

THE IMPENDING BATTLE.

Skirmishing and Cannonading
Along the Front.

CAPTURE OF THE REBEL GENERAL JENKINS

The Position of the Union and
Rebel Armies.Reported Advance of Reinforcements
for the Enemy.Lee's Army Fifty Thousand Men
and Two Hundred and
Fifty Cannon.The Union Army in Fine Condition
and Eager for Battle.A Band of Guerillas Dispersed by Herald
Correspondents.Rebel Accounts of the Battle at
Gettysburg.SKIRMISHING AND CAPTURE OF GENERAL
JENKINS.

FREDERICK, Md., July 10, 1863.

Some slight skirmishing has been in progress to-day between our forces, under General Buford, and the rebels, under General Jenkins.

I do not learn that we lost much, but gained a great deal.

The rebel General Jenkins was captured early in the morning, and he passed through this place to-night on route for Baltimore and Fort Mifflin.

The cannonading on our left this morning was not of long continuance, but about noon it was renewed more briskly, and continued for an hour; but the result is unknown here at this writing.

A general engagement will probably take place to-morrow or the next day.

CANNONADING NEAR BOONSBORO.

FREDERICK, Md., July 10, 1863.

Cannonading was heard here this morning in the direction of Boonsboro, but not heavy. It was probably one or two pieces, shelling woods.

THE STRENGTH OF THE REBEL ARMY.

FREDERICK, Md., July 10, 1863.

From a refugee, arrived here to-night, who left Hagerstown this morning, I learn that the enemy's force is about fifty thousand men and about two hundred and fifty pieces of artillery.

My informant states that the trains of General Lee cannot number less than three thousand wagons, and are all on the road from Hagerstown to Williamsport, and Sheppard's Ford.

The cavalry skirmish last night and this morning was on the road from Boonsboro to Hagerstown, and about three miles from Funkstown. Our loss was only twenty wounded. General Buford drove the rebels about two miles, and held the field. The skirmish displayed the pluck of our men. They went in with a will, their watchword being "Meade and Victory."

Our troops are in splendid condition and eager for the fray. The successes of the past few days have made heroes of the weakest. The new men are coming up with a will and exhibiting the deeds of heroism of the old Army of the Potomac.

Another battle is at hand and another victory is certain.

The river is still very high, and the whole rebel army is on this side.

CANNONADING IN THE DIRECTION OF
WILLIAMSPORT.

LOUISA, Pa., July 9, 1863.

Some cannonading was heard to-day in the direction of Williamsport, and it is believed to have been caused by a collision between our cavalry and the enemy's outpost pickets.

Rebel prisoners brought in to-day say that General Lee has abandoned the idea of crossing the Potomac as impracticable at present, and, in view of future operations, unnecessary.

Some of the enemy's cavalry have succeeded in crossing the river and opening communications with the rebel forces advancing to cover the ford at the Upper Potomac, and have it from the best attainable authority that this reserve force of the rebels is furnished with pontoon bridges, which will be used if they are not captured by our troops.

It is not true that either Bragg's or Beauregard's forces have been brought to Lee's assistance. The force on the other side of the river is rather small compared with the rebel Army of Northern Virginia.

The rebels were observed in great force by our scout a mile from the State line between Greenbush and Hagerstown. At least a corps d'armee, supposed to be Ewell's, is at that place.

AFFAIRS WITHIN THE REBEL LINES AT
HAGERSTOWN.

GREENSBURGH, Pa., July 9, 1863.

I entered the enemy's lines and went to Hagerstown last night, and left Hagerstown this morning. I found no difficulty in getting in or out; the enemy has all his train, or nearly all of it, at or near Williamsport. He made several attempts to cross the Potomac, but failed twice, with loss of life. Some fifty of the rebels tried to swim their horses across above Clear Spring. Some of these were drowned, and the others with difficulty reached terra firma again. The river is almost boiling today.

To-day the enemy's line extends from Hagerstown to St. Paul's church, on the National pike, west of Hagerstown.

The rebels are on all the heights around Hagerstown, and throwing up earthenworks near Leesburg and elsewhere.

The enemy threaten to press the so-called "copperheads" into their ranks. Some of the infantry are threatening the Marylanders very rough. The enemy are now settling down in Maryland, and the Marylanders are running off their stock.

There has been no heavy fighting to-day that I can hear of.

General Jenkins was wounded in the head by a piece of shell, he also had his horse shot under him. This afternoon Ewell's and Early's corps are near Hagerstown, encamped on a high and commanding hill.

Captain W. H. Boyd attacked a train belonging to rebels to-day, and dispersed the guard with it. Some of the train escaped. Captain Boyd also attacked and drove in the enemy's pickets at Muttons, on the State line, four miles and a half from Greenbush.

From rebel sources I learn that the bridge over the Antietam has been destroyed; also that the rebels are in position on the other side.

General Smith's forces met the enemy at Wagonboro last night, but no fight of consequence ensued. What force of rebels there was in the neighborhood fled back. I found a very peculiar state of feeling in Hagerstown—one portion of the people were inciting the rebels to acts of hostility against the other. The women are very bitter. Those for secession treat the rebels scandalously well.

As a reporter's neck is not of much consequence at Hagerstown, so I left.

All is quiet in Greenbush to-day. The rebels shot one man for his money—eight dollars. They were going to shoot his wife, too. Some of the straggling rebels are

robbing people of money and other valuables. This, however, is not recognized by the officers of the rebel army.

The rebels wounded are suffering awfully, and they are dying fast.

The rebels say they are determined to make a bold resistance if attacked while the river is high.

I could not get down to Williamsport. No civilians are allowed down there under any pretence whatever.

Last night General Lee was at Hagerstown.

General Longstreet's death is discredited by the rebels.

THE REBELS COMPLETELY HEMMED IN.

GREENSBURGH, Pa., July 10, 1863.

The rebel pickets and our men met at Greenbush. General Couch is at this point.

A battle is looked for at any moment. It is thought we have Lee completely hemmed in.

News from Williamsport shows that the rebels have lost two out of three ferry boats by the late high water.

Very little of their transportation had reached the Virginia shore, but the most of their wounded have got over.

The report from General Smith's advance states there is no material change in the position of General Lee's troops from yesterday. It is not believed that Lee will attempt to defend the line of Antietam Creek, but has concentrated his army near Hagerstown, where he will without doubt await an attack.

Stragglers and deserters from Lee's army still continue to arrive in large numbers.

Lee's headquarters are still at Hagerstown.

POSITION OF THE HOSTILE FORCES.

HAGERSTOWN, Pa., July 10, 1863.

The position of the rebel army is little changed since my despatch of yesterday. Lee is more concentrated around Hagerstown, but both his flanks from there to the Potomac are strongly defended.

Our forces under General Meade are more advanced than they were yesterday, and the ground occupied by the rebels on this side the Potomac is circumscribed to narrower limits.

It is reported that the skirmishing of the advance guards which always precedes a great contest occurred this afternoon; but there has been no fighting with serious or important results up to this time.

The forces in this department have been divided into three divisions—one under General Smith, one under General Dana, and one under General Pierce.

General Sigel is organizing the troops at Reading. General Thomas and Stahl are here. Major Schultz, of General Couch's force, is in charge of affairs at headquarters in the General's absence.

Governor Curtin has gone to the battle field at Gettysburg to attend to the wants of the wounded.

Three hundred and fifty prisoners were forwarded to this point to-day, which makes the total rebel prisoners captured in the Cumberland valley and forwarded here upwards of one thousand.

There are no rebels now in the Cumberland valley nor Pennsylvania, except prisoners.

There are many reports here that a battle has occurred to-day, but no confirmation has come to headquarters. The great struggle is certain to come to-morrow. Our army is said to be in the finest fighting mood and well provided.

The rebels are more reticent, and in a very strong position, which they have improved by fortifying.

OPERATIONS OF OUR CAVALRY.

WASHINGTON, July 10, 1863.

Yesterday General Buford's command of cavalry had a fight with about equal numbers of the enemy on the road between Boonsboro and Hagerstown. General Buford dismounted his men and drove the enemy from the position they occupied.

There was heavy skirmishing in the afternoon, in which advantageous positions were gained by our troops.

During yesterday some of our troops were upon the old Antietam battle field, but found none of the enemy there.

There has been heavy cannonading this morning in the direction of Hagerstown.

The skirmishing yesterday and to-day was principally in the vicinity of Funkstown. The rebels retreated. The Second Massachusetts regiment, which was in the hottest of the Gettysburg fight, went into the engagement two hundred and ninety-three strong. Two officers and twenty-two privates were killed, one hundred and ten wounded, and only four missing.

BEAUREGARD MARCHING TO THE AID OF
LEE.

WASHINGTON, July 10, 1863.

Rumors are rife here that Beauregard has passed down the Shenandoah valley with forty thousand men to reinforce General Lee.

FIGHT BETWEEN GUERRILLAS AND HERALD
CORRESPONDENTS.

CAPTURE OF MR. COOK—HIS RESCUE BY MESSRS. KNOX AND HOMER—THE GUERRILLAS DISPERSED.

FREDERICK, Md., July 10, 1863.

Mr. T. M. Cook, one of the Herald correspondents, while en route from Baltimore to the army, was yesterday attacked by a party of five guerrillas, near Cooktown, on the turnpike. The rebels were in the act of examining him when Messrs. Knox and Homer, also of the Herald, came to the rescue at a charge. The rebels did not show fight, but broke in the direction of Westminster. Messrs. Cook, Knox and Homer arrived here to-day, and have gone to the front.

GENERAL MEADE'S ANNOUNCEMENT OF
THE CAPTURE OF VICKSBURG TO HIS
TROOPS.

On the night of the 10th inst. the following "circular" was issued to the army—

HEADQUARTERS, ARMY OF THE POTOMAC, July 7, 1863.

It is with much satisfaction that the Major General commanding announces to the army under his command that he has received official intelligence that Vicksburg was surrendered by the enemy to General Grant on the 4th inst.

By command of Major General MEADE.

S. F. HANCOCK, Assistant Adjutant General.

MOVEMENTS OF GENERAL NAGLEE.

FREDERICK, Md., July 9, 1863.

Upon General Naglee reporting at headquarters, with troops from General Foster's North Carolina command, General Meade immediately assigned him to a command at Harper's Ferry.

THE MARCH OF THE UNION ARMY FROM
GETTYSBURG.

On Sunday afternoon, the 6th inst., General Meade, from his headquarters at Frederick, issued orders for the three grand divisions of our army to take up their lines of march for Middletown, Md., which is about seven miles a little north of west from Frederick.

The centre was commanded by General Howard, and the two wings respectively by Generals Sigel and Sedgwick. The latter General's command, which included the First, Third and Sixth corps, left Gettysburg on Monday morning, the 6th inst., and marched by way of Emmitsburg and Mechanstown, while the other two grand divisions took different routes.

The Sixth corps, which is under the command of Gen. Sedgwick, it will be recollected when our army moved from opposite Frederickburg, occupied a position on the south side of the Rappahannock below the city, and was reported as having been captured by the rebels.

The army reached Middletown on the afternoon of the 7th, and on the following day (Wednesday) took two separate routes for Boonsboro.

MR. L. A. HENDERICK'S DESPATCH.

HAGERSTOWN, FIRST ARMY CORPS.

IN THE FIELD, July 8, 1863.

THE ARMY MOVING AHEAD.

"And we are marching on," to borrow from the John Brown song. Where we are now it would be contraband to state. I can say, however, that the marching since the three days great battles has thus far been a counterpart of the ones before the fighting—rain, mud and marches unopposed by any record of Napoleon's campaigns. Our men are in jubilant spirits. It is better marching after victory than defeat.

There is no more to report.

In a day or two the ban of secrecy as to our movements and position will be removed by the force of circumstances—that is to say, by more fighting, and these fights will only be more victorious.

Only wounded regiments.

Nearly all our wounded have been brought from the scene of the late battle. The surgeons and adjutants of

regiments are actively engaged making out complete lists of our losses, so that soon they can be fully published. My former figures are about correct.

News came to us this morning of the fall of Vicksburg. Our columns rent the sky with their cheers. It is a settled thing that we shall use Lee's army—that is, what there is left. We are only looking for final victory at Port Hudson. Then we shall consider the backbone of the rebellion broken in reality.

I expect before many hours to give you stirring news.

NEW JERSEY TROOPS FOR HARRISBURG.

NEWARK, N. J., July 10, 1863.

Captain Joseph A. Vard left this city this evening with a company of sixty-four men for Harrisburg. This is the fourth company Trenton has sent to Pennsylvania.

ARRIVAL OF PRISONERS AT BALTIMORE.

BALTIMORE, July 10, 1863.

About two thousand five hundred prisoners have arrived in the last few hours by the Northern Central Railroad.

THE BATTLE AT GETTYSBURG.

THE SECOND FIRE ZOUAVES AT THE BATTLE OF GETTYSBURG.

LETTER FROM CAPT. JOHN DOWNEY, OF COMPANY C.

A letter was received in this city yesterday from Captain John Downey, Company C, Second Fire Zouaves. It was dated near Gettysburg, Pa., July 8, and gave the following additional particulars of the losses sustained by his regiment. Captain Downey is severely wounded in the thigh, and expected to start for home on the 9th. He was in the hands of the rebels for three days, but managed to get away after which he came very near being burnt up, on the 3d instant, while in a barn which was set on fire by the Union gun. He went into action with forty-five men, but only nineteen returned, the balance were either killed or missing. Capt. Downey and the two lieutenants were all wounded. The Second Fire Zouaves fought Gen. Barkeide's Mississippi brigade, composed of the Seventeenth, Nineteenth and Twenty-first Mississippi regiments. The loss sustained by the Fire Zouaves is, Capt. Downey thinks, about one hundred and sixty in killed and wounded. Out of twenty-one officers they have now only got ten left to do duty. Among the killed are Capt. Shine, and Lieutenants Logan and Markman.

The Captain says he is in fine spirits, and believes the rebels will now be crushed, as they are in a tight place, and our troops in hot pursuit.

INCIDENTS OF THE BATTLE.

WASHINGTON, July 10, 1863.

Among the rebel prisoners were marched through Gettysburg there were observed seven negroes in uniform and fully accoutred as soldiers.

One of the incidents of the battle was the spelling of a farm house by a rebel battery commanded by the son of the owner and occupant. During a charge of the Union troops the son was killed, but the father refused to look upon the remains of his ungrateful child.

In the Twelfth corps hospital, under charge of Dr. Chap pell, located near Gettysburg, there are four hundred and sixty wounded. Over one hundred amputations have been performed there. In the White Church there are one hundred rebel prisoners sick, and over eight hundred wounded Union soldiers. In the hospital of the First division of the First corps there are one hundred and twenty wounded rebels and five hundred and fifty-six Union soldiers. There had been few deaths. At the hospital of the Reserve artillery, four miles from Gettysburg, in charge of Dr. Osborne, there are about two hundred patients, including Captain D. R. Hanson, of the Third artillery, and Lieutenant R. P. Ekin, First artillery. H. T. Scott, Fifth Massachusetts battery, and E. M. Knox, Fifteenth New York independent battery. The headquarters postmaster has visited all the hospitals and collected the letters from the soldiers who were there.

During the battle at Gettysburg, Company I, Fifth artillery, lost twenty-one men and forty-eight horses. The commander, Watson, was wounded at the first fire, and Lieutenant McConnell was left in command.

REBEL ACCOUNTS OF THE FIGHT.

THEY CLAIM A GREAT VICTORY AND THE
CAPTURE OF FORTY THOUSAND
YANKEE PRISONERS.

THE RICHMOND DISPATCH OF Tuesday, July 7, contains the following—

MARTINSBURG, July 5, 1863.

General Lee defeated the enemy in the battle of Friday last, but we lost four thousand prisoners. General Barkeide, of Mississippi, and General Garnett, of Virginia, were killed. General Hood, of Texas, was wounded.

THE PRESS DESPATCH.

MARTINSBURG, Va., July 6—6 P. M.

On Saturday General Lee had changed his front and occupied the ground he drove the enemy from on the 1st and 2d. His whole army is in excellent spirits and the master of the situation. General Pierce and Pickett are wounded. Colonel Avery, of North Carolina, is killed, and Colonel Bennett and Parker wounded. Ewell's wagons are recaptured.

SECOND DESPATCH.

MARTINSBURG, July 6, 1863.

Reports to-day all concur that there was a heavy fight yesterday, in which we defeated the enemy and drove him three miles. A vast number of prisoners are reported taken by General Lee. The prisoners are on the way to Richmond by way of this place. This has been the bloodiest battle of the war. Our loss is very great.

The Yankee cavalry injured the pontoon bridges at Falling Waters, several miles from this place to-day, and captured three wagons.

The Richmond Dispatch of Wednesday, July 8, contains a leader on the battle of Gettysburg. It says—

We feel as well assured that General Lee, if he has not the enemy in a pitched battle, has inflicted a terrible defeat upon them, so that we are living, breathing, sentient beings.

The Dispatch then alludes to a telegraphic despatch announcing a great battle being fought on Sunday last, in which the Yankees were whipped, with a loss of sixty thousand men, and winds up as follows—

We already give to you glimpses of peace if this telegram only prove a bluff. But let us have no peace which we do not dictate ourselves.

The following telegrams are also from the Dispatch. They are decidedly rich, when the facts are taken into consideration—

IMPORTANT FROM GETTYSBURG—THE ENEMY ROUTED ON SUNDAY—FORTY THOUSAND PRISONERS CAPTURED, ETC.

MARTINSBURG, Va., July 6, 1863.

On Saturday night our centre fell back, drawing the enemy from their works. General Ewell and Longstreet sought the enemy and gained the heights.

A general fight ensued yesterday, in which the enemy was routed and Lee captured forty thousand prisoners, according to all accounts. General Kemper was killed. There is fighting at Williamsport between Ingoldsby's cavalry and several regiments of infantry and a division of Yankee cavalry, under Pleasanton.

The following despatch was received this morning by Dr. Morris—

MARTINSBURG, Va., July 6, 1863.

The latest, which seems to be reliable, is that the fight was continued on Sunday, and was the bloodiest of the war. Gen. Hill fell back in the centre, causing the enemy to believe that he was retreating.

The enemy upon this advanced. Then Ewell and Longstreet advanced their right and left wings, surrounding the enemy. We then took the heights for which we have been contending, and captured 40,000 prisoners. They refused to be paroled. General Pickett's division is now guarding the prisoners to Martinsburg.

The Richmond Dispatch of the 8th inst. has received the following account of the battle of Gettysburg, showing that they are wonderfully dark down in the land of Dixie—

THE BATTLE OF GETTYSBURG.

Our loss is estimated at ten thousand at the battle of Gettysburg. Between three and four thousand of our wounded arrived at Winchester July 7. General Armistead, Barkeide, Garnett and Kemper are killed. General Hoxie, Pender, Jones, Heth, Anderson, Hampton and Hood are wounded. The Yankee army is estimated at one hundred and seventy-five thousand men. The fighting lasted four days, and is regarded as the severest of the war, and the slaughter unprecedented. The enemy are said to have fought well. We captured forty thousand prisoners.

HIGHLY IMPORTANT FROM WASHINGTON.

The Question of the Return of Louisiana to
the Union Under Her Existing
State Constitution.Reply of President Lincoln to a Proposi-
tion of a Committee of Planters.

THE PEACE QUESTION IN THE CABINET.

Mr. Seward's Proposal of an Amnesty and the
Old Union Violently Denounced by Mr.
Chase and the Radicals, Who Seem
to Rule the Administration.The Peace Mission of Alexander H.
Stephens Explained.

WASHINGTON, July 10, 1863.

LOUISIANA AND THE UNION—IMPORTANT LETTER OF THE PRESIDENT IN REPLY TO A COMMITTEE OF PLANTERS, ETC.

Early in June last a committee of Louisiana planters (whose names are given in the correspondence which follows) waited upon President Lincoln, at the White House, with a petition in behalf of the great planting interest of the State for authority from the general government to proceed to the election (in November next) of federal and State officers, in pursuance of the constitution of the United States and of the existing State constitution of Louisiana. The President heard the committee, received their proposition in writing, and courteously declined them, with the promise that after a Cabinet consultation on the subject the committee should have his reply. There was, accordingly, a Cabinet consultation, and the result is given in the President's letter, herewith transmitted. When it is remembered that the existing State constitution of Louisiana is strongly pro-slavery, the spirit and purpose of the ruling elements of the Cabinet will be pretty well understood. Mr. Secretary Chase and his abolition associates in the administration, and the radical political faction by which they are supported, simply mean, if they can accomplish it, that none of the States committed to the rebellion shall be restored to the Union without being shorn of the institution of slavery.

PRESIDENT LINCOLN'S LETTER.

EXECUTIVE MANSION, WASHINGTON, June 19, 1863.

MESSRS. E. E. MATHOT, DRABSON JOHNSON AND THOMAS COTMAN.

GENTLEMEN—Your letter, which follows, has been received and considered—

To His Excellency ABRAHAM LINCOLN, President of the United States.

The undersigned, a committee appointed by the planters of the State of Louisiana, respectfully represent that they have been deluged in seeking the general government a full recognition of all the rights of the State as they existed previous to the passage of an act of secession, upon the principle of the existing constitution, and the constitution of the State, and no legal act having transpired that could in any way deprive them of the advantages conferred by the constitution, and the constitution of the State, which is to be returned to its full allegiance, in the enjoyment of all rights and privileges exercised by the other States under the federal constitution. With the view of accomplishing the desired object, we further request that your Excellency will, as Commander-in-Chief of the Army of the United States, direct the Military Governor of Louisiana to order an election, in conformity with the constitution and laws of the State, on the first Monday of November next, for all State and federal officers.

With high consideration and respect, we have the honor to subscribe ourselves your obedient servants.

E. E. MATHOT, DRABSON JOHNSON, THOMAS COTMAN.

THE PEACE QUESTION IN CABINET COUNCIL—MESSRS. SEWARD, BLAIR AND BATES FOR A LIBERAL AMNESTY AND THE OLD UNION—MESSRS. CHASE, STANTON AND WELLES FOR WAR TO THE VERY END OF SLAVERY—THE MYSTERY OF THE STEPHENS MISSION SOLVED, ETC.

I am enabled positively to announce that the question of peace has already been considered in Cabinet councils. More than that, we are actually in the midst of a Cabinet crisis, growing out of a proposition made by Mr. Seward for the annulment of the secession, withdrawing the emancipation proclamation, suspending the liabilities of the Confederation act, and offering, in short, full and free pardon and protection in their personal and property rights to the people of the South, only excepting the military and civil leaders in this great rebellion. Even these Mr. Seward suggests should be allowed their property, but not be eligible to hold office under the government. This proposition has been considered in Cabinet council so far informal; but it has developed two parties.

Mr. Bates and Montgomery Blair favor it with certain modifications, while Messrs. Stanton and Chase violently oppose it. Mr. Welles is supposed also to be opposed to it. Mr. Cady, who always votes with the President, will decide whether way that satisfactory does. The President has as yet expressed no opinion on the subject, but his speech at the serene would seem to indicate that he is in favor of trying to make good his promise to free the slaves before consenting to a peace in the present emergency.

There are a number of leading republicans now in this city, and the matter has been brought to their notice. They have arranged a programme, under which they submitted to the President to-day or to-morrow, under which they are willing that peace should be declared and the Union restored. It embraces the following points, which it is stated, were suggested by Mr. Chase—

First—Slavery shall cease in the whole United States after the year 1876, the minors at that time to remain slaves until twenty-one years of age, and slaves over twenty years old to have the option of their freedom or to remain with their masters. Provision is made for the loyal slave states receiving compensation for their manumitted negroes, but no compensation will be allowed to the rebel States.

Second—A convention shall be called to revise the constitution of the United States, with a view to striking out the three-fifths provision recognizing slavery as a basis of representative population, and providing for the emancipation of the slaves in accordance with the above programme.

Such is the scheme of the republicans, and if Mr. Lincoln will consent to it, and the South is willing, we may have peace within two months. Mr. Seward's proposition is being vehemently denounced in republican circles. He is called a traitor. Stanton insists that the rebels must be driven to the wall, that no proposition shall be made to them; that, as they opened the fight first at Sumter, so they must consent to make the first leaders of peace. It would be humiliating, after two and a half years of war, if the United States should endeavor to open peaceful relations with armed insurgents. He insists upon way to the bitter end, and is backed by the violent abolitionists and the enormous contracting interests, which of course do not wish to see the great source of their profits swept away. This last party will exercise a most powerful influence upon the deliberations on the subject. They are all powerful here in all the departments, especially in the Navy and War and Treasury departments. Hence it is supposed that Mr. Welles, Mr. Stanton and Mr. Chase can be relied upon for the strongest opposition to all means looking towards an early peace.

It will be remembered that in the conversations between Lord Lyons and Mr. Seward, as given in the British

Blue Book, Mr. Seward informed his lordship that when the time came for treating with the rebels the United States would furnish an exhibition of magnanimity such as the world has not yet seen. Mr. Seward further indicated what this magnanimity would be in his despatch to Drouin de Lhuys, in which he said, in declining the offer of the French government to arbitrate between the North and South, that the Senate and House of Representatives of the United States were open to the Southerners at any time they chose to enter, to deliberate upon the conditions of peace between the North and South. He is, therefore, in favor of at once tendering, in some official form, to the Southern people the privilege of coming back to the Union with all their rights, including the right to their slave property, the same as if no rebellion had existed. Personally he would even be willing, as he has stated to Mr. Mercer unofficially, to meet his old associates, Jeff Davis and the rest, in the Senate chamber. The really statesmanlike and magnanimous scheme of Mr. Seward is not very likely to be appreciated by the bigoted and passionate faction, reinforced by the army contractors, that now rule the roost in Washington.

I have also just learned the probable contents of Stephens' communication to the government of the United States. It will be remembered that it was on the 4th when he was asked to come on to Washington, and the scheme he was instructed to unfold had been arranged in Richmond before it was known that Lee was defeated in Pennsylvania, and when the rebels had abundant reason for believing he would defeat the Army of the Potomac. They were also, however, aware that Vicksburg was certain to fall, and after it Port Hudson. It was believed that they could take advantage of the victory, as they supposed, of Lee before the Washington Cabinet were aware of the capture of Vicksburg. It was the intention of Davis to offer a plan of peace, including the restoration of the Union, but on terms somewhat different from those generally understood by that phrase. Davis' scheme will be found sketched in the speech of Mr. Hunter, of Virginia, immediately previous to the rebellion. He proposed, in fact, separate governments for the North and South, but only one President. This was to secure the Southerners from all interference with their property, and take the negro out of our national politics, but would include our foreign policy for both sections. It is a complex scheme, providing for two Congresses to settle the domestic concerns of the North and South, though but a single executive. Davis shrewdly hoped that on the heels of the destruction of the Army of the Potomac, with Washington, Philadelphia and Baltimore within his grasp, the Cabinet at Washington would be willing to make terms for the restoration of the Union, even if it was a Union only in name. The refusal of the government to listen to negotiations, the defeat of Lee's army and the capture of Vicksburg, put an entirely different face upon the aspect of the war, and the rebels, with all their insolence and assumption, would not dream of offering any such terms again, to the federal government. It is a great point gained that the rebels were willing to reunite even when they expected a victory in Pennsylvania. Recent events will make them still more willing to listen to reason.

WAR GAZETTE.

OFFICIAL.

Staff Officers Ordered on Active Service