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From the National Intelligencer.

The National Currency.

Our readers are aware that a bill has been reported from the Committee of Ways and Means in the House of Representatives authorizing the issue of $150,000,000 of Demand Treasury Notes, beside those already authorized, of denominations not less than five dollars, to be legal tender and receivable for all Government dues, debts, loans, and taxes, except duties on imports and interest on Government bonds, and interest bearing notes.

A section of the bill repeals the present limitation upon temporary deposites of notes, and authorises the Secretary of the Treasury to receive them to any amount not exceeding one hundred millions, in sums of not less than one hundred dollars, and for not less than thirty days, an interest not above five per cent., provided that one third of the aggregate deposites shall be reserved in the Treasury or from being issued under this act to secure prompt payment of such deposites on demand.

Another section empowers the Secretary to borrow such part of the two hundred and fifty millions authorized by the act to authorize a national loan," &c., passed a year ago, as shall not have been borrowed within twelve months after its passage.

The bill, as reported by the committee, embodies, with the exception of the suggestion that notes be issued of less denomination than five dollars, all the recommendations submitted by Mr. Secretary Chase in a letter addressed to the Chairman of the Committee of Ways and Means under date of the 7th instant.

The announcement of the foregoing plan for the increase of Treasury notes appears to have taken some of our contemporaries by surprise, and journals which were among the foremost in favoring the passage of the earlier bill authorizing the issue of a hundred and fifty millions of such notes and declaring them a legal tender, are somewhat disposed to shrink from the entertainment of the pending proposition. The New York Commercial Advertiser opposes the plan with some prudential considerations inspired by the conviction that we have reached the point beyond which it would not be safe to push the experiment that has thus far worked so well. Our contemporary says: "It is precisely at this point we begin to 'apprehend danger. The public have been so intoxicated with the effects of a moderate stimulant, arousing them from a state of torpidity that it is proposed to try the virtues of a second tumbler."

The present financial situation, so far as it depends on the utterance of Treasury notes, is thus lucidly stated by Mr. Secretary Chase in the letter to which we have already referred:

The act of July 17, 1861, authorized the issue of $50,000,000 in United States notes payable on demand and receivable for customs. This authority was enlarged under the act of February 12 1862, by the addition of $10,000,000—making $60,000,000 in all.

The acts of February 25 and March 17, 1862, authorized temporary deposites in the Treasury at rates of interest not exceeding five per cent., nor for a greater aggregate sum than $50,000,000.—The act of February 25, 1862, authorized the issue of $150,000,000 in United States notes; provided, however, that the demand notes issued under former acts should be retired and cancelled as rapidly as practicable, and that the aggregate of such notes and of the United States notes to be issued under this act should at no time exceed $150,000,000. All the notes to be issued were made a legal tender, but some, except the demand notes, were made receivable for customs.

Under these laws $60,000,000 in demand notes, receivable for customs, have been issued and $99,000,000 in notes not so receivable. The aggregate now outstanding is, therefore, $159,000,000 being the whole amount authorized by law.

Of this aggregate about $56,500,000 in demand notes are held by banks and capitalists, and not used as circulation, being held, in consequence of their receivability for customs, at a premium of from 3-4 to 1-4 per cent., and about $3,500,000 are held in the Treasury for circulation.

The whole issue of $60,000,000 in demand notes may thus be regarded as practically withdrawn from circulation. This withdrawal leaves only the issue of $99,000,000 of United States notes not receivable for customs, increased gradually by the substitution of these notes for the demand notes cancelled, from which conversion into bonds redeemable after five years, and payable in twenty years, called for convenience five twenties, can be expected to be made.

With such an exhibit of the financial situation it would be fallacious to expect that much will be done in the way of funding these notes from the present volume given to them by the outstanding issues. And while legal tender Treasury notes are fundable in a five per cent twenty year United States stock, redeemable after five years, at the option of the Government, there would seem to be little danger in granting the increase asked by Mr. Secretary Chase, as any increase beyond the monetary needs of the country as a circulating medium will find an outlet in this direction. This outlet to the currency is at once the governor and the safety valve which will protect it to a great extent from depreciation, and aid in regulating the money market.

Mr. Chase states that, so far as experience has afforded any grounds of estimate, no safe reliance can be placed on conversions of outstanding Treasury notes into funded stock to a greater amount than $150,000 daily, and that the daily average revenue from customs during the past month has been about $230,000. The aggregate daily receipts from both these sources, therefore, cannot be estimated at more than $330,000—may very possibly fall short of that sum—while the average daily expenditures cannot be estimated at less than one million, and will probably, unless very considerable retrenchments are made, exceed that sum.

Daniel Webster and the Duty of the Citizen.

The following letter from Daniel Webster to his overseer, John Taylor, will do, from its intrinsic excellence and applicability to the present times, to republish. It is a model production. It reads:

"Washington, March 17, 1852.

"John Taylor: Go ahead. The heat of the winter is broken, and before the 1st day of April all your land may be plowed. Buy the oxen of Captain Marston, if you think the price fair. Pay for the hay. I send you a check $160, for these two objects. Put the great oxen in a condition to be turned out and fattened. You have a good horse team, and I think, in addition to this, four oxen and a pair of four year old steers will do your work. If you think so, then dispose of the Stevens oxen, or unyoke them and send them to the pasture, for beef. I know not when I shall see you, but I hope before planting. If you need any thing, such as guano, for instance, write to Joseph Buck, Esq., Boston, and he will send it to you.

"Whatever ground you sow or plant, see that it is in good condition. We want no pennyroyal crops. A little farm well tilled is to a farmer the next best thing to a little wife well willed. Cultivate your garden. Be sure to produce sufficient quantities of vegetables. A man may half support his family from a good garden. Take care to keep my mother's garden in good order, even if it cost you the wages of a man to take care of it. I have sent you many garden seeds. Distribute them among your neighbors. Send them to the stores in the village, that every body may have a part of them without cost. I am glad that you have chosen Mr. Pike Representative. He is a true man; but there are in New Hampshire many persons who call themselves Whigs, who are no Whigs at all, and no better than Disunionists.—Any man who hesitates to granting and securing to every part of the country its just and its constitutional rights, is an enemy to the whole country.

"John Taylor—If one of your boys should say that he honors father and mother, and loves his mothers and sisters, but still insists that one of them shall be driven out of the family, what can you say of him but that there is no real family love in him? You and I are farmers; we never talk politics—our talk is of oxen, but remember this—that any man who attempts to excite one part of the country against another, is just as wicked as he would be who should attempt to get up a quarrel between John Taylor and his neighbor, old Mr. John Sanborn, or his other neighbor Captain Burleigh.

"There are some animals that live best in fire; and there are some men who delight in heat, smoke, combustion and general conflagration.—They enjoy only controversy, contention and strife. Have no communion with such persons, either as neighbors or politicians. You have no more right to say that slavery ought not to exist in Virginia than a Virginian has to say that slavery ought not to exist in New Hampshire. This is a question left to every man to decide for himself, and if we mean to keep the States together, we must leave to every state the power of deciding for itself.

"I think I never wrote you a word before upon politics. I shall not do it again. I engage here your country, and your whole country; and when men attempt to persuade you to get into a quarrel with the laws of other States, tell them that 'you mean to mind your own business,' and advise them to mind theirs. John Taylor, you are a free man, you possess good principles; you have a large family to rear and provide for by your labor. Be thankful to the Government which does not oppress you, which does not bear you down by excessive taxation, but which holds out to you and to years the hope of all the blessings which liberty, industry and security may give. John Taylor never write me another word upon politics. Give my kindest remembrance to your wife and children; and when you look from your eastern window upon the graves of my family, remember that he who is the author of this letter must soon follow them to another world.

"DANIEL WEBSTER."

From Mexico.

The latest accounts from Vera Cruz are to the 1st of June. The French a count of the defeat near Puebla differs very little from the Mexican account previously received. The victory has had the effect of greatly strengthening the Government. Troops were rapidly volunteering in its service. A call upon San Luis Potosi for three thousand men had been answered by the offer of double that number. These, under Gen Ortega, with two thousand more from Guanajuato, it is believed, arrived at the Mexican capital on the 28th of May. Gen. Marquez had joined the French and Gen. Almonte, and was to have the use of French funds. The combined forces had attacked Gen. La Llave, at Chipalhuite and compelled him to retreat. The French, after their descent on the 5th of May, retreated, to Orizaba, where, at last accounts, they remained waiting reinforcements. The Mexicans pride themselves not a little upon having defeated the French troops. The capital was being thoroughly and rapidly fortified.—[National Intelligencer.

A Mexican Development.

A curious letter of General Prim to the Emperor Napoleon, which has just come to light, conveys these solemn warnings:

"Monarchy left behind it in this country [Mexico] no the least root, not roots of a secular nobility as happens in Europe when by the violence of a revolutionary hurricane some throne is overturned nor did it leave moral interests of anything which would cause the present generation to desire the re-establishment of monarchy, which it never knew and which nobody nor anything has taught it to desire or respect.

"It will be easy for your Majesty to conduct Prince Maximilian to the capital and crown him King, but this king will find in the country no other support than that of those conservative leaders who, when in power, never thought of establishing a monarchy, but contemplate it now that they are beaten, scattered and in exile."

The General further cautions the Emperor that a foreign monarch must fall from a Mexican throne "the day that the imperial mantle of France ceases to shield him," and frankly declares that the spirit of the nation will rebel against a radical change in its institutions. Warnings like these, coming from a Spanish General, who is not more famous than his government for tenderness towards individuals or nations, must produce a decided effect. After the defeat of the French arms in Mexico and the disruption of the alliance, this testimony of a competent witness carries added weight.

Case of the Emily St. Pierre.

It is well known to our readers that the Emily St. Pierre, a British vessel, having violated the law of nations by attempting to run the blockade of a southern port with goods contraband of war, and in defiance of the proclamation of the government of the United States, as well as of the British government, was recently captured by one of our gunboats, manned by a prize crew and ordered to this port for adjudication. On her way hither, under the United States flag, and in lawful custody, the former master, a British subject, created a revolt on board, and by force of arms recaptured his vessel, made prisoners of the captors, and took his ship home to England. On his arrival there he was received with great honors by his country, men and donations of money and testimonials of merit rewarded his enterprise.

As the legality of this recapture has been made a subject of correspondence between our own and the British government, it is natural enough that the press of both countries should discuss the subject, and accordingly we find that the leading London journals which express the opinions and support the action of the British Ministry have already come to the foregone conclusion that their "municipal law" finds no authority to justify the restoration of the Emily to her American captors.

In other words, there is no law or rule of civil conduct prescribed by the supreme power of Great Britain which affects this case. This would be Blackstone's dictum if he were alive, and is good law, no doubt, with his countrymen. Municipal law, as distinguished from commercial, political and international law, respects solely the citizens of a state, and therefore shuts its eyes to the difficulty. But it happens, unfortunately for the ready advocates of this recapture, that there are citizens of another State concerned in this affair, who have been made prisoners by a neutral nation and deprived of their property lawfully obtained in war; and there is a government of some power and respectability whose rights have also been violated on this occasion, and who will, undoubtedly, seek redress in a forum where international law is supreme.

It is the well known doctrine, enforced by all the great writers on the subject and admitted by all civilized nations, that the violation of a legal blockade is a crime, and may be punished as such by the confiscation of the vessel and cargo of the criminals attempting it; and it is also laid down and universally admitted, that a vessel which has successfully run a blockade is not purged of the offence until she returns to her original port. There is good sense in this requirement. For an unmolested voyage avoids all questions and risks of dispute.

In this case the circumstances are quite different. The Emily St. Pierre was lawfully captured, was under the American flag, was claimed as American property having acquired and was on her way to an American court of admiralty for adjudication and condemnation according to law. It was therefore, as sacred in character as if it had been an American merchantman, an American cargo, and safe from the interference of any nation in the world, except those with whom we might be at war. In the language of Wheaton, who quotes from Lampredi, universal usage and consent of nations have authorized the belligerent state to establish within its own territory courts or prize tribunals to decide upon the lawfulness of captures made by its commissioned cruisers on the high seas, and what is more to the point is the conceded doctrine, that "the neutral is bound to respect the possession of the captor as that of his sovereign," and cannot undertake to determine the validity of the capture nor interfere with the execution of the sentence, either of condemnation or restitution, provided such sentence be pronounced within the limits of the neutral territory. (Wheaton 321.)

Here the law was interfered with forcibly, and the vessel, on her way to the court in lawful custody, was not only intercepted but forcibly carried off. We say forcibly, for no British vessel of war would have ventured or presumed to venture on any recapture of the Emily St. Pierre. It would have been an act of open hostility, a violation of our treaties of amity, an outrage which would have excited the indignation of all honorable nations, and roused his country as one man against the offenders.—What a British ship of war could not do and dares not do, no individuals of that nation can be tolerated in doing, unless at the risk of causing war by their misconduct, or of being given up as pirates for their offence.

Nor is this a new doctrine in Great Britain, for it has been held and carried still further there, by its own highest legal authorities, that for the master of a ship to oppose by force or revolt against even the simple right of visitation forfeits his vessel and cargo and the protection of his flag. In the case of the Emily St. Pierre it was not resistance to the enforcement of neutral curiosity, which is thus a crime, but an actual open levying of war on the United States flag, her officers and seamen, a seizure of her lawful property, and a political cooperation by violence with our southern enemies.

If we had been at war with England the recapture would have been regular. So, too, if effected by the Sumter or Nashville as belligerent; but this act of the subject of a country with which we are at peace, which recognizes our blockade, and which warns its mariners against all breaches of its neutrality, involves his nation, which must either restore the Emily St. Pierre to her American captors, or give up the captain as a pirate, to be proceeded against according to law.—[New York Post.

General Lee's Residence at White House.—The Washington Republican says of the President's determination to use General Lee's residence as a hospital for our wounded soldiers:

"The President, when first spoken to, urged some objections to the arrangement, saying that General McClellan had had some talk with Colonel Lee on a previous occasion and had promised, if the occasion offered, to protect his residence against occupation by any United States troops; but when Mr. Lincoln learned how our soldiers were without shelter, except such as afforded by negro huts and barns and subjected to drink impure water, while the rooms of Colonel Lee's house were empty and guarded by United States soldiers, he said 'The order must come. If General McClellan has made a promise to Colonel Lee, which he cannot break, I will now break it for him.'

Mr. Barns, editor of the Yonkers Clarion, started for White House Landing at three o'clock yesterday with the official order of Secretary Stanton throwing open those grounds and rooms to the hundreds of sick and wounded, who heretofore have laid in negro huts, in open cars and on the ground."

From the N. Y. Journal of Commerce.

The Trial.

In every case of the struggle of a constitutional government against rebellion, there are two foes to contend with, two dangers which menace the people. The one is the open enemy who rears the standard of revolt. The other is the tendency of friends of the government to adopt new principles, and thus leading the government in defending itself against rebellion to abandon its own foundation, and seek a new position. Sometimes this tendency leads to tyranny. Sometimes to anarchy. In all cases the danger from the insidious foe is equal to that from the open enemy; in some cases it is greater. It is always to be borne in mind that when a government, for the sake of suppressing a revolt, abandons its constitution, the contest is at once reduced from the grandeur of a nation struggling for the supremacy of law, to a contest between two hosts of people for the mastery, with intent that the victors shall administer the law of their own wills to the conquered. *Vae Victis!* Woe to the conquered. The result of such a contest, whichever side succeeds, must always be anarchy. The loyalists who claim that they are contending in their way, for the original government, will never return to its forms or constitution after once abandoning it and "tasting the sweet of power;" and though nominally the victory be for the Constitution in reality the victory being one of mere force over force, the conqueror cannot see his way clear to admit the conquered into a full and free share of the immunities of the Constitution, and the result is a new form of government, and the chances are a thousand to one it will be that worst of tyrannies, the rule of a radical democracy.

If however in a contest like this, the Constitution be the contending party, and it be established as the result of the battle that that Constitution is a powerful government, that the soldiers who fight for it are stronger than all who fight against it, that without abandoning its principles or weakening its power, it can be made the victor over all opposing forces, then the result is a triumph of the Government over rebellion, and a proof of the inherent strength of the principles on which it is founded. Such a triumph for the United States Constitution was the avowed object with which the war commenced, and the possibility of such a victory is the subject of the trial. There are men at the North who regard the experiment as vain and declare that the old Union and Constitution are not worth fighting for. These men are in alliance with the other class of enemies at the South who are in arms against the Union. If the North can indeed men induce the nation to abandon the old Union and old Constitution, they will no less seal the doom of Republican institutions and prove to the world the weakness of the Constitution of Washington and the fathers, than would the Southern rebels who should destroy the Union by becoming victors on the field of battle. Both enemies are to be feared, opposed, and put to shame, if we would save the best government the world ever knew.

Corresponding of the Alta California.

Oregon and the Northern Mines.

Portland, May 16, 1862.

Two hundred thousand dollars have been received from the Salmon River district during the last five days. I have had frequent conversations with men who have wintered in these mines, who came into Lewiston on snow shoes, for the purpose of obtaining provisions, and have arrived at the conclusion that the entire region from the headwaters of Clear water, west of the Rocky Mountains, to New Caledonia, will be found rich in gold deposits. With the exception of Colville, the Pine, Nez Perces and the Small Terraces which are now being worked near Florence City, distant forty miles from Salmon River, the country has been highly prospected, but even that little has given indications that discoveries will yet be made that will surpass present realizations.

Of course I do not endorse the fabulous stories which are now current. Wherever I have had an opportunity of testing the truth of such ridiculous statements, I have invariably (with one exception) found them without foundation. The exception I have parenthesized is in the case of one man, and having known him for many years as a man of veracity, I have every confidence in the truth of what he told me, "that in one day he and his company of four men had washed out forty seven pounds of gold"—but understand this was from dirt which had accumulated from three weeks work. Of this quantity I saw eighteen pounds in the hands of one man, and another of the party had thirteen pounds assayed in Portland. Messrs Robbins & Co., the assayers, corroborated the latter by showing me the entry in their book. I had likewise ocular demonstration in seeing the gold in two bars after assay. The same was a portion of Wells, Fargo & Co's shipment, per Oregon, on her last trip to San Francisco. The quality of the gold which has been assayed here varies in fineness from 680 to 700, and its average value $14.40 per oz.

THE FUTURE GLORY.

Although I have now no doubt as to the future of Oregon, I am convinced that suffering, want, misery and death will be the attendants on its success. By last night's boat some seventy men returned, with doleful countenances, and empty pockets. Many of them had not been within two hundred miles of the mines, not one of them had tread the golden surface—'tis the same story—the oft told tale of disappointment, arising from theoretical castle building, want of energy, and inability to encounter the hardships which are necessarily attendant on all those who seek "short cuts" to attain wealth. I fully expect to see five thousand men return to California within the next two months. Notwithstanding the mining season and the mines themselves are yet in their infancy, the receipts in Portland have for some time past averaged a quarter million a month. A great number of miners are daily arriving from Victoria, Washington Territory and the northern part of California, and without disputing the richness of the British Columbia mines, all reports agree, that the shortness of the mining season at Cariboo offers but poor inducements to proceed there.

The Wrong Way.—A member of the regimental staff of the Eighth Alabama regiment, lying at Richmond, lost himself one morning in the woods. Coming upon the Union pickets, he was brought to a stand, and mistaking the character of the men inquired for his regiment. The picket directed him to the Colonel's tent for information. He went there, and was told to consider himself a prisoner. He merely replied, "A-d—d funny mistake of our picket, to send me the wrong way."

Gen. Ashby.

It seems that this redoubtable horseman and leader of the Rebel cavalry has met his fate in his late conflict with Fremont. Speaking of his character and history, the Cincinnati Times says:

About one hundred and thirty years ago, a Pennsylvania colony of Germans, not liking their settlement, dispatched a commission into Virginia to select a new location. The commission proceeded to Baltimore, and thence toward the "Blue Mountains," to examine the country beyond.

The rich valleys east of the mountains, though sparsely settled, were all occupied, but the mountains and the valleys beyond were one vast wilderness. Up on the hights of the Blue Ridge, the land seeking Dutchmen came unexpectedly upon a white family, whose habits and daily practices induced the strangers to call them the Wild Family. They lived entirely by hunting and fishing, and both male and female displayed the most wonderful strength and agility. The horsemanship, even of the children, was most remarkble, and to this day traditions are related of these wild people, that are full of the most remarkable adventure and thrilling interest. The name of the family was Ashby. In the course of time the Ashbys became numbered among the first families of Virginia, and at present they are very numerous in the vicinity of Front Royal. The peculiarities of their ancestors have been in a great degree inherited by the present generation, and by none more than the late General Ashby.

As a horseman he did not have an equal in all Virginia, and he was especially fond of equestrian adventures. Many highly interesting stories are told of him. Fearless, to a fault, he was as generous as he was brave, and possessed in a high degree those qualities which mark the gentleman and the soldier.

Ashby was a quiet citizen and a Union man until Virginia seceded. He then organized a company of horse, and the choice spirits of his neighborhood rallied to his standard. He knew nothing of military movements whatever, but his ready mind soon fitted him for the command. He became attached to Jackson's command and most of his exploits have been in the Shenandoah valley. He was first brought prominently to the attention of our soldiers after the battle of Winchester, when, with his horsemen and a single battery, he covered Jackson's retreat.

Our soldiers all speak of his movement as masterly. He appeared to be here, there and everywhere, and always leading his horsemen to the charge. He could be readily distinguished at a great distance, by his excessively heavy beard.—He displayed so much bravery and skill that he was admired universally by his partisans. After that successful retreat he was made a Brigadier, but still attached to Jackson's command. His own command was enlarged to sixteen full companies of horse, with a large amount of artillery. In covering Jackson's retreat a second time over the same ground, he met his death. His loss is irreparable to Jackson, for Ashby, more than any officer in that command, kept alive the drooping forces of that little Rebel army, and Jackson's successes may be attributed more to Ashby's courage than Jackson's skill.

☞ A Washington City correspondent of one of our New York exchanges writes as follows:

The government is seriously embarrassed by the knowledge which the rebel leaders possess of its most secret plans. No matter what new plan be adopted, the rebels are sure to know of it before the first steps have been taken to carry it into execution. General Jo. Johnston knew of the proposed advance of McDowell from Fredericksburg several days before the time appointed for the army to set out upon its march. The *Republican* this morning alludes to the embarrassments of the government in this respect, and suggests that the treason is somewhere in the families of high officials. It is a notorious fact that the rebellion has some of its most devoted supporters among the aristocratic women of Washington, and some of them are the wives and daughters of loyal men who sustain confidential relations with the Administration. It is thought that this is the avenue by which secret information goes to Richmond. Ordinary spies have no chance of ascertaining the military plans of the government, which are carefully concealed from even the warmest political supporters of the Administration. Nor are the subordinates of the War Department permitted to know anything that would be important information to the rebels. This subject has occupied the attention of the War Department of late, and all leaks are to be stopped if possible.

Golden Streams.—Miners are thinking, many of them that the late freshets brought into the creeks and rivers fresh deposits of gold and that the beds of streams will yield as well next Summer as they did in '52. It is true to some extent that the streams are richer than last Summer because of this high water, but not to the extent anticipated. The deposits in these streams have been slowly accumulating for thousands and thousands of years. The slowly decaying quartz vein yields a portion; slides from, and washing of, the hillsides another portion; but very slow is the concentration of as heavy a metal as gold, scattering over the whole country in more or less quantities.—Mariposa creek will probably pay better the coming season than last, because immense amounts of old tailings, many of which have not been disturbed since 1852, have been washed down and away, distributing the gold contained in them in the channel of the stream.—[Mariposa Gazette.

General Jackson was educated at West Point, and was afterwards a professor for fifteen years at the Virginia military school at Lexington. He is a cousin of the Jackson once Lieutenant Governor of Virginia, and of the Jackson now U. S. District Judge of Western Virginia. The family settled early in that region, and furnished its representative in Congress for about thirty years, commencing under Gen. Washington. It has become a numerous family in the valley, and its members are about equally divided in the present struggle. His persistency proves that he has the confidence of his troops. He has been the fighting hero of the war on the rebel side.

The New York Post clamors against the adjournment of Congress, and intimates, in substance, that the presence of radical Senators invigorates the President, and gives it "a confident assurance." The country thinks otherwise. The radicals will ruin us.