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THE WEEKLY SUN.

SATURDAY MORNING, MAY 24, 1862.

The Public Debt.

THE fall of Rebeldom is sending up the financial resources and reputation of the Federal Government in a manner unknown to the history of the past. Perhaps never, within the experience of the civilized world, has a nation been called upon to combat so many malign influences, such before hand destruction of its property and credit, and the vindictive opposition of such colossal financial powers, as has the Republic of the North during the year which has passed.

In the summer of 1861, the public stocks were awarded from the Treasury at 85 per cent., and these afterwards depreciated on the market to a fraction below 80. In August of the same year, Treasury notes bearing 7 3-10 per cent. interest, were furnished to the public at par, which received of them largely, and the banks took [illegible],000,000. During the gloom of the winter these notes depreciated considerably, and the burden of holding them contributed materially to the suspension of specie payments by the banks. These issues were followed by demand Treasury notes, which speedily fell to a discount.

The whole debt of the United States may now be briefly stated as follows:

Five and six per cents., old debt	$51,700,000
Six per cents. of 1861, due in 1881....	65,000,000
Treasury Bonds, 7-30 per cents., 1864.	117,000,000
Treasury Notes, 6 per cents., 1863....	5,000,000
Treasury Certificates, 6 per cents., 13 mos....	40,000,000
United States Notes of Circulation....	110,000,000
Total debt, May 10, 1862.....	$400,000,000

Of this debt all the six per cent stocks are at about 104, while the 7.30 Treasury notes stand at 106, with prospect of speedy advance of both classes of securities to 115 and 120 ere midsummer. Under these circumstances there is little doubt that the Government will command all the funds it wants for the further prosecution of the war at five per cent. interest. Without foreign aid, and solely upon our own resources, to have gone through so momentous struggle with so much comparative ease, is a credit to our National energies which few at home or abroad will be disposed to gainsay or deny.

Settlement of the Negro Question.

IF we mistake not, the Emancipation Proclamation of General HUNTER, published on our first page, unpretending as it appears, is significant as the germ of settlement of the great American question of slavery. THE SUN has heretofore expressed its conviction that the question of emancipation rested with the President, to be used as a weapon of military necessity, whenever in his judgment it should be deemed requisite. We have also expressed the opinion that if, after strenuous efforts to subdue the rebellion, without resort to emancipation, the warm season should approach with the work incomplete, that emancipation would be declared, and the aid of the slaves invoked to meet the rigors and climatic difficulties of a Southern summer campaign.

General HUNTER is not the man to have taken such a step without the advice and countenance of the President. He has exhibited none of the insanity of General PHELPS, nor the self-sufficiency of JOHN C. FREMONT, but has recognized the fact that to his military and civil superiors his first duties were due, in the way of consultation, before steps implicating the administration were adopted. His department has also been the theatre of largest experience in the contraband question, and, indeed, its embarrassing character has presented to him greater difficulties than are incurred in his military movements. It is as natural, therefore, as it is proper, that the first steps of the new movement should emanate from Port Royal, rather than from Washington, and such is the case.

We now have before us, doubtless, President LINCOLN's views on this subject, and they are such, as we understand them, that will be heartily endorsed by the great mass of our Northern people. That Sambo is now disqualified for that unlimited freedom which the radicals, in and out of Congress, ask for him, is clear; it is proven by the dictates of common sense, and of experience. The condition of the contrabands at Port Royal, Fortress Monroe and elsewhere, is that of listless ease and inactivity, without a prudent thought for the future, or a supposition that freedom involves work as steadily pursued as that of slavery. *They*—the negroes—would take our rations, and wear our clothes illimitably, without work or return, if not forced from them and, at the end of a few years, would become a population of *wild men*, too formidable to be tolerated under any form of government incident to a free people. The North could not, if it would, and would not, if it could, bear any such burden. The slave must support himself and support the government required for him, until the operation of gradual emancipation laws, conceived after deliberate care, wisdom and experience, shall educate his race for freedom and deliver it from bondage.

If we mistake not, the initiatory movement at Port Royal will be followed throughout the South, and the rebel slave owner will find that the great war will not be waged, nor emancipation leave his property scatheless. The slave owners will learn its cost, and the contrabands who come to our lines will learn no longer to remain a helpless and rapidly increasing burden, but such labor as shall pay for their support will be required of them, now, temporarily, and under military legislation, afterwards, permanently, and under that of Congress.

Insurances at the Troy Fire.

The following is a list of the losses of the insurance companies of this city and other places by the recent great fire at Troy:

NEW YORK COMPANIES.

Arctic	$6,500	Metropolitan	$45,000
Atlantic	50,000	Montauk, Brooklyn	40,000
Astor	6,000	Mutual	8,000
Ætna	7,000	Market	55,000
America Exchange	8,000	Mechanics' & Trad's.	7,700
Beekman	40,000	Mechanic's of B'klyn	1,500
Brevoort	6,000	Merchants'	3,000
Continental	15,000	Niagara	15,000
Corn Exchange	17,000	Northwestern	30,000
Commonwealth	5,700	New Amsterdam	28,000
City	13,000	N. Y. Fire & Marine	5,000
Exchange	14,000	National	5,000
Excelsior	5,000	Phoenix	14,000
Equitable	3,000	Pacific	17,000
Fulton	14,000	Park	5,000
Firemen's	5,000	People's	5,000
Gebhard	4,000	Peter Cooper	5,000
Hope	3,000	Resolute	5,000
Home	15,000	Rutgers	3,000
Howard	10,000	Republic	4,500
Humboldt	2,000	Standard	5,000
Irving	7,200	Security	28,000
Jefferson	5,000	Stuyvesant	2,500
Lamar	7,200	Washington	3,600
Lorillard	28,000	Williamsburgh	30,000
Lafayette	14,000	Tradesmen's	2,000
Lenox	[illegible]		
Manhattan	70,000	Total	$754,300

FOREIGN COMPANIES AND COMPANIES IN OTHER STATES.

Liverp'l & London	$175,000	Albany City	900
Unity, London	18,000	World's Safe, Troy	10,000
Western, Mass.	40,000	Nth. Am., Hartford	1,500
City, New Haven	6,500	Merch'ts, Hartford	27,000
Troy Mutual	125,000	New Eng., Hartford	10,000
Albany Ins. Co.	8,000	Norwich, of Conn.	12,000
Albany Mu'l In. Co.	15,000	Thames, Conn.	6,200
City of Hartford	9,500	Phoenix, Hartford	80,000
Massasoit, Mass.	25,000	Hartford, of Hartf'd	27,000
Ætna, Hartford	50,000	Hampden, Mass.	5,500
Springfield, Mass.	48,000		
Providence, Wash-ington of Prov.	24,000		$712,600
Hope, Providence	20,000	New York Co's.	754,300
American, do.	7,500		
Merchants', do.	29,000	Aggregate In-surance	$1,466,900
Blackstone, do.	5,000		

THE SUN.

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PROCLAMATION OF THE GENERAL.

How the City is to be Governed.

A FAMINE FEARED

THE STORY OF NORFOLK.

How the Surrender was Made.

Gen. Wool and Mayor Lamb.

NEGROES IN HOLIDAY ATTIRE.

Important German Items.

&c., &c., &c.

Cincinnati, May 18.—The COMMERCIAL has the following Southern news:

The MEMPHIS AVALANCHE of the 6th inst., says that the telegraphic news from Richmond is painfully significant. General McClellan seems to have been preparing the same fate for Richmond that General Butler and Commodore Porter got up for New Orleans. The AVALANCHE of the same date says of affairs in New Orleans, that Mayor Monroe and all the Aldermen have been arrested for refusing to take the oath of allegiance to the United States and sent to prison. Great distress prevails in the city. Food of all kinds is extremely scarce. Flour is not to be had at any price. More of the federal force is yet to be landed, and the river is full of federal gunboats, mortar boats and transports. The Congressional stampede from Richmond had a very depressing effect, and it was believed it foreshadowed the early evacuation of Virginia. The policy of evacuating every city is proved at. We have but precious little more territory that we can spare.

The Memphis Argus says that the Confederate loss at Shiloh in killed and wounded was seven thousand. In an article on gunboats, it says thus far it must be confessed, our attempts with the gunboats on the river have been a disgusting fizzle.—The people know it, and so does the Government. A correspondent of the Memphis AVALANCHE says that all per cent 'Bishop Polk's army was killed and wounded at Shiloh.

The AVALANCHE, of the 7th inst., says:

We have advices from New Orleans up to Saturday, at 11 A. M. Gen. Butler has taken the St. Charles hotel for his headquarters. The Evans House on Poydras street has been converted into a hospital. The Jackson railroad depot was taken possession of on Saturday morning. The federal pickets have been extended out as far as the crossings of the Jefferson and Jackson railroads. Four gunboats and one transport started for Baton Rouge on Saturday morning. Several Federal regiments have been landed at New Orleans. All the newspapers in New Orleans are still published, though a federal censor is placed over every office to examine all matter, and exclude whatever may prove inimical to the federal cause. A proclamation from Gen. Butler was handed into all the newspaper offices at New Orleans, but they refused to publish it, when a guard was sent to the TRUE DELTA office, who took possession of it. Northern printers were then sent for, the proclamation set up, and worked off in the edition of the 2d inst., as follows:

PROCLAMATION OF GEN. BUTLER.

HEADQUARTERS DEPARTMENT OF THE GULF, NEW ORLEANS, May 1, 1862.

The city of New Orleans and its environs with all its interior and exterior defences having surrendered to the combined naval and land forces of the United States, and being now in the occupation of the forces of the United States, who have come to restore order, maintain public tranquility, and enforce peace and quiet under the laws and constitution of the United States, the Major General commanding hereby proclaims the object and purposes of the government of the United States in thus taking possession of New Orleans and the State of Louisiana, and the rules and regulations by which the laws of the United States will be for the present, and during the state of war, enforced and maintained, for the plain guidance of all good citizens of the United States, as well as others who may have heretofore been in rebellion against their authority.

Private property has been secured from the hands of a foreign government, and still more calamitous domestic insurrection, by the money and arms of the United States. It has of late been under the military control of the rebel forces, and at each time in the judgment of the commanders of the military forces holding it, it has been found necessary to preserve and maintain quiet by an administration of martial law.

Even during the interim from its evacuation by the rebel soldiers and its actual possession by the soldiers of the United States, the civil authorities have found it necessary to call for the intervention of an armed body known as the "European Legion," to preserve public tranquility. The Commanding General, therefore, will cause the city to be governed until the reconnection of the United States authority and his further orders, by martial law.

All persons in arms against the United States are required to surrender themselves with their arms, equipments and munitions of war.

The body known as the "European Legion," not being understood to be in arms against the United States, but organized to protect the lives and property of the citizens, are invited to still congregate with the forces of the United States to that end, and nothing will not be included in the terms of this order, but will report to these headquarters.

All ensigns, flags, devices, tending to uphold any authority whatever, save the flag of the United States and those of foreign consulates, must not be exhibited, but suppressed.

The American ensign, the emblem of the United States, must be treated with the utmost deference and respect by all persons under pain of severe punishment. All persons well disposed towards the government of the United States who shall renew the oath of allegiance will receive a safeguard of protection to their persons and property from the army of the United States, and the violation of such safeguard will be punishable with death.

All persons still holding allegiance to the Confederate States will be deemed rebels against the Government of the United States, and regarded and treated as enemies thereof. All refugees not naturalized and claiming allegiance to their respective governments, and not having made oath of allegiance to the government of the Confederate States, will be protected in their persons and property, as heretofore, under the laws of the United States.

All persons who may have heretofore given adherence to the supposed Government of the Confederate States, or been in their service, who shall lay down, deliver up their arms, return to peaceful occupations, and preserve quiet and order, holding no further correspondence, nor giving aid and comfort to enemies of the United States, will not be disturbed in their person or property, except so far, under the orders of the Commanding General, as the exigencies of the public service may render necessary.

Keepers of all public property, whether State, National or Confederate, such as collections of art, libraries and museums, as well as all public buildings, all munitions of war and armed vessels, will at once make full returns thereof to these headquarters. All manufacturers of arms and munitions of war, will report to these headquarters their kind and places of business.

All the rights of property of whatever kind will be held inviolate, subject only to the laws of the United States. All the inhabitants are enjoined to pursue their usual avocations. All shops and places of amusement are to be kept open in the accustomed manner, and services are to be held in the churches and religious houses as in times of profound peace.

Keepers of all public houses and drinking saloons are to report their names and numbers to the office of the Provost Marshal, and they will there receive a license and be held responsible for all disorders and disturbances arising in their respective places. Sufficient force will be kept in the city to preserve order and maintain the laws.

The killing of American soldiers by any disorderly person or mob is simply assassination and murder and not war, and will be so regarded and punished. The owner of any house in which such murder shall be committed, will be held responsible therefor, and the house be liable to be destroyed by the military authority. All disorders, disturbances of the peace, and crimes of an aggravated nature, interfering with the forces or laws of the United States will be referred to a military court for trial and punishment.

Other misdemeanors will be subject to the municipal authority if it desires to act. Civil causes between party and party will be referred to the ordinary tribunals.

The levy and collection of taxes, save those imposed by the laws o the United States, are suppressed, except those for keeping in repair and lighting the streets and for sanitary purposes.

These are to be collected in the usual manner. [illegible] of Confederate bonds, evidences of debt [illegible] in the aggregate of bank notes issued by the Confederate States, or scrip or any trade in the same is forbidden.

It has been represented to the Commanding General by the civil authorities that those Confederate notes in the form of bank notes, in a great measure, are the only substitutes for money which the people have been allowed to have, and that great distress would ensue among the poorer classes if the circulation of such notes should be suppressed.

Such circulation, therefore, will be permitted so long as any one will be inconsiderate enough to receive them, until further orders. No publication of newspapers, pamphlets or handbills, giving accounts of the movements of the soldiers of the United States within this department, reflecting in any way upon the United States, or tending in any way to influence the public mind against the United States will be permitted, and all articles of war news, editorial comments, or correspondence making comments upon the movements of the United States, must be submitted to the examination of an officer, who will be detailed for that purpose from these headquarters.

The transmission of all communications by telegraph will be under the charge of an officer from these headquarters.

The armies of the United States came here not to destroy but to restore order out of chaos; to uphold the government and the laws in the place of the "passage" of men.

To this end, therefore, the efforts of all the well-disposed are invited, to have every species of disorder quelled, and if any soldier of the United States should so far forget his duty or his flag as to commit outrage upon any person or property, the Commanding General requests his name to be instantly reported to the Provost Guard, so that he may be punished, and his wrongful act redressed. The municipal authority, so far as the police of the city and crimes are concerned, to be extended as before indicated, are hereby suspended.

All assemblages of persons in the streets either by day or by night, tend to disaster, and are forbidden. Various companies, comprising the fire department of New Orleans, will be permitted to retain their organizations, and are to report to the Provost Marshal, so that they may be known, and not interfered with in their duty.

And finally it may be sufficient to add without further enumeration, that all the requirements of martial law will be imposed so long as in the judgment of the United States authorities it may be necessary, and while it is desired by these authorities to exercise this Government mildly, and after the usages of the past it must not be supposed that it will not be vigorously and firmly administered, as the occasion calls for it.

By command of Maj.-Gen. BUTLER,
GEO. R. STRONG, A. A. G., Chief of Staff.

Details of the Occupation of Norfolk.

The infantry and artillery destined for the expedition began to embark at 4 o'clock, on Friday afternoon, and by midnight several of them had started for Willoughby Point, on the opposite shore. A vigorous bombardment was opened from the Rip Raps upon Sewall's Point, and kept up for two hours, to induce the believe that this was the intended point of debarkation. The steamer crossed over, and at daylight preparations were made for landing. The water, shallow at the shore line, deepens very gradually, and only at some fifty feet out becomes deep enough for vessels drawing five or six feet of water. The infantry regiments were landed first, and started in the following order:

Twentieth New York, Col. Max Weber,
Sixteenth Massachusetts, Col. P. T. Wyman,
Ninety-ninth New York, Col. Wardrop,
First Delaware, Col. J. W. Andrews,
Fifty-eighth Pennsylvania,
Tenth New York, Col. Bendix.
One hundred Mounted Riflemen,
Follett's Battery, Light Artillery, six pieces,
Howard's Battery, four pieces.

Our troops pushed rapidly forward in spite of the heat of the day, and at 5 o'clock reached the intrenched camp, some two miles this side of Norfolk, which had been very strongly fortified with earthworks, on which were mounted twenty-nine pieces of artillery. No troops were in the place, and our forces passed through it on their way to the town. Just before reaching it they were met by a flag of truce, to which an officer was at once sent forward to inquire its object. Receiving the information that it was to treat for the surrender of the city, the officer returned, and Gen. Wool and Staff, with Secretary Chase, advanced to meet the Mayor of the city, who had come out under the flag. Both parties dismounted and entered a cottage by the roadside, when the Mayor informed the General of the evacuation of the city and of the object of his visit.

It seems that a meeting was held at Norfolk some days since, not long, probably, after the evacuation of Yorktown was resolved upon, of the rebel Secretary of War, Gen. Huger, Gen. Longstreet, and some others of the leading military authorities, at which it was determined not to attempt to hold the city against any demonstration of the National forces to effect its capture. This decision was followed by the withdrawal of the main body of the troops.

The Mayor, after presenting these resolutions, said he had come in conformity with the instructions of the Common Council of Norfolk, to surrender the city into the hands of the United States, and to ask protection for the persons and property of the citizens.

Gen. Wool replied that *his request was granted in advance*,—that the Government of the United States had not the slightest wish or thought of interfering with the rights of any peaceable citizen, and that all should have full protection against violence of every kind. The first thing he had done on setting out in the morning had been to issue an order, prohibiting under the severest penalties any interference whatever with the private property or rights of any citizen, and this prohibition should be enforced with the utmost rigor. He begged the Mayor to rest assured that everything he had asked should be granted.

The party then broke up to go the City Hall for the formal inauguration of the new military authorities. The Mayor invited Gen. Wool and Secretary Chase to ride with him in his carriage, and they proceeded together, followed by the General's body guard and the troops. After entering the City Hall, the Commanding General issued a proclamation, which has been already published, for the preservation of order.

Mayor Lamb came forward and addressed them briefly, confining himself mainly to a recital of the incidents of the day. He said that he had had nothing to do with deciding the result; that had been done by the superior authorities. The citizens of Norfolk had been deserted by their friends, and all the city authorities could do was to obtain the best terms possible for themselves and their property. He was happy to assure them that in this he had been successful. The Commanding General of the United States troops had conceded everything they had asked, and had guaranteed the preservation of order. He enjoined upon the citizens the maintenance of peace and quiet, and exhorted them to abstain from all acts of violence and disorder. If the decision had rested with him he would have defended the city to the last man; but their Government had decided differently, and they must yield to its authority. The Mayor's remarks were cheered by the crowd, who also gave three cheers for President Davis with a great deal of enthusiasm, and also responded with less heartiness to a demand for three groans for Lincoln.

The strength of the fortifications by which Norfolk has been defended, has not been exaggerated. They are very extensive and complete.

The magnificent Naval Hospital remains untouched. Even the vandalism which has marked so many of the acts of the rebels during this war, shrank from the sacrilege of firing this splendid structure.

All the public publications of sentiment in this city thus far have certainly been on the side of secession. Scarcely half-a-dozen men have ventured to come out boldly as Union men. The general tone of conversation, where you succeed in getting any, is dull, discontented and sour. I do not regard this, however, as an infallible indication of settled political sentiment. The people unquestionably feel that they have been abandoned by their friends and *conquered* by the North.

The negroes were out in full force, and were all in their most smiling holiday attire. Quite a number of Irishmen were in the streets, and they were mainly quite free to proclaim their satisfaction at the changed aspect of affairs.

Letter from our Special Correspondent Near Charleston.—The Capture of that City Next in Order.

JONES' ISLAND, NEAR PORT ROYAL, S. C., May 8, '62.

M. S. BEACH.

Dear Sir.—A small detachment of the troops round here have been ordered up near Charleston; there has two or three regiments gone from near here and about the same number from Hilton Head. The batteries on Tybee Island are being removed in that direction also. Fort Pulaski is being repaired as fast as possible and most of the guns are to be taken North and rifled. There are seventeen sick prisoners in the Fort who are to be sent to Savannah soon; some of them claim to be loyal, others are as rabid as ever, but all of them have lost faith in the brick walls. No movement has been made by our gunboats up the river. The rebels are busy there but diing batteries at every available point. Their gunboats keep a strict lookout but do not venture very often within range of our batteries. Today the steamboat Mayflower ran by here with Prof. Starkweather on board and Prof. Lowe's balloon, Washington, the anchoral near Elbe Island, about a mile above here, but the wind blowing towards the city, and by strong the assaution was postponed. The battery on Bird's Island is to be removed shortly the one on this island being considered sufficient to protect the river. The weather is pretty warm here now, but the health of the troops good considering. There is no prospect of an advance on Savannah till after Charleston is taken.

P. R.

Jeff. Davis' Circular.

Chicago, May 15—A special dispatch to the TRIBUNE, from Cairo, says:

The subjoined circular from Jeff. Davis explains itself:

[*Private and confidential.*]

Capital C. S. A., Richmond, April 18th, 62.

Sir,—It can no longer be denied that the prospects of success for the Southern Confederacy are gloomy and forbidden. On every hand, whether through lack of skill or open treachery of the officers of our army and navy it matters not, we have met with disasters and defeats. With a continuance of such results, ere three months shall have passed away, our boasted Confederacy will exist only in history. The past shows that we need larger displays of patriotism, military skill, personal bravery, and a firm spirit of devotion to the great cause in which we have enlisted. Unless these requisites develope themselves soon to a fitting extent, we fight in vain. Unless we have more clear indications that the great heart of the people is with us, our efforts will be futile. The Government is impatient to retrieve the disasters that have befallen us and that yet stare us in the face on every hand, unless the people rally to its assistance.

M. Clellan is already moving on the Potomac. Halleck's operations in the Southwest are at every step successful against us. The federal army and navy are already menacing the metropolis of the South-west, and the key to our granaries.

Florida is overrun by Northern invaders, while wherever we look, we gaze on an advancing army.

In this trying emergency the government appeals to the people—to the brave hearts and sturdy wills of the South. It cries "Awake!—your hands have been put to the plough, and will you now look back and repent your past acts? You have struck out nobly for independence, pledging your lives and fortunes to its procurement! Will you submit quietly to invasion and desolation of your homes. The destruction or confiscation of your property, and the abandonment of your cherished institutions? Arise! and convince the world that the boasted chivalry of the South is more than a traditional myth. This appeal is made to the country, not openly, for obvious reasons. We make this appeal to the people through the Governors of the several states, comprising the Confederacy and the officers in command of our armies. To these mediums the circular is sent, with the urgent request that its spirit, if not its letter, be conveyed to every citizen of our struggling Republic. First of all, we ask for material aid in money, or such equivalent therefor as will enable us to maintain our army—clothing and provisions will be acceptable as substitutes for money, where the latter cannot be obtained.

Second, we need men. The ranks of our army in the field are constantly being thinned by casualties of battle, the sickness incident to camp life and the expiration of enlistments. We cannot close our eyes to the facts that the places are not filled as promptly as should be. Let us see the devotion of the country to our cause by their willingness to fight their battles, and if need be, pour out their blood in its support.

Third, We need the encouraging of the people by a more liberal display of patriotism than has been yet made. The lame submission yielded to the invader wherever he appears, is in striking contrast to the boast we have hitherto heard of the readiness that prevailed on every hand to welcome the birelings with bonfires composed of the dwellings and property of the people. If our land is to be overrun, and the people subjugated, let us leave our conquerors a smouldering waste to reward them for their toil and pains. Burn every hamlet, village and city. Give the torch freely to your cotton and houses. Let the product of your lives be laid waste. Fly yourselves before the invaders where resistance shall no longer avail, and thus display a determination and spirit in the cause in which we are all enlisted which will give us encouragement to continue the struggle. Wherever the enemy achieves a victory, let it be a bootless victory, so that their bands, led on by the hope of plunder, be discouraged, and we cheered by the manifestations of devotion and patriotism. Once more, we exhort you to awake and shake of the lethargy that hangs over you. Strike for the freedom of yourselves, your families and your homes. Strike promptly and boldly, and our Confederacy may yet be firmly established. This is our last and only resource.

Those who receive this circular will be also summoned as agents of the government to advance the purposes advocated. Full letters of instruction will be furnished them.

JEFFERSON DAVIS,
President C. S. A.

Important from South Carolina.

By the arrival at this port of the steamer Cahawba, from Port Royal, which brought the proclamation of Gen. Hunter, published below, we have some particulars of news, especially in relation to the contrabands, of whom large numbers were at the stations occupied by the Federal troops. For a considerable time past, General Hunter has been issuing papers to the contrabands, guaranteeing their freedom—their right to go "North, East, South and West," and that they should be "free forever;" but these papers, it is understood, were given only to negroes who had been employed in the rebel service. The proclamation of General Hunter, declaring slavery incompatible with martial law, and therefore the freedom of the slaves, in the Department of the South, was received with much surprise. General Hunter was organizing a Negro Brigade, and had detailed some officers to train the contrabands to the use of arms. No difficulty was apprehended in enlisting a corps sufficiently large to garrison all the fortifications at and near Port Royal.

THE PROCLAMATION.

"HEADQUARTERS, DEPARTMENT OF THE SOUTH, HILTON HEAD, SOUTH CAROLINA, May 9, 1862.

"GENERAL ORDERS, No. 11.—The three states of Georgia, Florida and South Carolina, comprising the military department of the South, having deliberately declared themselves no longer under the protection of the United States of America, and having taken up arms against the said United States, it becomes a military necessity to declare them under martial law. This was accordingly done on the 25th of April, 1862. Slavery and martial law in a free country are altogether incompatible, the persons in these three states, Georgia, Florida and South Carolina, heretofore held as slaves, are therefore declared forever free.

[Official] "DAVID HUNTER,
"Major General Commanding.
"Ed. W. Smith, Acting Assistant General."

The Ascent of James River.

The Baltimore AMERICAN publishes the following interesting letter describing the passage of the new iron-clad steamer Galena up James River:

"GUNBOAT GALENA, Sunday, May 11.

"I suppose by this time you have heard of the Galena leaving Hampton Roads. I was glad of it, for such a fine ship as this ought not to be kept idle in such times as these, and the boys were all anxious for a fight. We got under way and left the Roads 15 minutes past seven o'clock on the morning of the 8th, and it was not long till we passed Sewall's Point without one shot being fired at us. As we passed Newport News we were hailed by loud and long cheers from the men of the fort, who were glad to see us make a move to help their brother soldiers. But we had only passed them about twenty-five minutes when, to our great joy, a battery hove in sight. It was first seen by the well-experienced eye of our gallant captain. He gave orders to Lieutenant Newman to call all hands to quarters, which he did in his usual cool way, for he is always cool and brave.

"This order was promptly obeyed by the crew, who thought every minute an hour, to try their skill on the rebels. They soon had a chance, for fifteen minutes to ten o'clock the ball was opened by our pivot gun forward. The shot fell short. The second and third were fired, but there was no reply. We ran in under their range [illegible] then they opened on us [illegible] Kean. [illegible] all of the [illegible] the Second Eighth, Twelfth and Fourteenth Iowa, and the thirty-eighth Illinois Regiments have been put together, forming a second brigade under the Union Brigade, under charge of Lieut. Col. Baker, formerly of the Iowa Second. The divisions of McClernand, Wallace, Crittenden and Hamilton are constituted the army of the reserve—the last-named on the left, the others on the right—under command of Major-Gen. John A. McClernand, of Illinois. These are about the only changes of importance that have occurred within a short time, and will probably remain permanent. Gen. Halleck yesterday left the camp at the Landing and came out here to take the field in person. Dressed in an old slouched hat, Quaker-like in his other attire, he came along through a pelting rain, looking as unlike a great General as well could be. His presence seems to excite the utmost confidence in the armies. From this point, running south, lies a ridge, along and behind which are encamped the National armies. Three miles west, and running parallel with this ridge, is another, on which is encamped the advance of Beauregard. With the naked eye we can discern their tents and occasional squads of horsemen in the open spaces among the trees.

Opening of Southern Ports.

A PROCLAMATION.

By the President of the United States:

Whereas, by my proclamation of the nineteenth of April, one thousand eight hundred and sixty-one, it was declared that the ports of certain states, including those of Beaufort, in the State of North Carolina, Port Royal, in the State of South Carolina and New Orleans, in the State of Louisiana, were, for reasons therein set forth, intended to be placed under blockade, and whereas, the said ports of Beaufort, Port Royal and New Orleans have since been blockaded; but as the blockade of the same ports may now be safely relaxed with advantage to the interests of commerce;

Now, therefore, be it known that I, Abraham Lincoln, President of the United States, pursuant to the authority in me vested by the fifth section of the act of Congress, approved on the 13th of July last, entitled "An act further to provide for the collection of duties on imports, and for other purposes," do hereby declare that the blockade of the said ports of Beaufort, Port Royal, and New Orleans shall so far cease and determine, from and after the first day of June next, that commercial intercourse with those ports, except as to persons and things and information contraband of war, may, from that time, be carried on, subject to the laws of the United States, and to the limitations and in pursuance of the regulations which are prescribed by the Secretary of the Treasury in his order of this date, which is appended to this proclamation.

Dated May 12th, 1862, and signed,
By the President

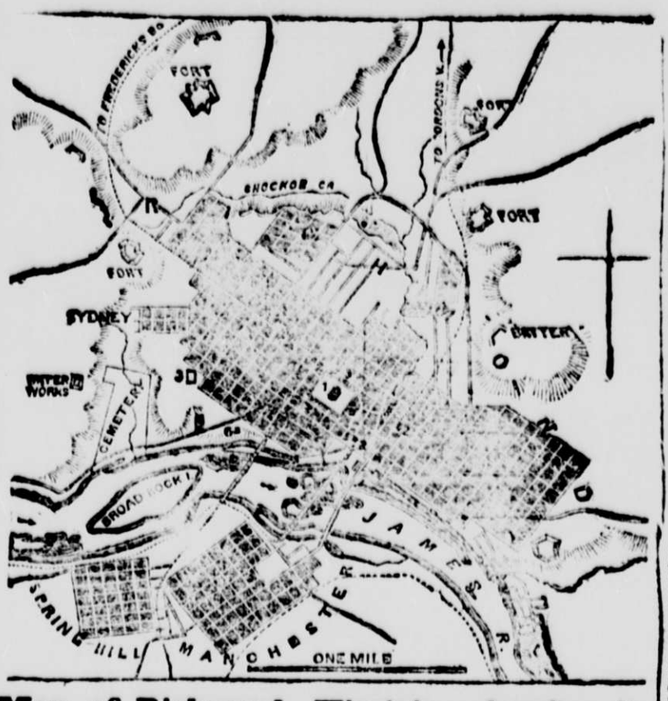
ABRAHAM LINCOLN.

WM. H. SEWARD, Sec. State.

THE eight hundred Union prisoners released from Richmond have just arrived at Washington. On the way down the James River they met the Monitor at Harden's Bluff, 20 or 30 miles from Newport News. The Monitor was just passing the rebel batteries at Harden's Bluff. The rebels opened fire on the Monitor, pouring their shot across the bows of the flag-of-truce vessels. The Monitor passed on without noticing the batteries. The captain of the Monitor put his head up out of the turret, or "cheese box," and shouted out to the Union prisoners, "Why don't you give us three cheers, boys?" and the "boys" did give three cheers with a will. "Why don't you give 'em a pill over in those batteries?" shouted one of the prisoners. "We don't notice such small fry—got better fish up the river to take care of," was the reply; and the "cheese-box" steamed on up the river without noticing the batteries. Arrived at Fortress Monroe, and hearing of the surrender of Norfolk, destruction of the Merrimac, &c., part of the crew of the rebel steamboat which conveyed them down the river deserted to the U. S. cause and took the oath of allegiance. Immediately after the evacuation of Yorktown the greatest panic prevailed at Richmond. Wagons, ambulances, horses, wounded soldiers, stragglers, &c., were pouring into the city day and night for several days. Large numbers of families began to pack up and leave for the South. It is said that Jeff. Davis has gone to Tuscaloosa, Alabama. Provisions, &c., are very scarce and high. Their food was of the meanest kind, and the prisoners in discipline very rigid. The Union sentiment is strong, and its development on the increase. The rebels are to make a stand about a dozen miles out of the city, and say they will make a desperate fight before they will lose the city. They say they have got McClellan in a trap, as they have erected their batteries in the [illegible] swamp, into which the Federal [illegible]

THE FAMOUS REBEL CAPITAL.

ITS SITUATION AND DEFENCES



Map of Richmond, Virginia, showing its Hills, Rail-roads, Public Buildings, and its entrenchments on the North, East, and West.

The above is an accurate map of Richmond with sketches of the steep hills which surround the city. In the diagram Fig. 1 represents the Capital; 2.2.2—the Railroad Depots; 3—Penitentiary; 4—Poorhouse; 5—City Hall; 7—State Arsenal.

The city, by last census, had a population of thirty-eight thousand souls; but the great influx of civil and military official and refugees from other parts of the State, has probably raised it, of late, to a much higher figure. It is situated at the head of tide-water, at the lower falls of James River, about one hundred and fifty miles from its mouth. The city occupies a most picturesque situation, being built on Richmond and Shockoe hills, which are separated by Shockoe Creek and surrounded by beautiful scenery. It is regularly laid out and well built, the streets, which are lighted with gas, crossing each other at right angles. On Shockoe Hill are the State Capitol and other public buildings. The Capitol is an imposing edifice, and contains in its central hall Houdon's celebrated statue of Washington. On the east of the square is the Governor's mansion, now occupied by the drunkard and traitor Letcher. Jeff. Davis resides in a private mansion, which was purchased for him by the rebel Government. The city has many fine public buildings, six banks, thirteen newspapers, and twenty-three churches. In one of the three Presbyterian churches Jeff. Davis worships.

The falls of James River afford immense water power, and there are very extensive factories, including four cotton and about fifty tobacco factories, flour mills, rolling mills, forges, furnaces, machine shops, &c., the latter of which, and particularly the Tredegar Iron Works, have been of immense service to the rebels in turning out ordnance and material of war. The annual exports of Richmond before the rebellion reached to near $7,000,000, and its imports three-quarters of a million; but since it had the honor of being the rebel capital, its foreign commerce has been extinguished. Vessels or gunboats drawing ten feet can ascend to within a mile of the city, at a place called Rockets, from which the rebel capital could be conveniently shelled. Vessels of 16 feet draught ascend to Warwick, three miles below. A canal has been built around the falls, and above them there is navigation for over 200 miles. The James River and Kanawha Canal, intended to extend to Covington, is completed for 200 miles.

Richmond has very extensive railroad communications, being the terminus of five roads, running to Fredericksburgh and the Potomac (now in our hands), to West Point and the York River (in our hands), Petersburgh and Norfolk (partly in our hands), to Danville, Va., to Jackson's River, by the Central Railroad, and from these the connections lead all through the Southern States. Opposite the City are the two towns of Spring Hill and Manchester.

Richmond was founded in 1742, became the capital of the State of Virginia in 1779, and in June, 1861, it was made the seat of government for the Confederate States of America, where Congress assembled there on July 20. Its history since then is only too familiar to the country. Around the city are various hills extending a great distance, on the most important of which fortifications were erected last Summer, in the days of the On to Richmond cry.

Our Special Correspondence.

From Gen. Halleck's Army—Monterey and its Surroundings—The Opposing Armies—Gen. Halleck in the Front.

Correspondence of the Sun.

Monterey, Tenn., May 4.—Close to this edge of the town of Monterey is a lazyhouse, in which are confined seven women and three men, all of whom are residents of this neighborhood, and who were cooped up for the purpose of preventing their giving information to the enemy. The "ladies" are as nasty in personal appearance as it is possible to imagine. Each sneaded an old clay pipe in her mouth with her left hand, while the right, at short intervals, sought the depths of her hair for a purpose well known to Russians and Digger Indians.

Monterey is a small town on the road from Pittsburgh Landing to Corinth, and is about 12 miles from the former place and 10 from the latter. The town is in Wayne County and within some four miles of the Mississippi State line. The town consists simply of one good residence and a dozen log houses of the meanest description, all of which are inhabited, or were, by people ignorant to the last degree and but little different from a fifth-rate tribe of Indians. The one good house is owned by an affluent planter and is now occupied by Gen. Halleck as his headquarters, the family having left for a more genial country. Our road to this point leads over that taken by the rebels in their advance upon and retreat from Pittsburgh Landing on the memorable 6th and 7th of April. Some six miles from the Landing, the pursuit on the part of the National troops having ceased, the rebels commenced the work of examining and disposing of the plunder captured from our forces. From that point to this the road is strewn with broken trunks, carpet satchels, and other articles whose character would not allow of their being profitably carried away. Prominent among the things left are articles of clothing once belonging to the rebels, and of which they had stripped themselves in order to put on those plundered from our camps. This place has always been a favorite camping ground of the rebels. In every direction may be seen marks of their occupancy—old papers, cast-off clothing, bent ditches, the well-polished bones of swine and cattle, barrels of spoiled beef, the whole