The Charleston Daily News.

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WASHINGTON.

Cuban Belligerency—The Herald and the Bank Statement.

[FROM THE ASSOCIATED PRESS.]

WASHINGTON, December 27.

The Tribune's special says advices from Washington represent the intentions of the administration as favorable to an early recognition of Cuban belligerency, and Mr. Sumner's views are believed to have altered with respect to the anti-slavery character of General Cespedes and his government.

The Herald has the following comments on the bank statement: "As the statement is only for five days, it is suggested that there has not been so even a distribution of the different items, inasmuch as the different banks lose the chances of the last day's exchange being in their favor. Again, the payments into the sub-Treasury for customs, combined with the specie payments of the week, will go far to account for the decrease in specie. Taking the specie from the deposits, it would leave about two and a half millions of the latter to be accounted for. This is done by conjecturing that the withdrawal of funds to meet various payments of interest due from railway and other corporations, together with the temporary diffusion of money among the shopkeepers for holiday goods, will fully amount to the sum *in* question. The effect upon the stock market was hardly perceptible, inasmuch as only a few brokers still remained on the sidewalk after the publication of the statement, and, among them, it was not regarded with any apprehension. It is only proper to observe that, so far as the banks are concerned, it really leaves them in a better position than might at first appear. With the decrease in loans and reduction of deposits, they are about in the same position as when they began the week. While the loss in reserve is two millions, they can afford to lose one million, so that the surplus above the reserve required by law is decreased by only the latter amount."

EUROPE.

The Brunette.

HAVRE, December 27.

The cargo of the Brunette, recently ashore near Nantes, is reported salvable.

The Spanish Constitution.

MADRID, December 27.

The Iberian newspaper says that Spain will fully settle the matter of the new constitution during January.

The American Bishops.

BERLIN, December 27.

Letters in Berlin newspapers from Rome emphatically deny the current reports of the liberality of the American bishops. Their correspondents assert that they blindly follow the Papal lead.

SPARKS FROM THE WIRES.

The people of Rupert's Land have issued a declaration of independence.

Seven large brick stores on South Salina street, Syracuse, New York, have been burned, with a loss of nearly half a million.

George Montjoy, convicted of whiskey frauds at Philadelphia, has been sentenced to two years in the penitentiary and $3000 fine. The prisoner will be allowed a few days' custody under the United States Marshal to settle his affairs.

The Rev. Barron Stowe, a Baptist clergyman, is dead of apoplexy.

John R. Wilder, of Cincinnati, attacked his wife with a hatchet, inflicting fatal injuries, and then blew out his brains.

Heavy southeast storms and incessant rains fell at Fortress Monroe.

The entire regular Democratic ticket, with one exception, was elected in Rome, Ga., yesterday.

[illegible], appointed by the military authorities of Culpeper County, Va., has been sentenced to two years in the penitentiary, by military commission, for misspelling $10,000.

There was a riot [illegible] in Richmond on Christmas night between some white and colored men. The police interfered and were assaulted. No one was seriously hurt.

In respect to Stanton's memory, Governor Bullock, of Georgia, displayed the flag at half-mast on the capitol buildings in Atlanta.

THE BARNWELL RACES

Third Day.

[FROM OUR OWN CORRESPONDENT.]

OAKS, BARNWELL, S. C., December 24.

Yesterday, the third day of the races over the Sherwood Course, passed off pleasantly, although the racing was not as exciting as on the first day. The day was clear but cold, the track being in better order than on Tuesday. The first race was a two mile dash between the Weatherly colt and General Hagood's Bill Stoney. This bade fair to be an exciting race but the Weatherly colt bolted as he had done on Tuesday, and at the same place, jumping the fence and throwing his rider. Again the horses were restarted with a more experienced rider on the Weatherly colt, but the result was the same, notwithstanding the efforts of the jockey who, when he approached the point at which his horse had twice bolted, let go the off rein, throwing his entire strength upon the other, and using his whip over his horse's head, but with no success, for over the barricade the obstinate beast would go, thus proving a very marplot.

SECOND RACE—HALF MILE DASH AND REPEAT.

Major Bacon's colt, Captain Richardson's Agate, and a Diamond colt were entered. Major Bacon's colt, a beautiful bay, clean limbs and graceful, nervous action, won both heats with apparent ease and without punishment.

Agate had the sympathies of the fair sex, owing not only to her beauty, but to the fact that she was entered by a handsome, dashing, unmarried gentleman of the district.

The Diamond colt did not run the second heat, having been badly beaten in the first.

THIRD RACE—MILE AND A HALF DASH.

Colcock's John Hooper's colt and Hagood's Saluda were entered. This was the most exciting race of the day—John Hooper's colt proving the victor, but ruled out for foul riding. This was regretted by both friends and foe, as the judges were of the opinion that the result would have been the same had the race been fair, and while they ruled in favor of Saluda, they declared the bets off.

The fourth and last race of the day was a half mile dash between Dunbar's colt and ——. In both heats the former horse was beaten.

As the Sherwood Club is now the only one in operation in the State, all who are fond of this sport should become members and attend the races, which come off at the season of the year when every one can run off from home for a few days. Each year will add to the attractions of the races over this course, as the young planters of the State, who are now emerging from their troubles, are preparing to have each their stud, and will attend the races with their own racing stock. The Sherwood Course is susceptible of great improvement, and with the energy and interest shown by its present officers, we expect to see it next year in perfect order.

Many were the beautiful women who smiled upon the efforts of fathers, husbands and sweethearts, and as the beautiful steeds were unblanketed the flutter of bright ribbons and roses demonstrated that, even here, woman's hand was felt.

SEMLOH.

—It is now said that the shortness of Father Hyacinthe's stay in this country was owing to a very prosaic, but nevertheless imperative reason. It was simply that he brought but 2000 francs in money with him, and that being spent, he had to go back to his friends. Fortunately for him, the proprietors of the Fifth Avenue Hotel generously made him no charge for his board, or he could not have stayed with us as long as he did; and though he would accept no pay from the French Benevolent Society for the lecture he delivered in their behalf, he was forced to allow them to pay his passage to Havre.

THE SUEZ CANAL.

IS THE WORK A SUCCESS, AND HOW FAR?

Mr. Smalley, the accomplished correspondent of the New York Tribune, writing to that paper from Cairo, Egypt, under date of November 23, gives the most interesting statement of the measure of success achieved by M. de Lesseps, in the construction of the Suez Canal, that we have yet seen. He says:

IMPRESSIONS OF THE WORK.

While we were passing through the canal, there was no one moment when it was easy to form a positive opinion on the whole work. The journey was one of great excitement. It had its hours of exaltation and of depression—I might almost say of confidence and of despair. Now that it is over, and a day or two has elapsed, the question must be put and answered: Is the canal a success, and how far? It would be foolish to pretend to answer from the engineering or scientific point of view. There are engineers and savans who will do that. All I have to say is, how far, from what I have seen of the canal in its present state, it seems likely to be practically useful, and what still remains to be done. Readers have already, in previous letters, the materials for forming an opinion of their own, and are by no means bound accept mine.

The presumption of success was very strong. It was incredible that the company and the Khedive should have asked three thousand guests to witness a failure—supposing, at least, that *they* knew the truth. I have no doubt the opening was fixed for the 17th November, with a certain good faith: that M. de Lesseps believed that vessels of large draft would be able to go through from Port Said to Suez. That, however, is not the precise question. The company stood pledged to the public to build a canal of certain specified dimensions. If we are to hold them strictly to their announcements, the question will be: how they opened not *a* canal, but *the* canal they promised? And it is possible in this view to believe, that the administration of the company might have reasons for wishing a public ceremony and an enormous advertisement, even though they did not themselves expect that the canal, as projected, would be entirely completed on the day fixed.

WAS THE ORIGINAL PLAN CARRIED OUT?

Stated in this way, there can hardly be two answers to the question. I suppose the company itself no longer pretends or expects anybody to believe that the canal is finished according to its original scheme. Let us see what that scheme was. I translate and abridge from a book that may be called official, M. Olivier Bitt's *Histoire de L'Isthme de Suez*, 8 vo., pp. xv., 479, Paris, 1869, published in fact so late as October last. It is a book full of information, but it must be read with caution, since on some points, and those naturally the controverted ones, it gives not so much facts as what the company wants taken for facts. Deduction made for that, anybody who is concerned with the canal will find Mr. Bitt's account full of interest. On a question like that of the original plan of the canal it is of course authoritative. There were two reports, from the first of which, drawn up in 1855 by French engineers in the service of Said Pacha, then Viceroy, was sketched the *avant projet*. This was submitted to an international commission in the same year, in which were represented nearly all the countries of Europe, and their conclusions were adopted by the company as a *projet definitif*, and became the final plan of operations pursued, with one or two modifications, down to the present time. Briefly, then, the canal was to pierce the Isthmus from Suez to Port Said; not on the shortest line, but touching on the north the point where deep water came nearest the Mediterranean shore. Its length was to be 160 kilometres—100 miles. Its breadth at the water line 80 metres according to the report, but subsequently enlarged to 100 metres where the banks are low, and reduced to 60 metres through the deep cuttings. The width at bottom to be 22 metres. The depth to be 8 metres. I use for accuracy the French metre, which is one English yard and three inches nearly. For clearness sake I omit all details, and pass over the harbor at Port Said.

THE QUESTION ANSWERED.

The question we were summoned to Egypt to answer is whether or not from Port Said to Suez there exists a maritime canal 80 to 100 metres wide at the water-line, 22 metres wide at the bottom, and of a uniform depth of eight metres. There can be but one answer. There is no such canal.

But this, though the first question, is not after all the most important to the world. In a gigantic undertaking like this, we need not hold the company to the strict letter of their promises. What the world wants to know is whether from Port Said to Suez there is in fact a practicable, durable maritime canal, through which may pass from south to north and from north to south the fleets plying between the east and the west; fleets composed of ships of such draft and length as are suitable for that vast commerce. Again the answer must be, there is no such canal.

Then let us test the work not by the earliest undertaking of the company, but by its latest advertisement, placarded all over Europe and America, publishing its terms and regulations for the passage of the canal, and inviting all ships drawing not more than 20 feet of water to avail themselves of this route. Is there a canal from Port Said to Suez through which ships drawing more than 20 feet of water can safely and conveniently pass, or can pass at all? Again I believe the answer must be—there is no such canal.

WHAT HAS BEEN ACCOMPLISHED.

Then what is there? It is difficult to answer even this question in a precise and positive way. Opinions are not perfectly agreed, facts cannot be ascertained with perfect accuracy. But judging as best I can from all I have seen and heard, this is what I believe. That there is a canal from Port Said to Suez varying in width from 60 to 100 metres at the water line, varying in width from 11 to 22 metres at the bottom, varying in depth from 5 to 8 metres; a canal through every part of which steam vessels drawing not more than 12 feet may pass with perfect safety and ease; through which steam vessels drawing not more than 14 feet, and not more than 250 feet long, may pass without serious inconvenience; through which steam vessels drawing 16 feet, possibly 17, and 300 feet or a little more in length, may pass with difficulty, at the risk of frequent groundings and with much uncertainty and delay, above all in the curves of El Guisr and Tossouma—in a word, the Peluse, that was such a nuisance to the fleet, has done us the service of measuring the extreme present capacity of the canal. And the Peluse drew 16 feet 3 inches, and is 315 feet long. It should be added that the passage is much more difficult and dangerous for side-wheel steamships than for screws of equal draft and length. To that extent the canal is a success, and is capable of being used, if the company still think best, at once.

IS THE CANAL A SUCCESS?

Of course, it must be added, that this does not constitute a success in the commercial sense. As it stands to-day, the canal is a triumph of engineering; the canal which the world wants as a means of safe and speedy transit through the Isthmus, remains to be completed. The commerce between East and West cannot be profitably carried on in such ships as can now pass safely through the canal. Take the Sennar as an illustration. She drew 11 feet 6 inches. Put coals into her for a three weeks' or even two weeks' voyage, she would have room left for not more than 300 tons of cargo, and she would draw at least 14 feet. That is, she would approach the extreme limit beyond which vessels cannot easily and safely pass—and shipowners will not go beyond that—while she still could not carry cargo enough to make her voyage profitable. Such vessels as the Peninsular and Oriental Company and the Messageries Imperiales own and are building, will still transact the commerce of Europe and Asia. When they can pass through the canal full laden the canal will have become a practicable route in the commercial sense; not before. The advertisement for ships drawing not more than 20 feet has done no great harm. Commerce is always timid. Shipowners waited to see what happened on the 17th of November before they dispatched steamers on a voyage still doubtful. But it happens that the Spanish Government—it is called a government by courtesy—was more credulous or less cautious. There lies in the harbor of Port Said a Spanish corvette, on her way to a station in the Indian Ocean, drawing her due 19 or 20 feet, sent there to pass through the canal, which she cannot enter. I suppose there can be no doubt that the canal company, on the faith of whose pledges the ship came, is liable in damages for the cost of her voyage and her detention. If people had believed them they might have had half the Indian fleets of Europe and America dancing attendance at the mouth of the canal; which would not have been an auspicious opening.

OTHER DEFECTS

of the canal are yet to be mentioned. In my narrative of the voyage I have spoken often of the curves, and they are probably the worst engineering fault that has been committed. The double curve at El Guisr will have to be straightened before the passage is safe for a long ship. Another in the Toussoum section must likewise give way. There are others which it might be possible to tolerate, but which it will prove the truest economy in the end to abolish. One practical English or American seaman among all the French engineers and savans would have saved them much perplexity and cost. No sailor would have been satisfied with a mathematical demonstration that a ship of a given length could go round a curve of a given radius. He would have said: "I don't want to take my ship there. She may get round, no doubt, but a puff of wind or a minute's delay in answering her helm would send her ashore. Allow for practical difficulties, spend another hundred thousand francs, and make your canal a straight line." And wherever a curve is allowed to remain, the canal should be widened.

If the canal is not to be widened throughout—which can only be done after the traffic has become great enough to require it and to pay for it—the stations where vessels may pass each other must be much enlarged. I may have passed some without seeing them. I certainly did not see all that are on the chart, but then I did see things not on the chart, curves for instance, so that the chart cannot be implicitly trusted. I should say there are few points from Port Said to Lake Timsah, from Lake Timsah to the Bitter Lakes, and from the Bitter Lakes to Suez, where vessels could conveniently pass each other. That is, few points except in the lakes where the canal has no banks, and has abundant width as well as depth of water.

More insufficient, still, are the appliances on the banks for facilitating the passage of vessels at difficult points. And they are wanted at points not in themselves difficult, since a vessel in that narrow channel cannot always have steerage-way on, and will swing helplessly ashore whenever she has not, unless there are ready means of fastening hawsers on the bank. The Sennar kept two boats always in the water, with lines over bows and stern, and they were continually in use. A dozen times we should have gone ashore but for them. Yet often it was with great difficulty the crews could find any secure hold on the bank for the hawsers. Above the Serapeum the banks were so soft that the men could scarcely get about.

THE BRIGHT SIDE.

Omitting other points, I pass from the dark to the bright side, from faults to remedies, and from the imperfections that still exist to the great facts they cannot obscure and the boundless future that opens before this enterprise. My prepossessions in its favor were so strong, my faith in it is still so great, that I have felt bound to mark with some emphasis the actual limits to its present success, and the mistakes that have been made. Having done that, I am at liberty to say that what remains to be accomplished is a trifle compared with what has already been achieved. Europe doubted whether a canal could be built. England steadily sneered at the enterprise down to 1867, when the Duke of St. Albans wrote a letter to the Times describing what progress had then been made. How Lord Palmerston resisted it on political grounds of the narrowest selfishness; how Stephenson, the engineer, pronounced it a physical impossibility; how the Times ridiculed it, *more suo*, we know well enough. There has been a change lately, but no little incredulity kept its hold on the minds of those obstinate islanders, and of others as well. People began to believe that Lesseps had got a ditch of some sort across the Isthmus, but a canal that would float ships—that was another affair! Now the thing demonstrated last week that the canal would float ships. In the eyes of all Europe, Emperors, Empresses, Princes, an English embassador, journalists, English, European and American, savans, literateurs, engineers, and some three thousand people more, there did pass a great fleet, ships of war and of commerce alike, through the Isthmus from Port Said to Suez. It proved two things. There is a canal, and there can now easily, speedily and cheaply be *the* canal needed for the commerce of the world.

Perhaps it was wise to risk all criticism, and all demonstration of the incompleteness of the canal, for the sake of proving how much has been done, and that the rest can be done; for the company wants money. The works are nearly at a stand-still for more funds. Europe would give no more, all her faith in the canal could be strengthened. And then the date of this inauguration has been fixed for many months. It is very possible the directors hoped and believed they would have their 20 feet of depth, though not 26, on the 17th November. At any rate they resolved to take their chance. With their usual cleverness, they eft the Khedive to bear the expense, of which they hoped to reap the profit. And it is probable that since the creation of the world no project was ever so magnificently advertised as the Suez Canal has been within the last fortnight.

COST OF COMPLETION.

Now the final question is, how much will it cost to complete the canal—complete into a commercial route in the sense I have explained above, easy and safe for ships drawing over 20 feet—and how soon can it be done? Thus far it has cost near $80,000,000—how much more must be poured into this thirsty soil? Mr. Hawkshaw thinks $20,000,000, and six to eight months. The other authority whom I have quoted says $20,000,000 "*well employed*" may be enough, but that the work cannot be done in less than fifteen months. If money is to be spent as recklessly as hitherto, and time wasted, the estimate might have to be doubled, he thinks. Perhaps the discrepancy between the two may be accounted for by supposing that Mr. Hawkshaw fixes such a time as would be sufficient if the works were in his own hands. He is the most eminent of living English engineers. The other estimate is based on a knowledge of what has been done under the existing management.

PROSPECTS OF THE ENTERPRISE.

Whether when thus completed, the canal will prove to be not only a practicable route for great ships, but a paying concern, is a question wholly distinct from those I have been discussing, and one into which I don't feel called upon to enter. It concerns the stockholders very nearly; the world at large not so much. For if once the canal be completed, means will be found to keep it open, as railways are kept open and run long after the original capital has been sunk. It has been said that the railways of England were built on the ruin of widows, and governesses, and minor children. I am far from saying I anticipate such a fate for the original stockholders of this canal. My faith in its present board of administration may not be absolute; it may be that a great percentage of the capital has been squandered, but such is the fate of most great enterprises. It was and is the marvellous fortune of this one to have had M. de Lesseps for its real head, and he who knows best what obstacles M. de Lesseps has thus far vanquished, will be strongest in his belief of completed success in the end.

A LEAF FROM HISTORY.

The Secrets of the Impeachment Trial Revealed.

A correspondent of the Cincinnati Gazette has recently revived some of the corruption stories that have hung about the impeachment trial of President Johnson ever since the result of that famous attempt to thrust a President of the United States from the magisterial chair for political and party motives. The names of General Butler, Cornelius Wendell and other prominent politicians, figure extensively in the story, which will wind up with the details of a political compact alleged to have been entered into with Mr. Johnson, by which he was to give assurances of good behavior, and make such Cabinet changes as were suggested to satisfy the senators that would vote for acquittal.

THE MONEY CHARGES OF CORRUPTION

are three—one of $50,000, in the form of a bet by Radicals, ostensible impeachers, that Mr. Johnson would be acquitted, the theory being that the President's friends would cover the bet, and that the Radicals would see that there was no conviction in order to win—that is, a purchase of acquittal for $50,000; the second proposition involved $105,000, which, it is asserted, was raised by Mr. Johnson's friends from operators chiefly in New York, without the President's knowledge or wishes, by the advice of Cornelius Wendell, who said the way must be bought out, and thought it could be done for $200,000. The money was handled by middle men, but it is not shown that any senator touched a dollar. The third money proposition, it is charged, came from General Butler, the impeachment prosecutor, who, it is alleged, wished to buy off Wendell with a check for $100,000 signed by a prominent senator. Wendell's game was to entrap Butler in this offer, if it could be made direct, and expose him in open Senate. It is asserted that General Butler drove in a close carriage to the rear of Wendell's house and waited some time to get him out, but was unsuccessful, and that Wendell, on his part, could not get witnesses to the $100,000 proposition, and so both matters stood off.

THE POLITICAL BARGAIN

is said to have been made at Mr. Reverdy Johnson's house, between Senator Grimes and the President, when the wishes of Senators Henderson, Ross, Fessenden and Trumbull were made known, that the President would give assurances that he would do nothing for vengeance after acquittal, and that he would change his Cabinet, so as to make it less objectionable. The President, it is stated, consented to this, and his case was insured.

In the conference, it is stated, Mr. Evarts was cast for Secretary of State, Reverdy Johnson for Attorney-General, Groesbeck, of Ohio, for Secretary of the Treasury. The President made known his intention to place General Schofield in office as Secretary of War, which was satisfactory. Of these names, Hon. Reverdy Johnson, it is alleged, withdrew at his own request, and Mr. Evarts was substituted.

RADICAL INFERENCES.

In all this story it does not appear that money had any effect. It is not shown that any senator's vote was bought, either for or against removal, but there is some reason to believe that a good deal was pocketed by irresponsible lobbyists, who, in their greedy career of gain, have soiled alike the names of President and senator. That some senators, as the New York Post well says, "feeling bound to vote against the removal of the President, yet thought it prudent to see him before the vote was taken, and get his promise to conduct himself with propriety, appears not to us improbable. But even this story must be held in doubt until Mr. Grimes returns to this country, and has the opportunity to speak for himself and Mr. Fessenden." The New York Post also says in this connection that it is a little odd that out of this whole impeachment scandal, Andrew Johnson has so far come with clean hands; and that the person whose reputation has been most severely touched by the "revelations" made from time to time is Johnson's most bitter prosecutor, General Butler. It is probably true, as Mr. Maynard, of Tennessee, once told several of the Congressmen most prominently concerned in the impeachment—"You made a blunder in charging Johnson with corruption in money matters."

COMMISSIONER WELLS' REPORT.

The Currency—Specie Payments.

In the able and comprehensive report of Special Commissioner Wells, for 1869, just published, he considers the subjects of our excessive paper currency, its disastrous effect upon our foreign trade, and hence the desirableness and necessity of contraction and a return to specie payments by that agency. He shows that the foreign balance against us will probably average now about $210,000,000 per annum, including the merchandise account, the movement of specie and bullion, the obligations for interest, excess of freights carried in foreign bottoms, and expenditures of Americans in foreign countries. To meet and settle this constant increasing and adverse balance, under the present condition of prices and cost of production in the United States, there is but one resource, that is, to remit certificates of indebtedness, national, State or corporate.

The commissioner, therefore, points attention to the fact that, while before the war we were able to wholly pay for our foreign imports and services with the products of our own industry, including, after the discovery of California, and up to the beginning of the war, such a proportion only of our product of gold as it would have been practically useless and even mischievous for us to retain, we are not now so doing; and this latter circumstance would seem to prove beyond question, that the aggregate of national production does not maintain the same proportion as formerly to the aggregate of national consumption.

Coming to the currency question, the commissioner truly remarks, that not only in the United States, but in all other countries cursed with an irredeemable paper currency, the rates of interest are always the most advanced when there is the largest absolute amount of currency in circulation. He then proceeds to consider the

EXCESS OF THE PRESENT CURRENCY.

That the present value of currency is in excess is proved—

1. By the indisputable fact that the general scale of the prices of domestic commodities, as measured by the common standard of international commerce, is greatly in excess of the prices of other countries, and out of all natural proportion to the prices of the same commodities in the United States before the war. * *

2. The excess of the present currency is also proved by the further fact that the amount of currency in circulation has been arbitrarily increased during the past eight years considerably more than twofold, although the increase of population, production and accumulated wealth during the same time has been, by general agreement, in very much smaller proportion; and although at the former date the amount of currency in circulation was not limited by any serious restrictions upon the creation of banks or the issue of paper really or nominally redeemable in specie. Furthermore the tendency of all commercial nations is towards economy in the use of currency. * *

It has been urged, furthermore, that by allowing the present volume of currency to remain unaltered, the increase in business and the development of the country would gradually diminish and finally remove all redundancy. To this it may be replied, that the retaining of the present amount of currency in circulation tends to increase no business but what is speculative, and to check the very development which is expected to prove remedial. In the twenty-five years which elapsed from 1835 to 1860 the paper circulation of the country, left free and untrammelled to expand itself, increased from one hundred and three millions to two hundred and seven millions, or at the rate of 4.36 per cent. per annum. Now, should the future demand continue to increase in the same ratio, it would require the lapse of forty years from 1860, or until the year 1900, to bring the wants of the country up to the present supply. In the meantime the currency would probably remain, as now, irredeemable or inconvertible.

CONTRACTION AND ITS INFLUENCE

are then considered, and the commissioner declares that the simple, reasonable remedy for the evils of inflation would seem to be contraction, pure and simple, without artifice or indirection. In answer to the opposition to contraction on account of the immediate distress which it is supposed would follow the adoption of such a policy, it is declared that it requires a simpleton or prophecy to foretell that the country must experience all the hardships which contraction could entail, whether contraction and its ultimate benefits be secured or not. The commissioner says that all the incidents and all the effects of contraction, so far as it involves commercial disaster and industrial distress, are inevitably coming, and speedily. It is evident that the process of settling the annual adverse balance of trade by the transmission of national or other securities cannot continue indefinitely, and the indications are that the end is not distant. But our foreign importations cannot be largely checked, as many are necessary to domestic consumption, for our manufactures, &c. To check them would simply be to destroy a much larger value of our domestic industry. Hence a speedy exhaustion of the supply of bonds or bullion available for export involves a serious depreciation of the prices of domestic commodities and a general convulsion of trade—the very effects on account of which contraction is opposed and deprecated.

AMOUNT OF GOLD NEEDED FOR REDEMPTION.

The question how much gold is needed to begin and sustain a system of redemption depends wholly upon the answer to the prior question, how much currency there shall be to redeem. Seven hundred millions of paper could not be kept redeemable with less than seven hundred millions of gold, because with such an amount of currency it would inevitably be depreciated, and hence gold would bear a premium which every holder of paper would be desirous to realize. With four hundred millions of paper, on the other hand, a hundred millions of gold would probably be ample, because the currency, not being in excess of the wants of commerce, would not suffer depreciation, and, gold and paper being on otherwise equal terms, paper would be preferred for its greater convenience in use, just as in 1860 the banks were fully able to redeem all of their circulation which was presented for payment, although having but eighteen cents of specie on each dollar of immediate liabilities. It is not the ratio between gold and paper that needs to be regulated, but the ratio between the amount of paper in circulation and the volume of national production and exchange, of which it is the instrument.

Much criticism has been passed upon the treasury for not adopting the policy of hoarding gold with a view to returning to specie payments, but if what has been stated above is true, such a policy could lead to no good results unless accompanied by a measure of contraction; while contraction would obviate the necessity of any such policy, inasmuch as gold would then come to us, or be retained by us—our currency being in a healthful condition—to just that extent to which it was needed, obeying the same laws as any other commodity. Equally untenable is it to suppose that any progress can be made towards resumption by a reduction, through government purchase and cancellation, of the principal of the funded debt. If we had no national debt; if the two thousand millions of public bonds were by some process to be transformed into an equal amount of private "securities," exchanged between citizens, the premium on gold would not be appreciably affected.

It is not at all the condition of the credit of the nation which causes gold to be at a premium, as is proved by the fact that in Italy, Austria and Russia—countries maintaining large standing armies, constantly threatened with war, whose debts are larger, relatively to their resources, than our own, and are in no respect in the process of extinguishment, and whose annual expenditures, as a rule, are in excess of their ordinary revenues—in none of these three countries has the recent depression of the paper money been more than one-half as great as in the United States, the reason being that the paper money is not as much in excess as ours.

But it is urged by some that no restriction should be laid upon the issue of currency or, any limitation of its amount be attempted, but that the people themselves should be left to determine the extent to which they will use it. This is sound doctrine when applied to currency subject to redemption. It is not true when applied to a currency whose sole constituent is credit, and which circulates by force of law. Credit currency is the alcohol of commerce, it alternately stimulates and depresses, but poisons all the time. It creates its own appetite. It would be as reasonable to leave the drunkard, whose system is thoroughly poisoned by alcoholic stimulants, to determine the quantity which is good for him, as it is to assume that the body of trade, debauched by currency stimulants originally forced upon it, will of its own choice absorb thereafter only so much as is conducive to its welfare. The parallel between the effects of artificial stimulants upon the body and the effects of credit money upon the body industrial and commercial holds good in every particular, as has been shown conspicuously by the experience of the United States since the inauguration of the present system. The first effects have been to excite to an abnormal action and to produce the false appearance of health and vigor. This in turn has been succeeded by a condition of depression, and the lassitude inevitably consequent upon undue excitement and the violation of the laws of nature. And it is precisely in this condition that the poor victim of drink cries out for "more rum," and the broken down body of trade feels the strongest craving for fresh draughts of credit to carry it through the period of reaction and prostration.

Unpopular, therefore, as the declaration may be the commissioner, in view of the above considerations, is constrained to believe that contraction, direct and undisguised, is the one necessity of the situation; the only remedy for existing evils so far as the currency has relation to them, and that the nation cannot emerge from its embarrassments and difficulties until the makers and administrators of the law have the honesty and courage to take it up and carry it forward to the end.

PRICE OF THE PIGTAILS.

A Koopmanschaap Contract.

The Georgetown Times publishes the following circular from the well known Chinese contractors, Koopmanschaap & Co.:

SAN FRANCISCO, November 6.

Sir—We beg leave to inform you that we are now ready to accept orders for the furnishing of Chinese laborers, on the following terms:

1st. Laborers from China direct at $8 to $10 gold per month for field hands, and $15 gold per month for railroad hands, and board.

2d. The cost of transportation from China to New Orleans or any other Southern Atlantic port of the United States, per steamer or clipper ship, will be about as follows:

Passage	$50
Provisions	25
Consul's certificate and emigration fees	5
Two suits of clothing and blankets	10
Advance on their wages	20
Commissions, charges, &c	20
Total (in gold) say	$130

The cost of transportation by Pacific mail steamers to San Francisco, then by Pacific Railroad to the Missouri River, will be about the same as above.

3d. From their wages there is to be deducted, in monthly instalments of $2, the $20 advance and the $10 for clothing.

4th. Contracts will be made for a term of five years, to commence on the day of their arrival at the place of destination named in the contract.

They are to work only 26 days in each month, that is to say, to have Sundays for themselves. Also to have one or two days holiday at their New Years, which is generally in February or March.

6th. The provisions generally given are per man per diem: Rice 2 lbs.; ½ lb. pork and ½ fish, or 1 lb. pork, or 1 lb. beef; vegetables, ½ lb; tea 1-3 ounce.

7th. They are to be furnished with water and firewood, and provided with good quarters and weather-proof sleeping places, free of charge.

8th. All tools and implements to be furnished by the employers.

9th. Poll and all other taxes to be paid by the employers.

10th. It would be very desirable for employers to apportion to each laborer a small piece of ground on which to raise vegetables, poultry, &c.

11th. It must be understood that these laborers are to meet with just treatment, and if errors are committed by them, a report must be made to the Chinese foremen before any punishment shall be inflicted.

12th. One overseer should be engaged for every fifty or one hundred men, who shall receive the same wages as the laborers. The duty of this overseer shall be to instruct and direct the men in their labors; and if he work himself, he is to be paid for this extra work at the same rate as the other men. One cook is required for every twenty-five or thirty men at the same wages as the laborers.

13th. Work to commence at six o'clock A. M., and continue until noon, and at one o'clock P. M. to continue till six o'clock P. M.; the laborers to have the right to take two hours in the middle of the day, during the summer months, providing they commence work at five o'clock A. M.

14th. If any of the men fall sick or are injured so that they are unable to work, their wages are to cease till they resume work; but all medical attendance and medicines are to be furnished at the expense of the employer.

15th. The time books to be made up at the end of each month, and the men to be paid as soon as practicable in the early part of the ensuing month.

16th. Chinese laborers can be obtained in California at $30 gold, per month, for railroad or any other work, furnishing their own food and clothing, or $20 gold per month with board and lodging, they paying for medical attendance and medicines.

17th. The cost of transportation from San Francisco to any part of the United States will be about $40 each for large gangs of men, also commissions and charges $15.

18th. Satisfactory security for the payment of cost of transportation must be deposited with Messrs. Lees & Waller, agents of the Bank of California in New York, or with Messrs. Spofford, Tileston & Co., New York, or with the Texas Land Company, New York.

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If they are protected by the laws of the country, as other voluntary emigrants, it is our opinion that any desired number can be obtained upon the foregoing terms.

We are your most obedient servants,

KOOPMANSCHAAP & CO.

REDUCING THE PUBLIC DEBT.

Secretary Boutwell's Plan—An Easy and Pleasant Process.

The wide-awake Washington correspondent of the Cincinnati Gazette writes:

Nothing is more simple than the process by which Mr. Boutwell is enabled to issue his bulletins every month, telling the people how the national debt is being reduced. I have suspected all along, but never knew until to-day, what was the *modus operandi*. Adapted to private business, it would enable the worst bankrupt in the United States to "stand erect," as Mr. Micawber did after he had given his I O U to Traddles. The secret is this: An order has been given to the accounting officers of the treasury to allow no claims whatever against the government—to pay nothing, to repudiate everything. There are just two exceptions made to this general rule—the bondholders and the officeholders. These gentlemen are paid to the uttermost farthing. All other classes of government creditors are denied even a hearing. And so, for the sake of appearing to pay off the public debt, hundreds of millions of just and equitable claims have been repudiated.

Now, why not go a step further, and say to the bondholder that we can't redeem his coupons? Is the debt of the bondholder hedged round by any sacred obligation that does not apply equally to the man whose claim is not in bonds but in quartermasters' vouchers? But the fact is, the debt is increasing daily, notwithstanding Mr. Boutwell's lying bulletins. All the claims now being denied will have to be paid some day or other, unless we adopt the great relief of repudiation, as all other nations have done in some form or another, and bury the whole mass of claims, whether in the form of bonds or of anything else, in a common grave, to the "music of the Union"—which is the latest name for the Rogue's March. "Equal and exact justice to all men" is the bogus motto of the Republican party. Equal and exact justice to all creditors should be the rule of conduct of every honorable man. If the government undertakes to repudiate one part of the debt, let the people finish the job and repudiate the rest of it.

PERSONAL GOSSIP.

—Ole Bull, the violinist, arrived in New York last week from Europe.

—Beecher is going to Indiana. Mrs. B. should keep an eye on him.

—Langley's Directory, just published, estimates the population of San Francisco in September last at 179,250.

—The Rev. Thomas Foley, of Baltimore, it is said, has been designated as the new Catholic Bishop of Chicago.

—The New York papers say C. H. A. Carter, an American commission merchant, of that city, is the fortunate possessor of ticket No. 24,789, which drew $100,000 in gold in the Ville de Paris lottery, drawn on the 4th of December.

—Brigham Young, Jr., is said to be sojourning in Philadelphia on account of the unwillingness of his third wife, a Philadelphia lady, to leave that city for the pleasures of Utah. A plurality of wives, it seems, does not entirely do away with family difficulties and female influence.

—The story of George Peabody's love is authentically told by a writer in the Providence Journal. More than thirty years ago a Providence school girl, of rare beauty and good family, found her first love in a youth of a neighboring city. They were "engaged;" but he failed in business, could not afford to marry, and released her from her engagement, she going to Europe with her friends. There she met George Peabody, then, comparatively speaking, a young man, but one who was already making his mark, and whose wealth was beginning to pour in on every side. He became enamored of her beauty and grace, and finally made to her an offer of marriage. After some hesitation, she accepted her new suitor and returned to America his affianced wife. Here she met her former lover, the old affair revived, and she began to pine away in an appropriate manner. At length she told all to Mr. Peabody, and he, with that manliness that characterized his every action, gave her up, and, in due time, she was married and settled. This is the one romance in the life of the great philanthropist. The lady was left a widow not many years after, but it is not known whether Mr. Peabody ever met her again.

Married.

GIBBES—CARN.—On Thursday evening, December 23, by the Rev. W. H. Adams, WILMOT S. GIBBES and Miss JOSIE C. CARN, both of this city.

DINGLE—MASSOT.—On Thursday evening, December 23d, by the Rev. John Buchman, D. D., W. B. DINGLE and HELOISE, eldest daughter of Horace Massot, Esq.

Obituary.

STEWART.—Died, on the 19th December, 1869, CATHARINE A. STEWART, aged 65 years and one month. Her character and life are described in a few words: An unselfish, generous, warm-hearted Christian woman, abounding in works of piety and benevolence. It pleased God to close her life on earth with a year of great and continued suffering, which she bore with uncomplaining patience, supported by that faith which made her life useful, and her death happy. She is gone to her rest, and, through grace, to her reward.

Special Notices.

NOTICE TO CONSIGNEES.—THE Steamship SARAGOSSA is THIS DAY discharging Cargo at Vanderhorst's Wharf. All Goods not removed by sunset will remain on wharf at owner's risk.

RAVENEL & CO., Agents.
dec28 3

CONSIGNEES PER STEAMSHIP MANHATTAN are notified that she will discharge cargo THIS DAY at Adger's South Wharf. Goods remaining uncalled for at sunset will be left on the wharf at their risk.

JAMES ADGER & CO., Agents.
dec28 1

CHARLESTON CITY RAILWAY COMPANY, CHARLESTON, S. C., DECEMBER 27, 1869.—A Quarterly Dividend of ONE DOLLAR AND TWENTY-FIVE CENTS per Share has been declared by the Board of Directors of this Company, and the same will be paid on and after SATURDAY, the 1st January, 1870, on application at this office.

By order, S. W. RAMSAY, Secretary and Treasurer.
dec28 tuths3

NOTICE.—ALL PERSONS HAVING claims against the Estate of H. F. STROHECKER will render in the same properly attested, and those indebted make payment to A. L. TOBIAS, No. 109 East Bay.

dec28 tu3 MARY U. CANNADAY, Adm'x.

NOTICE.—OFFICE SAVANNAH AND CHARLESTON RAILROAD COMPANY, CHARLESTON, S. C.—The COUPONS for interest on the Bonds of the Savannah and Charleston Railroad Company FIRST MORTGAGE, which mature January 1st, 1870, will be paid on presentation at the banking house of H. H. KIMPTON, Financial Agent State