THE NEW ORLEANS BEE.

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NEW ORLEANS:
WEDNESDAY MORNING, FEB. 25, 1863.

Sales at Auction To-Day.

By P. H. Flynn, at 11 o'clock, at No. 31 Royal street, furniture.

By R. T. Montgomery, at 10 o'clock, at Post 16, Second District, apples and beets; at 12 o'clock, at 93 Camp street, tobacco; at the same place and at the same hour, flour, cornmeal and mess beef.

By G. P. Phinney, at 11 o'clock, on the Levee, sugar and molasses; immediately after, at the Montgomery Warehouse, 300 barrels of molasses.

Our readers will find on our second page this morning, a selection of interesting news from Southern sources, and from our last Northern mails, and our first page contains other important advices received by last night's mail.

The purser of the steamship Roanoke will accept our thanks for acceptable favors.

R. T. Montgomery will make this day, (Wednesday) the 25th instant, at 12 o'clock, at salesroom, 93 Camp street, a peremptory sale of 340 barrels choice flour, of sundry favorite brands, 100 barrels cornmeal, and 53 boxes fine Virginia manufactured tobacco. The above goods will be peremptorily disposed of to the highest bidder, on account of the departure of the owner from the city. At 10 o'clock, at Post 26 Second District, 377 barrels apples and 10 barrels beets, sold for benefit of whom it may concern. For full particulars refer to advertisements.

Two Days' Later News from the North.

ARRIVAL OF THE ROANOKE.

We publish below the most salient portions of the Roanoke's mails. Apart from the action of the Government at Washington on the mediation question, the news is of no peculiar interest:

FRENCH MEDIATION.

The Proposition Rejected by the Government at Washington—Diplomatic Correspondence between the French Government and the United States.

The New York papers of the 13th publish an extensive diplomatic correspondence which was sent to the United States Senate by Mr. Lincoln, in response to a resolution adopted a short time since calling for any correspondence between the United States Government and that of France on the subject of mediation. It embraces a number of letters that passed between Mr. Dayton, Mr. Drouyn de L'Huys and Mr. Seward, during the last four months. The most important documents, however, are the letter of Mr. Drouyn de L'Huys, of January 9 in which he proposes a meeting of commissioners from North and South on neutral ground, and Mr. Seward's reply to the proposition, rejecting it, dated February 6. The following are the two documents:

M. DROUYN DE L'HUYS TO M. MERCIER.

[Translation.]

Department of Foreign Affairs,
Political Division, Paris, Jan. 9, 1863.

SIR—In forming the purpose of addressing, by the proffer of our good offices, to shorten the period of those hostilities which are desolating the American continent, we have to be guided beyond all by the friendship which unites the Government of the Emperor in regard to the United States. This is the excuse for our zeal. Indeed, might chill the interest with which we follow the fluctuations of this conflict, but the sentiment which we have yielded is too sincere for indifference to find a place in our thought, or that we should cease to be painfully affected while the war continues to rage. We cannot regard without profound regret this war, worse than civil, comparable to the most terrible disasters of the ancient Revolutions, and which disasters multiply in proportion to the resources and the valor with which each of the belligerent parties develop. The Government of His Majesty have, therefore, seriously examined the objections which have been made to us where we have suggested the idea of a friendly mediation, and we have asked ourselves whether they are truly of a nature to be considered as peremptory as to render ineffectual every tentative of a friendly intervention. On one part has been opposed to us the repugnance of the United States to admit the intervention of foreign influence in the dispute, on the other the hope, which the Federal Government has not abandoned, of attaining its solution by force of arms.

Accordingly, sir, recourse to the good offices of one of several neutral powers, could have nothing incompatible with the pride and dignity of a great nation, and means purely international are not those alone which furnish examples of the useful character of mediation. We flatter ourselves, besides, that in proffering to place ourselves at the disposal of the belligerent parties to facilitate between their negotiations, the basis of which we abstain from providing, we have manifested to the patriotic party of the United States all the considerations to which it is entitled, now perhaps still more than ever, after such new proof of moral force and energy. We are none the less ready, after the wishes which we form in favor of peace to take into account all the susceptibilities of national feeling, and we do not at all question the right of the Federal Government to decline the offer of its good offices. Such a refusal emanates from a sovereign power. But this cooperation is not the only means which offers itself to the Cabinet of Washington to hasten the close of the war; and if it believes that it ought to repel any foreign intervention, could it not honorably accept the idea of direct *open parley* informal conferences with the authority which may represent the States of the South? The Federal Government does not disguise the fact, giving a more active impulse to hostilities. Its sacrifices have not exhausted its resources, still less its perseverance; and its steadfastness. The protraction of the struggle, in a word, has not shaken its confidence in the definitive success of its efforts. But the opening of informal conferences between the belligerent parties does not necessarily imply the immediate suspension of hostilities. Negotiations about peace are not always the consequence of a suspension of warfare. They precede, on the contrary, more often the establishment of a truce. Hostile powers have not been precluded from, at exchange communications, agree upon all the essential provisions of treaties, resolve, in fine, the question even of peace or war, whilst the leaders of armies continued the strife, and endeavored, even to the latest moment, to modify by course of arms, the conditions of peace. To recall only one memory drawn from the history of the United States, the negotiations which consecrated their independence were commenced long before hostilities had ceased in the New World, and the armistice was not concluded until the act of the 30th November, 1782, which, under the name of provisional articles, embraced in advance the principal clauses of the definitive treaty of 1783. Nothing, therefore, would hinder the Government of the United States, without renouncing the advantage which it believes it can attain by the continuation of the war, from entering upon informal conferences with the Confederates of the South, in case they should show themselves disposed thereto. Representatives or Commissioners of the two parties could assemble at such point as it should be deemed proper to designate, and which would perhaps be declared neutral ground. Reciprocal compliments would be exchanged, and the conferences would be devoted to the accusations which North and South mutually cast upon each other at this time, would be substituted an argumentative discussion of the interests which divide them. They would seek out, by means of well ordered and profound deliberations, whether these interests are definitively irreconcilable, whether a separation is an extreme which can no longer be avoided, or whether the memories of common existence—whether the ties of any kind which have made of the North and of the South, on one side and whole federative State, and have borne them on to so high a degree of prosperity—are no more powerful than the causes which have placed arms in the hands of the two peoples. A negotiation, the object of which would be thus determinative, would not have lived any of the objections raised against the diplomatic intervention of Europe, and without giving birth to the same hopes as the immediate conclusion of an armistice would express a happy influence on the march of events. Why, therefore, should not a combination which respects all the relations of the United States obtain the approbation of the Federal Government? Persuaded on our part that it is in conformity with their true interests, we do not hesitate to reclaim it to their attention, and not having sought in the project of a mediation of the maritime powers of Europe any vain display of influence, we would applaud, with entire freedom from all susceptibilities of self esteem, the opening of a negotiation which should invite the two popular one to discuss, without the cooperation of Europe, the solution of their differences.

Let you, sir, to give this assurance to the Government of Washington, while commending the counsels dictated by most sincere wishes for the prosperity of the United States, moreover, authorized, if Mr. Seward expresses the wish, to leave with him a copy of this dispatch.

Accept, sir, the assurance of my high consideration. DROUYN DE L'HUYS.

To M. Mercier, Minister of France, at Washington.

MR. SEWARD TO MR. DAYTON.

[No. 297.]

Department of State,
Washington, February 6, 1863.

Wm. L. Dayton, Esq., etc., etc.

SIR—The intimation given in your dispatch of January 15, (No. 255,) that I might expect a special visit from M. Mercier, has been realized. He called on the 3d instant, and gave me a copy of a dispatch which he had just received from M. Drouyn de L'Huys, under the date of the 9th of January. I have taken the President's instructions, and I now proceed to give you his ideas upon the subject in question. It has been considered with seriousness, resulting from the reflection that the people of France are known to be faultless sharers with the American Nation in the misfortunes and calamities of our unhappy civil war. Nor do we, on this any more than on other occasion forget the traditional friendship of the two countries, which we unhesitatingly believe has inspired the counsels that M. Drouyn de L'Huys has imparted. He says: "The Federal Government does not despair, we know, of giving more active impulse to hostilities." And again he remarks: "The protraction of the struggle, in a word, has not shaken the confidence of the Federal Government in the definitive success of its efforts."

These passages seem to me to do unintentional injustice to the language, whether considered as public, on which this Government has constantly spoken on the subject of the war. It certainly has had and avowed only one purpose—a determination to preserve the integrity of the country. So far from admitting any lax of effort, or betraying any despondency, the Government has, on the contrary, borne itself cheerfully in all vicissitudes with unvarying confidence in an early and completed triumph of the National cause. Now when we are in a manner invited by a friendly power to review the twenty one months, history of the conflict, we find no occasion to abate that confidence through which in an alternation of victories and defeats as in the unpolluted incident of war, the land and naval forces of the United States have steadily advanced reclaiming from the insurgents the ports, forts and posts which they had treacherously seized before the strife actually begun, and even before it was seriously apprehended. So many of the States and Districts which the insurgents included in the field of their projected exclusive slaveholding dominion have already been re-established under the flag of the Union, that they now retain only the States of Georgia, Alabama and Texas, with half of Virginia, half of North Carolina, two thirds of South Carolina, half of Mississippi and one third respectively of Arkansas and Louisiana. The National forces hold even this small territory in close blockade and siege. This Government, if required, does not hesitate to submit its achievements to the test of comparison, and it maintains that in no part of the world, and in no times, ancient or modern, has a nation, when rendered all unready for conflict by the enjoyments of eighty years of almost unbroken peace, so quickly awakened at the alarm of sedition, put forth energies so vigorous and achieved successes so signal and effective as those which have marked the progress of the contest on the part of the Union.

Mr. Drouyn de L'Huys, I fear, has taken other light than the correspondence of this Government for his guidance in ascertaining its temper and finances. He has probably read of divisions of sentiment among those who hold themselves forth as organs of public opinion here, and has given to them an undue importance. It is to be remembered that this is a nation of thirty millions, civilly divided into forty-one States and Territories, which cover an expanse hardly less than Europe, that the people are a peaceful democracy, exercising everywhere the utmost freedom of speech and suffrage that a great crisis necessarily produces vehement, as well as profound, debate, with sharp collisions of individual local and sectional interests, sentiments and convictions, and that this heat of controversy is increased by the intervention of speculations, interests, prejudices and passions from every other part of the civilized world. It is, however, through such debate that the agreement of the nation upon any subject is habitually attained, its resolutions formed, and its policy established. While there is here much difference of popular opinion and favor concerning the agents who shall carry on the war, the principles on which it shall be waged, and the means with which it shall be prosecuted, M. Drouyn de L'Huys has only to refer to the statute book of Congress and the Executive ordinances to learn that the national activity has hitherto been, and yet is, as efficient as that of any other nation, whatever its form of Government, ever was under circumstances of equally grave import, to its peace, safety and welfare. Not one voice has been raised anywhere, out of the immediate field of the insurrection, in favor of foreign intervention or mediation, or arbitration, or of compromise with the relinquishment of one acre of the national domain, or the surrender of even one constitutional franchise. At the same time it is manifest to the world that our resources are yet ample and our credit adequate to the existing emergency.

What M. Drouyn de L'Huys suggests, is that this Government shall appoint Commissioners to meet on neutral ground Commissioners of the insurgents. He supposes that in the conference to be thus held, reciprocal complaints could be discussed, and, in place of the accusations which North and South now mutually cast upon each other, the conference would be engaged with discussions of the interests which divide them. He assumes further that the Commissioners would seek by means of well ordered and profound deliberations whether these interests are definitively irreconcilable, whether separation is an extreme that cannot be avoided, or whether the memories of a common existence, the ties of every kind which have made of the North and the South one whole Federative State, and have borne them on to so high a degree of prosperity are not more powerful than the causes which have placed arms in the hands of the two populations. The suggestion is not an extraordinary one, and it may well have been thought by the Emperor of the French, in the earnestness of his benevolent desire, for the restoration of peace, a feasible one. But when M. Drouyn de L'Huys shall come to review it in the light in which it must necessarily be examined in this country, I think he can hardly fail to perceive that it amounts to nothing less than a proposition that while this Government is engaged in suppressing an armed insurrection, with the purpose of maintaining the constitutional authority and preserving the integrity of the country, it shall enter into diplomatic discussion with the insurgents upon the questions whether that authority shall not be renounced and whether the country shall not be delivered over to disunion, to be quickly followed by ever increasing anarchy.

If it were possible for the Government of the United States to compromise the national authority, so far as to enter into such debates, it is not easy to perceive what good results could be obtained by them. The Commissioners must agree in recommending either that the Union shall stand or that it shall be voluntarily dissolved, or else they must leave the vital question unsettled to abide at least the fortunes of the war. The Government has not shut out knowledge of the present temper any more than of the past purposes of the insurgents. There is not the least ground to suppose that the conflicting elements would be pacified at this moment by any arguments which a National Commissioner could offer, to forego the ambition that has impelled them to the disloyal position they are occupying.

Any Commissioner who should be appointed by these actors, or through their dictation or influence, must enter the conference, subdued with the spirit still predominant in the personal fortunes of the insurgent chiefs. The loyal people in the insurrectionary States would be unheard, and any offer of peace by this Government, on the condition of the maintenance of the Union, must necessarily be rejected. On the other hand, as I have already intimated, this Government has not the least thought of relinquishing the trust which has been confided to it by the nation, under the most solemn of all political sanctions; and if it had any such thought, it would have still abundant reason to know that peace, proposed at the cost of dissolution, would be immediately, universally and indignantly rejected by the American people. It is a great mistake that European statesmen make if they suppose this people are demoralized. Whatever, in case of an insurrection, the people of France or Great Britain, or Switzerland, or of the Netherlands, would do to save their existence, no matter how the strife might be regarded by, or affect foreign nations, just so much, and certainly no less, the people of the United States will do if necessary, to save for the common benefit the region which is bounded by the Pacific and Atlantic oceans, and by the shores of the Gulf of St. Lawrence and Mexico, together with the free and common navigation of the Rio Grande, Missouri, Arkansas, Mississippi, Ohio, St. Lawrence, Hudson, Delaware, Potomac and other national highways, by which this land, which to them is at once a land of inheritance and a land of promise, is opened and watered.

Even of the slaves of the American people, thus exalted in their power, should, through fear of fraction, fall below the boughts of national virtue, they would be speedily, yet contumeliously, replaced by others of sterner character and patriotism. I must be allowed to say, also, that M. Drouyn De L'Huys errs in his description of the parties to the present conflict. We have here, in a political sense, no North, no South, no Northern, no Southern States. We have an insurrectionary party, which is located upon, and is chiefly adjacent to the shores of the Gulf of Mexico, and we have, on the other hand, a loyal people, who constitute not only Northern States, but Eastern, Middle, Western and Southern States.

I have, on many occasions heretofore, submitted to the French Government the President's views of the interest and ideas which are at the bottom of the determination of the American Government and people to maintain the Federal Union. The President has done the same thing in his messages and other public declarations. I refrain, therefore, from reviewing that argument in connection with the existing question. M. Drouyn de L'Huys draws to his aid the conferences which took place between the Colonies and Great Britain in our Revolutionary War. He will allow me to answer that action in the crisis of a nation, must accord with its necessities, and therefore can be seldom conformed to precedents. Great Britain, when entering on that negotiation, had manifestly come to entertain doubts of her ultimate success; and it is certain that the contests of the Colonies could not have failed to take new courage, if not to gain other advantage, when the parent State compromised so far as to treat of peace on the terms of conceding their independence.

It is true, indeed, that peace must come some time, and that conferences must attend, if they are not allowed to precede the pacification. There is, however, a better form for such conferences than the one which M. Drouyn de L'Huys suggests. The latter would be probably in derogation of the Constitution of the United States, and would carry no weight, because destitute of the sanction necessary to bind, either to the loyal or disloyal portions of the people. On the other hand, the Congress of the United States furnishes a constitutional tribunal for debate between the alienated parties. Senators and Representatives from the loyal people are those already fully empowered to confer, and seats are also vacant and inviting the Senators and Representatives of the disconnected party, who may be constitutionally sent there from the States involved in the insurrection. Moreover, the conferences which can thus be held in Congress have the great advantage over any that could be organized on the plan of M. Drouyn de L'Huys, viz: that Congress, it is thought wise, could call a National Convention to adopt its recommendations, and give them all the solemnity and binding force of organic law. Such conference between the alienated parties may be said to have already begun Maryland, Virginia, Kentucky, Tennessee and Missouri, States which are claimed by the insurgents, are already represented in Congress, and are acting, with perfect freedom and in a proper spirit, their advice upon the course best calculated to bring about, in the shortest time, a firm, lasting and honorable peace. Representatives have been sent, also, from Louisiana, and others are understood to be coming from Arkansas.

There is a preponderating argument in favor of the Congressional form of conference over that which is suggested by M. Drouyn de L'Huys, viz: that, while accession to the latter would bring the Government into concurrence with the insurgents in disregarding and setting aside an important part of the Constitution of the United States, and so would be of pernicious example, the Congressional Conference, on the contrary, preserves and gives new strength to that sacred instrument, which must continue through future ages the sheet anchor of the republic.

You will be at liberty to read this dispatch to M. Drouyn de L'Huys, and to give him a copy, if he shall desire it. To the end that you may be informed of the whole case, I transmit a copy of M. Drouyn de L'Huys's dispatch.

I am, sir, your obedient servant,
WM. H. SEWARD.

Further News from Southern Sources.

From Jackson Papers of the 20th and 21st inst.

PARTICULARS OF THE CAPTURE OF THE QUEEN OF THE WEST.

Reported Destruction of the De Soto.

LATEST FROM VICKSBURG.

Later from Europe and the North.

EXPEDITION AGAINST CHARLESTON

The *Picayune* published a second edition this evening, containing additional news from Southern sources, taken from papers of the 20th and 21st. We copy the following interesting intelligence:

Port Hudson, February 17.—Capt Cannon, from Red River, brings information of the capture of the Federal gunboat Queen of the West at Gordon's Landing, Fort Taylor, on Red River, the Queen of the West captured the Confederate transport Era No 5, and forced her pilot, John Burke, to the wheel and ordered him to take the gunboat to our batteries. Burke feigned fear, but finally took the wheel under a Federal guard. Upon nearing our battery, he told the Federals they were fifteen miles below, and, immediately putting close in, when she received a shot which broke her steam pipe, disabling the boat.

The enemy being perfectly unprepared for a fight, and suspecting no danger, Burke jumped overboard and swam ashore. The boat drifted to the opposite shore, when her crew made their escape, with the exception of eighteen, who fell into our hands. The crew subsequently got aboard the Federal boat DeSoto, and, with two hundred stolen negroes, effected their escape. The Queen of the West, now in possession of the Confederates, will be towed to a place of safety for repairs. It is reported that the Federal gunboat Indianola has gone up Red river to recapture her.

Pursuit of Era—The DeSoto Burst.

Port Hudson, February 17.—Later Intelligence—The Confederate States steamer Webb is closely pursuing the captured steamer Era. The Era is disabled in one wheel. The Queen of the West is but slightly injured. She will soon be in fighting trim under Confederate colors.

Positive information has been received that the transport DeSoto was burnt by the Federals to prevent her falling into the hands of the Confederates.

The Situation in Virginia.

Richmond, February 19—It has been ascertained that about twenty five or thirty thousand Federal troops have been sent from the army of the Potomac to Suffolk and Newport News. Burnside's old division occupies the latter place, and cabins, ovens, and other evidences of a protracted encampment have been erected. Five steam transports, however, kept in readiness at Hampton Roads.

From Charleston.

Charleston, February 19—The French war steamer Milan arrived to-day, and now lies anchored with the British steamer Petrel, within the harbor.

European Intelligence.

Richmond, February 18—Northern dates of the 10th have been received.

Sir Robert Peel had been speaking on the American question, and expressed the opinion that the States would ultimately become separated from each other. He condemned the proclamation of Lincoln, which emancipates slaves in the rebel States only.

Rumors of the contingent recognition of our independence by Napoleon are ventilated by the London papers.

The Manchester *Guardian* hears of a difficulty between the British Government and the Cabinet at Washington, in relation to the seizure of a British vessel in Bahama.

The London *Times* says: "Perhaps no time, during the war, has fortune declared so decidedly against the North, over her whole area of military operations."

President Davis's message excited much attention in England. The London *Post*, Palmerston's organ, comments on its ability, acknowledges the right of secession, and promises recognition of the South at a future day.

The emancipation demonstration at Exeter Hall was one of the most enthusiastic scenes witnessed in London for a long time. The resolutions reiterated the sentiments of the Emancipation Society, and express great sympathy for the North. The London *Times* was denounced by the speakers amid the greatest hisses, similar to those given at the meetings held at Bradford and other towns.

It is generally believed the proposals of mediation by the Emperor was a mere preliminary to more important steps, and that if rejected, France will recognize the South.

Latest from the North.

Richmond telegrams of the 20th inst. give the following summary of Northern news, gleaned from New York papers of the 16th:

THE COAST EXPEDITION.

The Port Royal correspondent of the New York *World*, under date of the 9th, says Foster's expedition is worse than at a stand still, for the troops are embarking on the transports and taking quarters on St. Helena Island. Many days must elapse before any thing can be achieved by it. Reports are rife as to disagreements between Generals Hunter and Foster. The latter has gone to Washington for addition-al instructions, and nothing will be heard from the expedition for three weeks to come.

Northern Legislative Opinions.

The New York *Herald*, of the 16th, says the Illinois Legislature has passed strong revolutionary resolutions, chiefly made up of violent denunciations of President Lincoln's administration, provisions for an armistice, and a peace convention at Louisville. Similar resolutions are pending in the Indiana Legislature.

Miscellaneous.

The New York *World* says the recent town elections show immense conservative gains over the vote last fall.

Captain Semmes had a reception at Commercial Exchange, Kingston, given him by the merchants of that city. He was lustily cheered.

Gen. Schenck having caused the Union flag to be displayed in the hall of the Assembly Rooms at Baltimore, the congregation discontinued their religious services at that place.

Lincoln has sent to the Senate his nomination of Gen. Phelps as Major General, dated December 4, 1861, thus outranking all other volunteer Maj.-Generals, including Burnside and Hooker.

The New York *World* of the 13th contains a communication from D. A. Mahoney, of Iowa, declaring that Van Buren's late speech does not reflect the sentiments of the Democracy of the Northwest, who now favor a vigorous prosecution of the war to obtain peace.

The Northern war news was unimportant. An order had been issued prohibiting the circulation of newspapers in the army of the Potomac.

General News.

VICKSBURG.

The *Appeal* says:

Everything was quiet in the vicinity of his city yesterday. On Wednesday and Thursday mornings a mortar boat was towed to a position in front, and about two and three-quarter miles distant, and opened a slow fire upon the city. The only casualty was the death of a member of the 46th Mississippi, who was killed by a piece of shell. On Thursday some of our guns replied slowly, with what result was not known. No damage was done to our batteries or the city, and yesterday morning the enemy did not return to his position.

We glean the following from the *Appeal* and *Mississippian*:

The *Times* learns that Lieut Commanding A. Caterby Jones, C. S. N. has been relieved from his command on the Apalachicola river, and ordered to report to Major Gen. Magruder for duty in Texas.

The *Era* published last evening in a third edition the following intelligence:

Important from Berwick's Bay—Sinking of the United States Gunboat Kinsman—The Chief Engineer and Ten Men Reported Drowned.

Intelligence has just reached us by a special messenger from Brashear City, of the total loss of the United States gunboat Kinsman, Captain Wiggin, belonging to the Berwick Bay fleet. On Monday morning the Kinsman was on her way up the Bay, to engage in her customary picket duty. When about two and a half miles above Brashear City she struck a snag, knocking a hole in her bottom. She commenced filling rapidly, and Captain Wiggin, finding that she was seriously injured, attempted to run her ashore. The bottom, however, was too shelving to permit this, and the bow of the vessel was turned down in the mud, with a view to run her on the flats below the steamboat landing, in order to save her stores and ammunition.

A strong wind was blowing up stream, and the water slackened the fires to such a degree that the machinery would not work.

The steamer sank in seventy feet water. The morning she was completely out of sight, not even the tops of her spars or entire stack being discernible.

It was reported this morning that ten or twelve men were drowned or missing, among them the Chief Engineer.

The Kinsman was formerly called the Grey Cloud, and for the last five years ran between New Orleans and Mobile, as a freight and passenger boat.

Rumors from Across the Lake—Port Hudson and Vicksburg—Rumored Intention of the Rebels to Evacuate Both Places.

THE REBELS ALARMED FOR THEIR SUPPLIES—STARVATION PRICES IN DIXIE—ARRIVAL OF THE BODY OF LIEUT BAUDUC IN THIS CITY.

A schooner arrived at Hickok's Landing this afternoon, from Madisonville. She brought the body of Lieut Bauduc, of the rebel army, who, it is alleged, was killed by Col Maucossa, at present in confinement in this city.

The body was recently recovered near the mouth of Tchefuncta river. It was accompanied by the wife and father in law of the deceased, and was brought here for interment.

A man who came on the schooner reports that it is currently rumored on the rebel side of the lines that the enemy intends to evacuate both Port Hudson and Vicksburg.

The cause of this is said to be the fear that their supplies will be cut off, and this alarm is founded upon recent movements of the Federal forces, both above and below these points.

Prices have reached a fabulous figure beyond the Lakes, and the supplies are exhausted.

Coffee is selling at $7 a pound.

A pair of second hand shoes was sold recently for $16.

Summary of Interesting Southern News.

We present below an interesting summary of news taken from late Southern papers. These extracts make our bulletin of news from Southern sources complete from the 6th to the latest dates published:

[From the Knoxville Register, 19th instant.]

FROM MIDDLE TENNESSEE.

We have some items of interest from the front of Gen Johnston's lines, by the Winchester *Bulletin* of Sunday.

Some five regiments pass through Tullahoma daily, who are said to be throwing up important works some miles in advance.

Brig. Gen. Hardin Helm, of Kentucky, is to take command of the lamented Hanson's brigade. "All know of what service the volunteers were in Mexico, under Maryatt. It is customary for the men in this branch of service to ride double, and gain on the enemy by rapid movements on horseback, and when they are ready to dash upon the foe one half of the troops are dismounted, making an effective force, half infantry and half cavalry, or, in other words, 'half horse and half alligator.' The advantage of an organization as volunteers would equalize the riders, in the event the force should be outnumbered, to assist their comrades to leap up behind them, and thus escape from reinforcements of the enemy.

On Friday evening the enemy made an unsuccessful attempt to advance with another foraging party in force. Our infantry were ordered eight miles to the front to support the cavalry, and it is thought that we had repulsed them with considerable loss on their part. Twelve prisoners, taken a few days since, stated that they were nearly starved. The first thing they asked for was something to eat.

Eight of Woolford's men deserted and joined us a few days since. They gave sufficient proof that we were expected in Kentucky, and would be warmly welcomed there.

Deserters.—Messrs. Wagner and Woodson inform us that while they were coming through Mississippi from Friar's Point to Grenada, they saw Federal soldiers desert from the army to the number of 1600 or 2000. They begged to be paroled, that they might escape the Vicksburg slaughter pen, as they called it. The deserters were mostly from Illinois, Iowa and Kentucky. The Yankee army is fast wasting away.—*Knoxville Register.*

Aid for the Cotton Spinners.

The Paris *Patrie* of the 17th January contains the following:

A Parisian correspondence, addressed to various provincial journals, states the following: "I find in an American correspondence, worthy of belief, an item of news which cannot but cause the liveliest feelings of gratification both in France and in England. The representatives of the Confederate States decided in a special session to contribute twenty million francs worth of cotton as a donation to aid the working classes of Europe. Jefferson Davis had immediately demanded of Lincoln to grant the requisite authority to ship the cotton from some Southern port to Southampton, Nantes and Havre. Such an act requires no praise. It shows that the secessionists can see clear through the community of interests which link their rights to the welfare of our laborers.

"It now remains to be seen whether the Washington Government will allow European vessels to enter the Southern ports in ballast to load the raw cotton so generously contributed to the European manufactures. I trust that no impediment will be thrown in the way of its consummation."

THE UNITED STATES GOVERNMENT SUPPLIED WITH GOLD.—The New York *Times* furnishes us with the following information:

As the speculation in gold is largely based on the idea that the Government will have to make large purchases of gold to pay its current interest, it may not be improper to state that the Government has bought no gold for the last six months, and has a sufficient supply now on hand for all its necessities for the next payment.

Highly Important from Europe.

ARRIVAL OF THE ETNA.

French Projects of Intervention in American Affairs.

The steamer Etna, which sailed from Liverpool on the 28th, and from Queenstown on the 29th ult., arrived at New York on the morning of the 13th. The advices by the Etna are four days later than those by the Europa. We find the following interesting intelligence in her mail:

Intervention in America.

VIEWS OF THE CONTINENTAL PRESS—THE ALTERNATIVE OF THE REJECTION OF THE EMPEROR'S PROPOSITION, &c., &c.

The rumors which were current at the departure of the Europa, in regard to the new mediation designs of France, continued to circulate.

The Paris *Patrie*, of the 25th ult., says:

"We learn, from a sure source, that the French Minister at Washington has been invited to submit to the American Cabinet a proposal for a meeting of delegates, to examine into the measures calculated to facilitate a reconciliation between the North and South."

The London *Star* had received the following from its special Paris correspondent:

"The French Government is on the point of intervening, as pacificator, between the Federals and Confederates. In anticipation of late events in America, M. Mercier has received instructions to act as mediator between the belligerents, and M. Drouyn de L'Huys is preparing a note that will be shortly transmitted to Mr. Seward in which a compromise will be recommended."

The *Nord*, of the 27th, says that M. Drouyn de L'Huys had addressed a note to the French Ministers at St. Petersburg, London, Vienna and Berlin, instructing them to sound these Courts upon the fitness, not of a mediation, but of simple counsels which might be given to the belligerent parties at Washington and Richmond, advising them to name Commissioners charged to examine, with or without an armistice, upon what basis an arrangement might be made to put an end to the calamitous war.

The *Globe* notices, as the most interesting points in the American news by the Asia, the growing feeling in Richmond, New York and Washington, favorable to some sort of direct negotiation for a settlement of the dispute between North and South.

The *Shipping Gazette* remarks that should the Emperor's proposal be rejected, he has left himself, apparently, but an alternative to recognize the South and raise the Southern blockade. It may be taken for granted that the offered negotiation will be rejected at Washington, and the *Gazette* asks what follows, the compulsory cessation of hostilities, or a maritime war with the North? Can the country afford to let the French Emperor proceed alone in his American policy? or is he acting upon an understanding with Her Majesty's Government? These are questions of great importance, and we hope their solution is not far off.

The new Archbishop of Paris in his first public act since his promotion made an attack upon England and Russia for not agreeing to the French proposal for interference in America.

London, Thursday, January 1.—Napoleon's new offer on mediation, it is generally thought by the English journals, will prove unacceptable.

Miscellaneous.

From our Southern files we condense the following interesting miscellany:

INTERESTING DEBATE IN THE FEDERAL CONGRESS ON THE LOYALTY OF KENTUCKY.

The Senate bill authorizing twenty thousand men to be raised for the defense of Kentucky was taken up, and led to an animated debate—but finally passed. The following is the conclusion of the report of the debate:

Mr. Wadsworth, Union, of Kentucky, replying to a remark of Mr. Stevens, certified to the loyalty of the Governor of Kentucky. Because the bill introduced the last session was not passed, much blood had been shed and property destroyed. In response to Mr Dawes he said the weapons would not be taken to the Southern Confederacy. Kentucky would not betray the flag.

Mr Dawes, Republican, of Massachusetts, replied that a portion of Kentucky had proved unfaithful to the Union, and brought the State near to the vortex of disunion. Could the gentleman give the assurance that no such danger would again occur.

Mr Yeatman said that such men as Buckner could not transfer to the rebellion the arms to be furnished under this bill, which merely provided for the raising of volunteers as had been done in other States, and which the Constitution authorized. They were to be placed under Generals appointed and commissioned by the President. The gentleman from Massachusetts could say whether he was afraid to trust such Federal officers.

Mr. Wickliffe, Union, of Kentucky, said the bill, as originally introduced by him, proposed a force for home protection, but it had been so altered by the Senate as to make the volunteers perform duty everywhere in the United States.

Mr Omi, Republican, of New York, said Kentucky had made many sacrifices for the Union. It would be unwise and ungenerous to imply that we distrusted the loyalty of the people of that State. We should encourage them by every proper means to maintain with us the cause in which we were mutually engaged.

Mr. Grider, Union, of Kentucky, briefly spoke of the necessity of passing the bill to defend the borders of Kentucky. If, he said, you give us this measure, we will raise for the Government a sufficient number of men to overawe the enemy, and, if he comes, conquer him. The patriotism of the people on the border will not falter as long as a star remains on our banner.

The Senate's amendment was agreed to. The bill has, therefore, passed both Houses.

A resolution was recently introduced into the Indiana Legislature to investigate the secret political societies, which are said to exist extensively in opposition to the Lincoln Government. All the Democratic members voted against it.

In Illinois the inhabitants are thinking of importing farm laborers from England. Thousands of acres of land need cultivation, but the army has absorbed all the cultivators.

THE LOUISIANA STATUE OF WASHINGTON—*Its Whereabouts.*—"Potomac," a correspondent of the *Sun*, furnishes us with the following intelligence as to the whereabouts of the statue of Washington, belonging to this State. After its uncertain peregrinations it turns up at Washington, in the United States Hall of Representatives:

The beautiful statue of Washington, taken from the capitol at Baton Rouge, has been permanently stationed in one of the niches in the west wing of the Hall of Representatives, directly fronting Lentze's celebrated painting of Western Emigration.

THE COMING ELECTION IN NEW HAMPSHIRE.—The New York *World* of the 12th instant, has the following paragraph with regard to the coming election in New Hampshire:

Recent accounts from New Hampshire leave scarcely any doubt of the success of the conservative party at the coming state election in March. A Democratic governor, Legislature, and three Congressmen will in all probability be chosen. The war of itself is not unpopular, but it must be a war for the Union. The Connecticut election also promises to be a complete conservative triumph. An anti-radical House in the next Congress is now assured.

From Yorktown.

The Northern papers contain the following dispatch:

Fortress Monroe, February 9.—Intelligence from Yorktown states that during the past week a number of rebels have been made prisoners by our troops in that quarter, and a number of rebel deserters have come within our lines. Last Saturday five rebel deserters came in and reported that sixteen others were awaiting an opportunity to come in also. Major Kling accordingly ordered two companies of cavalry to proceed in search of the deserters.

The squadron, about six miles out, found the sixteen rebel deserters, the enemy's pickets retiring before them. Captain Faith imprudently pushed forward after them without orders, and about three miles beyond he, with his small command, found themselves in an ambuscade, and were fired upon by concealed rebels. He was brought off, as was supposed, mortally wounded. Captain Hagerman, upon whom the command now devolved, bravely fought his way through the enemy's lines, but getting separated from his men was taken prisoner.

Lieuts. William Smith and Little were also taken prisoners, and Lieut. Rhinem her was used to fall from his horse, and is supposed to have been killed. Our entire loss was thirty killed, wounded and made prisoners. The enemy's loss is unknown.

The enemy is reported to be in some force about twelve miles from Williamsburg.

CITY INTELLIGENCE.

Major Prados and Lieutenant Bauduc—Several weeks ago we reported that Captain P. F. Maucossa had been arrested and put in prison by the order of Colonel Clark, Provost Marshal General of the Department of the Gulf, on suspicion of being somehow criminally concerned in the deaths of Major Prados and Lieutenant Bauduc, of this city, and officers in the Confederate army. Maucossa had succeeded in reaching the city, making his escape from the Confederate lines on board the schooner Virtue, and on his arrival had reported himself to Col. Clark, as having left the Confederacy on account of his Union feelings.

A few days after the notice of Maucossa's arrest, he made a statement through the Delta, that Prados and Bauduc were knocked overboard by the boom of the schooner, which was being shifted by their order when they were attempting to prevent his escape; that the schooner was then turned on her course across the lake, leaving the struggling officers to extricate themselves or to be rescued by soldiers who were in an approaching boat. The captain of the schooner at the same time endorsed the statement of Maucossa, by a letter to the Delta.

Several weeks have elapsed, and nothing definite was heard of the precise fate of Major Prados and Lieut. Bauduc, while Maucossa has been kept in durance at the First District lock-up.

Yesterday the mystery was seemingly unravelled, partly, at least. The body of Lieut. Bauduc was brought to the city by the schooner Stockton for interment by his family and friends. The process verbal of the Coroner's inquest, which was held on the body after it was found at Pass Manchac, was also received, and, by it we learn that the knife wounds were discovered—one on the left side and the other in the groin, ranging upwards. The verdict of the jury was, that death was caused by stab wounds from some persons unknown on board the schooner Virtue.

Information was also received that the body of Major Prados had been found at Lacheniere bayou, within the Confederate lines, and that stab wounds were discovered upon it. The body has not yet been brought to the city, but we learn that some of the relatives will go across for that purpose.

We have no comments to make upon these facts, but we may mention, in conclusion, that the schooner Virtue has recently been altered and repainted, and her name changed.

The Wounded Soldier—Michael McAtoon, of the Twenty-sixth Massachusetts Regiment, was arrested yesterday as one of the two soldiers who fractured the skull of James Monroe, mentioned in another paragraph.

COMMERCIAL.

OFFICE OF THE BEE,
TUESDAY EVENING, February 24, 1863.

COTTON—The market ruled quiet to-day, comprising 16 bales Ordinary at 36c, and 25 Low Middling at 37c, and 12 Ordinary to Middling to be shipped, together, 111 bales. We heard of no other sales, and, not being asked for the particulars. By auction, 41 bales sold at 42½ @ 3c.

SUGAR—The active demand previously noticed has prevailed to-day, the sales embracing 300 hhds, including the Cemetery, Lafourche, Fair to Good Fair, Fair, Fairly Fair, Fully Fair, Fair to Prime, Low Crop, Fairly Fair and Fairly Fair to Prime. There is very little on the market, the supply is extremely small, and the demand is fair, and the receipts continue very limited. The demand is in expectation, for Investment and for export, mostly for the Northern.

MOLASSES—The demand continues active, and the sales are to-day 200 hhds, including some at