the defeated Napoleon and the clown at Washington. In one of Lincoln's dispatches, after McClellan's terrible thrashing, occurs the following wise advice: "If you think you are not strong enough to take Richmond just now, *I do not wish you to.*" The young Napoleon modestly tells Abe that his "change of base" was "unparalleled in the annals of war." There are a good many more amusing, as well as instructive, things which the reader will meet with in perusing the correspondence.

A FIERCE LETTER TO THE SECRETARY OF WAR.

On the night of the 26th, I sent the following to the Secretary of War:

HEADQUARTERS ARMY OF THE POTOMAC, Savage Station, June 28, 1862, 12.20, A. M.

I now know the full history of the day. On this side of the river, the right bank, we repulsed several strong attacks. On the left bank our men did all that men could do, all that soldiers could do, but they were overwhelmed by vastly superior numbers, even after I brought my last reserves into action. The loss on both sides is terrible. I believe it will prove to be the most desperate battle of the war. The sad remnants of my men behave as men; those battalions who fought most bravely and suffered most, are still in the best order. The regulars were superb; and I count upon what are left to turn another battle, in company with their gallant comrades of the volunteers. Had I 20,000, or even 10,000 fresh troops to use to-morrow, I could take Richmond; but I have not, and must save the material and personnel of the army. If we have lost the day, we have yet preserved our honor; and no one need blush for the Army of the Potomac. I have lost this battle because my force was too small.

I again repeat that I am not responsible for this, and I say it with the earnest of a General who feels in his heart the loss of every brave man who has been needlessly sacrificed to-day. I still hope to retrieve our fortunes, but to do this the Government must view the matter in the same earnest light that I do. You must send me very large reinforcements, and send them at once.

I shall draw back to this side of the Chickahominy, and think I can withdraw all of our material. Please understand that in this battle we have lost nothing but men, and those the best we have.

In addition to what I have already said, I only wish to say to the President, that I think he is wrong in regarding me as ungenerous, when I said that my force was too weak; I merely intimated a truth which to-day has been too plainly proven. If, at this instant, I could dispose of 10,000 fresh men, I could gain the victory to-morrow.

I know that a few thousand more men would have changed the battle from a defeat into a victory. As it is the Government must not, and cannot, hold me responsible for the result.

I feel too earnestly to-night—I have seen too many dead and wounded comrades to feel otherwise than that the Government has not sustained the army. If you do not do so now, the game is lost.

If I save this army now, I tell you plainly, that I owe no thanks to you, or to any other person in Washington.

You have done your best to sacrifice this army.

G B McCLELLAN.

To Hon E M Stanton.

THE ARMY AT HARRISON'S LANDING.

On the 1st of July I received the following from the President:

WASHINGTON, July 1, 1862—3.30 P. M.

Major-Gen. George B. McClellan.

It is impossible to reinforce you for your present emergency. If we had a million of men we could not get them to you in time. If you are not strong enough to face the enemy, you must find a place of security—wait, rest, and repair. Maintain your ground if you can, but save the army at all events, even if you fall back to Fortress Monroe. We still have strength enough in the country and will bring it out. A. LINCOLN.

In a dispatch from the President to me on the 2d of July he says:

"If you think you are not strong enough to take Richmond just now, I do not wish you to. Try just now to save the army material and *personnel*, and I will strengthen it for the offensive again as fast as I can. The Governors of eighteen States offer me a new levy of three hundred thousand, which I accept."

On the 3d of July the following kind dispatch was received from the President:

[Extract.]

WASHINGTON, July 3, 1862—3 P. M.

Major-Gen. George B. McClellan:

Yours of 5.30 yesterday is just received. I am satisfied that yourself, officers, and men have done the best you could. All accounts say that better fighting was never done. Ten thousand thanks for it. * * * * A LINCOLN.

FOURTH OF JULY LETTER TO LINCOLN.

On the 4th I sent the following to the President:

HEAD'S ARMY OF THE POTOMAC, Harrison's Bar, James River, July 4, 1863.

To the President:

I have the honor to acknowledge the receipt of your dispatch of the 2d inst.

I shall make a stand at this place, and endeavor to give my men the repose they so much require.

After sending my communication on Tuesday the enemy attacked the left of our lines, and a fierce battle ensued, lasting until night. They were repulsed with great slaughter.

Had their attack succeeded the consequences would have been disastrous in the extreme. This closed the hard fighting which had continued from the afternoon of the 26th ult in a daily series of engagements wholly unparalleled on this continent for determination and slaughter on both sides.

The mutual loss in killed and wounded is enormous—that of the enemy certainly greatest. On Tuesday morning the 1st, our army commenced its movement from Haxall's to this point, our line of defence there being too extended to be maintained by our weakened forces. Our train was immense, and about 4 P. M., on the 2d, a heavy storm of rain began, which continued during the entire day and until the forenoon of yesterday.

The roads became horrible. Troops, artillery, and wagons, moved on steadily, and our whole army, men and material, was finally brought safely into camp. The last of the wagons reached here at noon yesterday. The exhaustion was very great, but the army preserved its morale, and would have repelled any attack which the enemy was in a condition to make.

We now occupy a line of heights about two miles from the James, a plain extending from there to the river. Our front is about three miles long.—These heights command our whole position, and must be maintained. The gunboats can render valuable support upon both flanks. If the enemy attack us in front we must hold our ground as we best may and at whatever cost.

Our position can be carried only by overwhelming numbers. The spirit of the army is excellent; stragglers are finding their regiments, and the soldiers exhibit the best results of discipline. Our position is by no means impregnable, especially as a morass extends on this side of the high ground from our centre to the James on our right. The enemy may attack in vast numbers, and if so our front will be the scene of a desperate battle, which, if lost, will be decisive. Our army is fearfully weakened by killed, wounded and prisoners. I cannot now approximate to any statement of our losses, but we were not beaten in any conflict.

The enemy were unable by any efforts to drive us from the field. Never did such a change of base involving a retrograde movement and under incessant attacks from a most determined and vastly more numerous foe partake a little of disorder. We have lost no guns except twenty five on the field of battle, which were lost by the giving away of McCall's division, under the onset of superior numbers.

Our communications by the James River are not secure. There are points where the enemy can establish batteries with cannon or musketry, and command the river, and where it is not certain that our gunboats can drive them out. In case of this, or in case our front is broken, I will still make every effort to preserve at least the *personnel* of the army, and the events of the last few days leave no question that the troops will do all that their country can ask.

Send such reinforcements as you can; I will do what I can. We are shipping our wounded and sick, and landing supplies. * * When all the circumstances are known, it will be acknowledged by all competent judges, that the movement just completed, was unparalleled in the annals of war. Under the most difficult circumstances we have preserved our trains, our guns, our material, and above all our honor.

G. B. McCLELLAN, Major-General.

LETTERS FROM LINCOLN.

WASHINGTON, July 5th, 7 A M.

Major-General G. B. McClellan:

A thousand thanks for the relief your two dispatches of 12 and 1 P. M., gave me. Be assured the heroism and skill of yourself and officers and men is, and forever will be, appreciated.

If you can hold your present position, we shall have the enemy yet. A. LINCOLN.

WAR DEPARTMENT, Washington, D. C., July 4.

I understand your position as stated in your letter and by Gen. Marcy. To reinforce you so as to enable you to resume the offensive within a month or six weeks is impossible. In addition to that arrived and now arriving from the Potomac, (about 100,000, I suppose,) and about 10,000 I hope you will receive from Burnside very soon, and about 5,000 from Hunter, a little later, I do not see how I can send you another man within a month. Under these circumstances the defensive for the present must be your only care. Save the army first where you are, if you can, and, secondly, by removal, if you must.

You, on the ground, must be the judge as to which you will attempt, and of the means for effecting it. I but give it as my opinion that with the aid of the gunboats and reinforcements mentioned above you can hold your present position provided, and so long as you can keep the James river open below you. If you are not tolerably confident you can keep the James river open, you had better remove as soon as possible. I do not remember that you have expressed any apprehension as to the danger of having your communication cut on the river below you; yet I do not suppose it can have escaped your attention. A LINCOLN.

P. S.—If at any time you feel able to take the offensive, you are not restrained from doing so.

DISPATCH FROM M'CLELLAN.

HEAD'Q'S ARMY OF THE POTOMAC, Berkeley, July 7—8.30 A M.

As the boat is starting I have only time to acknowledge the receipt of dispatch by Gen. Marcy. The enemy have not attacked. My position is very strong, and daily becoming more so. If not attacked to-day I shall laugh at them.

I have been anxious about my communication. I had a long consultation about it with Flag Officer Goldsborough last night. He is confident he can keep the river open.

He should have all the gunboats possible. Will see him again this morning. My men are in splendid spirits and anxious to try it again.

Alarm yourself as little as possible about me, and don't lose confidence in this army.

G B McCLELLAN, Major-Gen.

To *A. Lincoln*, President.

THE RAID ON LOWER BRANDON.—The Petersburg *Express*, of yesterday, contains some further particulars of the raid. It says:

[illegible] The enemy came up James river Sunday night, bringing with them three transports and two gunboats. It is estimated that they had two full regiments, consisting of infantry and two companies of cavalry, but the horses of the latter were not disembarked. The expedition was commanded by Gen. Graham. During Sunday night they landed two companies of infantry at a remote point above Brandon. These companies were piloted through the woods by the negro blacksmith at Brandon, a very intelligent fellow. By making a circuit they got in the rear of our signal station at Brandon, and came upon our men Monday from the direction of Brandon Church, thus rendering escape impossible. Out of eight men employed at the station, but one escaped, viz: Private Peter F. Marks, who secreted himself in a thicket. Sergeant Joyner and Privates Cartwright, Halstead, Taylor, Berwick, Morgan, and Spencer were captured. The enemy also captured Dr Robert Ritchie, a brother of Mrs. Harrison, the owner of the Brandon estate, and the two overseers, Messrs. Cox and Simmons.

They destroyed all the corn, (some two thousand barrels,) a large quantity of seed wheat, oats, shucks, fodder, and flour. All the out-buildings of every description were burnt, and all the negroes, horses, and mules carried off. The dwelling was entered, all the wines and liquors appropriated, and the furniture generally demolished. It is generally believed that the enemy contemplated a very extensive raid, but that they received information which changed their plans. This probably accounts for the failure to land their cavalry horses. It is fortunate for the vandals that they did receive this information; for we know that there were preparations made for them which would have left but few to return.

THE SHELLING OF CHARLESTON.—The Charleston *Courier*, of Monday, says the enemy average about one shot an hour thrown into the city. It adds:

The damage, as usual, has been very small.—During Saturday night a 100 pounder Parrott struck a building, entering through the roof, and after shattering a bedstead on which the family, including three small children, were sleeping, passed through to the lower floor and exploded, causing some destruction to the building, but injuring no one. The escape of the occupants of the bed is regarded as almost miraculous, and the place has been visited by crowds of citizens, civil and military.

On Saturday the enemy fired seven shots at Fort Sumter from battery Gregg, three of which missed. The picket Monitor has given place to two small steam tugs, which are now anchored off the fort.—No other change of importance has taken place in the fleet, the number of vessels, including the Ironsides and four monitors, being about the same.

The enemy continue hard at work upon Gregg and the Cummings Point batteries. They have also commenced some additional work on the central batteries. The Yankees for several days past have kept up a sharp and rapid musketry fire on Morris Island, frequently firing by platoons and regiments.

On Saturday morning an impression prevailed that an infantry fight had commenced. The firing is believed to be only a shrewd Yankee trick to cover their weakness on Morris Island and keep up the appearance of a large force. It is believed that the most of their troops have left for active movements elsewhere.

FATAL DISEASE.—A fatal disease has appeared in and around Rome, Ga. Within three weeks twenty persons have died of it, including thirteen of the Cherokee Legion encamped near by. The Rome *Courier* says:

The physicians call it *Meningetis*, and say its pathology is an inflammation of the base of the brain and the spinal nerves. The patient is attacked with a chill accompanied with a severe pain in the head, particularly in the back part, and in the spine. The head becomes drawn back and the patient experiences pain in the neck, similar in kind to lockjaw, and generally becomes deranged in mind. The disease generally proves fatal in from twelve to thirty-six hours. The disease is not considered contagious, though it may possibly prove epidemical.

THE YANKEES ON THE CHOWAN.—On Thursday last, two Yankee gunboats ascended the Chowan river N. C., as far as Harrellsville, in Hertford county. About 300 men landed and marched up into the village, burned several houses and destroyed about 10,000 pounds of Government bacon, which had most imprudently been allowed to remain there. They also robbed many private houses, carried off ten or twelve mules and killed some that they could not get away. As they were returning to the gunboats, some of our cavalry came upon them, killed several of them and wounded others. Only one of our men was wounded (slightly.) Harrellsville is about two miles from Chowan river, and about twenty miles below Murfreesboro'.

FROM JOHNSTON'S ARMY.—Our accounts from North Georgia are very cheering. Brigade after brigade has unanimously resolved to re-enlist for the war, and their proceedings breathe the most unfaltering patriotism. The wounded at Chickamauga and Missionary Ridge, absentees and stragglers, are returning to their posts, and the army is represented to be in a splendid condition and high spirits.

SUICIDE.—The Greensboro' *Motive*, of the 16th instant, mentions the case of a boy, thirteen years old, who shot himself through the head, causing instant death, because his mother would not let him go to the army. The lad was the son of Mrs. Forrest, residing in Choctaw county, Miss.

HORSES, &c., FOR SALE.

A NO 1 Mule for sale. Apply to J A MOORE, ja 29—3t* Cor Broad and Adams sts.

FOR SALE—A splendid black Horse, of one size and appearance, warranted sound, and especially suited for a cavalry or staff officer. He can be seed at Mr P F White's stables, corner of 15th and Dock sts. Apply at once. ja 27—6t

FOR SALE—One of the best cavalry Horses in the State, eight years old, warranted sound and healthy. Apply to A BOEHKER, ja 26—4t Druggist, No 10 Main st.

BOARDING.

VISITORS to Richmond can be accommodated with lodging, by the night or longer, at the Edgemont House, on Main, between 6th and 7th sts. ja 27—6t*

BOARD.—Mrs DIGGES can accommodate a few more day boarders at her residence, 115 Broad street, between 8th and 9th, south side, up stairs. ja 27—3t*

PERSONAL.

PERSONAL.—Any information concerning the whereabouts of Miss Missouri V. KELLY, of Suffolk, Va., will be thankfully received by her friend, THEODORE F HALL, P O Box 251, Richmond, Va. North Carolina papers please copy. ja 28—3t

CO-PARTNERSHIP NOTICES, &c.

DISSOLUTION OF CO-PARTNERSHIP.—The business conducted under the firm of POWER & HANDLEY was dissolved by limitation on the 1st January. All persons having claims will please present them, and those indebted will make payment to me or to Mr. B. C. McPhail, at the old stand of Power & Handley. ja 25—3t J. R. POWER.

DISSOLUTION.—The firm of Green & Davis, was dissolved on the 1st January 1864, by mutual consent. All persons having claims against, and those indebted to the late firm, will settle with Mr. Samuel S Green. SAM'L S GREEN, ja 22—6t* OLIVER DAVIS.

LOCAL MATTERS.

Fatal Accident.—Serg't E. C. Jones, of co. H, 15th Va regiment, was killed on the Richmond and Petersburg railroad Wednesday evening. He had gotten on top of the cars to ride, and as the train passed under a bridge near Petersburg, he received a blow on the head from the bridge timber, which caused his death in a few hours. He was from Richmond, and was a most estimable young man.

Attempt to Break Jail.—Yesterday morning, between 10 and 11 o'clock, John P. Gunnell, Wm Gunnell, (brothers,) Wm. Frick, and Jas. Spicer,