THE FRENCH CREDIT MOBILIER.

[Third Article.]

The approaching crash in Bonapartist finance continues to announce itself in a variety of ways. On May 31 Count Montalembert, in opposing a project of law to raise the postage on all printed papers, books, and the like, sounded the note of alarm in the following strain:

"The suppression of all political life, by what has it been replaced? By the whirl of speculation. The great French nation could not resign itself to slumber, to inactivity. Political life was replaced by the fever of speculation, by the thirst for lucre, by the infatuation of gambling. On all sides, even in our small towns, even in our villages, men are carried away by the mania of making those rapid fortunes of which there are so many examples—those fortunes achieved without trouble, without labor, and often without honor. I seek for no other proof than the bill which has just been laid before you, against the *Societes en commandite*. Copies have just been distributed to us; I have not had time to examine it; I feel, however, inclined to support it, despite the somewhat Draconian regulations which I fancy I discovered there. If the remedy is so urgent and so considerable, the evil must be so likewise. The real source of that evil is the sleep of all political spirit in France. . . . And the evil which I point to is not the only one resulting from the same source. While the higher and middle classes—those ancient political classes—give themselves up to speculation, another labor presents itself among the lower classes of society, whence nearly all the revolutions emanated which France has suffered. At the sight of this fearful mania of gambling which has made a vast gambling booth of nearly all France, a portion of the masses, invaded by Socialists, has been more corrupted than ever, by the avidity of gain. Hence an unquestionable progress of secret societies, a greater and deeper development of those savage passions which almost culminate Socialism by adopting its name, and which have been recently well shown up, in all their intensity, in the trials at Paris, Angers and elsewhere."

Thus speaks Montalembert—himself one of the original shareholders in the Bonapartist enterprise for saving order, religion, property and family!

We have heard, from Isaac Pereire, that one of the mysteries of the *Crédit Mobilier* was the principle of multiplying its action and diminishing its risks by embarking in the greatest possible variety of enterprises, and withdrawing from them in the shortest possible time. Now, what does this mean when divested of the flowery language of St. Simonism? Subscribing for shares to the greatest extent, in the greatest number of speculations, realizing the premiums, and getting rid of them as fast as it can be done. Stockjobbing, then, is to be the base of the industrial development, or rather all industrial enterprise is to become the mere pretext of stock-jobbing. And, by the aid of what instrument is this object of the *Crédit Mobilier* to be attained? What are the means proposed to enable it thus to "multiply its action" and "diminish its risks?" The very means employed by Law. The *Credit Mobilier* being a privileged company, backed by Government influence, and disposing of a large capital and credit, comparatively speaking, it is certain that the shares of any new enterprise started by it will, on the first emission, fetch a premium in the market. It has learned thus much from Law, to allot to its own shareholders the new shares at par, in proportion to the number of shares they hold in the mother-society. The profit thus insured to them acts, in the first place, on the value of the shares of the *Credit Mobilier* itself, while their high range, in the second place, insures a high value to the new shares to be emitted. In this manner the *Crédit Mobilier* obtains command over a large portion of the loanable capital intended for investment in industrial enterprises.

Now, apart from the fact that the premium is thus the real pivot on which the activity of the *Credit Mobilier* turns, its object is apparently to affect capital in a manner which is the very reverse of the action of commercial banks. A commercial bank, by its discounts, loans, and emission of notes, sets free temporarily fixed capital, while the *Credit Mobilier* fixes actually floating capital. Railway-shares, for instance, may be very floating, but the capital they represent, *i. e.*, the capital employed in the construction of the railway is fixed. A mill-owner who would sink in buildings and machinery a part of his capital out of proportion with the part reserved for the payment of wages and the purchase of raw material, would very soon find his mill stopped. The same holds good with a nation. Almost every commercial crisis in modern times has been connected with a derangement in the due proportion between floating and fixed capital. What, then, must be the result of the working of an institution like the *Credit Mobilier*, the direct purpose of which is to fix as much as possible of the loanable capital of the country in railways, canals, mines, docks, steamships, forges, and other industrial undertakings, without any regard to the productive capacities of the country?

According to its statutes, the *Credit Mobilier* can patronize only such industrial concerns as are carried on by anonymous societies, or joint-stock companies with limited responsibility. Consequently there must arise a tendency to start as many such societies as possible, and, further, to bring all industrial undertakings under the form of these societies. Now, it cannot be denied that the application of joint-stock companies to industry marks a new epoch in the economical life of modern nations. On the one hand it has revealed the productive powers of association, not suspected before, and called into life industrial creations, on a scale unattainable by the efforts of individual capitalists; on the other hand, it must not be forgotten, that in joint-stock companies it is not the individuals that are associated, but the capitals. By this contrivance, proprietors have been converted into shareholders, *i. e.*, speculators. The concentration of capital has been accelerated, and, as it natural corollary, the downfall of the small middle class. A sort of industrial kings have been created, whose power stands in inverse ratio to their responsibility—they being responsible only to the amount of their shares, while disposing of the whole capital of the society—forming a more or less permanent body, while the mass of shareholders is undergoing a constant process of decomposition and renewal, and enabled, by the very disposal of the joint influence and wealth of the society, to bribe its single rebellious members. Beneath this oligarchic Board of Directors is placed a bureaucratic body of the practical managers and agents of the society, and beneath them, without any transition, an enormous and daily-swelling mass of mere wages laborers—whose dependence and helplessness increase with the dimensions of the capital that employs them, but who also become more dangerous in direct ratio to the decreasing number of its representatives. It is the immortal merit of Fourier to have predicted this form of modern industry, under the name of *Industrial Feudalism*. Certainly neither Mr. Isaac, nor Mr. Emile Pereire, nor Mr. Morny, nor Mr. Bonaparte could have invented this. There existed, also, before their epoch, banks lending their credit to industrial joint-stock companies. What they invented was a joint-stock bank aiming at the monopoly of the formerly divided and multiform action of the private money-lenders, and whose leading principle should be the creation of a vast number of industrial companies, not with the view of productive investments, but simply for the object of stockjobbing profits. The new idea they have started is to render the industrial feudalism tributary to stock-jobbing.

According to the statutes, the capital of the *Credit Mobilier* is fixed at 60,000,000 of francs. The same statutes allow it to receive deposits in accounts-current for twice that sum, *i. e.*, for 120,000,000. The sum at the disposal of the society thus amounts altogether to 180,000,000 of francs. Measured by the bold scheme of obtaining the patronage of the whole industry of France, this is certainly a very small sum. But two-thirds of this sum can hardly be applied to the purchase of industrial shares, or such values as do not command the certainty of immediate realization, precisely because they are received on call. For this reason the statutes open another resource to the *Credit Mobilier*. It is authorized to issue debentures amounting to ten times its original capital, *i. e.*, to the amount of 600,000,000 francs; or, in other words, the institution intended for the accommodation of all the world is authorized to come into the market as a borrower for a sum ten times larger than its own capital. "Our debentures," says M. Pereire, "will be of two kinds. "The first, issued for a short period, must correspond with our various temporary investments." With this sort of debentures we have nothing to do here, as, by article VIII. of the statutes, they are to be issued only to make up the supposed balance short of the 120,000,000 to be received in current account, which have been entirely received in that way. With respect to the other class of debentures, "they are issued with remote dates of "payment, reimbursable by redemption, and will "correspond with the investments of like nature, "which we shall have made either in public funds or "in shares and debentures of manufacturing companies." According to the economy of the system "which serves as the basis of our Association, "these securities will not only be secured by a "corresponding amount of funds purchased under "the control of Government, and the united total "of which will afford, by the application of the "principle of mutuality, the advantages of a compensation and division of the risks, but they will "have, besides, the guarantee of a capital which, "for that object, we have increased to a considerable amount."

Now, these debentures of the *Crédit Mobilier* are simply imitations of railway bonds—obligations redeemable at certain epochs and under certain conditions, and bearing a fixed interest. But there is a difference. While railway bonds are often secured by a mortgage of the railway itself, what is the security for the *Crédit-Mobilier* debentures? The *rentes*, shares, debentures and the like, of industrial companies, which the *Crédit Mobilier* buys with its own debentures. Then, what is gained by their emission? The difference between the interest payable on the debentures of the *Crédit Mobilier* and the interest receivable on the shares and the like, in which it has invested its loan. To make this operation sufficiently profitable, the *Crédit Mobilier* is obliged to place the capital realized by the issue of its debentures in such investments as promise the most remunerative returns, *i. e.*, in shares subject to great fluctuations and alterations of price. The main security for its debentures, therefore, will consist of the shares of the very industrial companies started by the Association itself.

Thus, while railway bonds are secured by a capital at least twice in amount, these *Credit-Mobilier* debentures are secured by a capital only nominally of the same amount, but which must fall below, with every downward movement of the stock-market. The holders of these debentures, accordingly, share in all the risks of the shareholders, without participating in their profits. "But," says the last Annual Report, "the holders "of the debentures have not only the guaranty of "the investments in which it [the *Credit Mobilier*] "has placed its loans, but also that of its original capital." The original capital, 60,000,000, responsible for the 120,000,000 of deposits, offers to serve as guaranty to 600,000,000 of debentures, besides the guaranties it may be required to furnish for the unlimited number of enterprises which the *Credit Mobilier* is authorized to start. If the Association were to succeed in exchanging the shares of all industrial companies against its own debentures, it would indeed become the supreme director and proprietor of the whole industry of France, while the mass of ancient proprietors would find themselves pensioned with a fixed revenue equal to the interest on the debentures. But, on the road to this consummation, the bankruptcy which follows from the economical conditions we have above illustrated, will stop the bold adventurers. This little accident, however, has not been overlooked; on the contrary, the real founders of the *Credit Mobilier* have included it in their calculations. When that crash comes, after an immensity of French interests has been involved, the Government of Bonaparte will seem justified in interfering with the *Credit Mobilier*, as the English Government did in 1797 with the Bank of England. The Regent of France, that worthy sire of Louis Philippe, tried to get rid of the public debt by converting the State obligations into obligations of Law's Bank; Louis Bonaparte, the imperial Socialist, will try try to seize upon French industry by converting the debentures of the *Credit Mobilier* into State obligations. Will he prove more solvent than the *Credit Mobilier*? That is the question.

SECTIONALISM.

It is often made a matter of reproach to Republicans that they have no party in the Slave region. "You are sectional," it is charged, "else your organization would not be confined to the Free "States." In reply, we insist that we *have* compatriots in the Slave States—not merely those who openly and boldly sympathize with us, like Cassius M. Clay, but tens of thousands who would gladly do so but for the reign of terror which Slavery deems vital to its existence. St. Louis is this hour as hostile to Slavery as Rochester, and New-Orleans more so than Philadelphia; but Slavery has its club ever ready to break the heads of those who within its bailiwick venture to question its policy or sway. Its champions are knit together by the sense of a common interest, a common danger; they live on the labor of others, and have more leisure for politics than their fellow-citizens; they are accustomed to rule and the non-slaveholders to submit; they are in constant communication, and understand each other; while their domestic adversaries are mainly humble, isolated and downtrodden. If every man in the Slave States dare speak out what he thinks, Slavery would soon totter to its fall.

Among the delegates from Slave States to the late People's Convention at Philadelphia was Mr. J. C. Underwood of Clarke County, Virginia, who made a brief speech thereat, evincing his devotion to the common cause. Traveling leisurely homeward after the adjournment of the Convention, he was met at Washington by intelligence that his attendance and remarks as a Delegate had greatly incensed his neighbors and caused a fierce excitement throughout the county, and that he must not venture to return to his home! Finding on inquiry that there was no mistake in this information, he stopped at Washington and sent a friend (Gen. Francis E. Spinner, M. C. from Herkimer Co. in this State) for his family. Gen. Spinner started last Friday morning—a noble way of spending the Fourth of July—and returned the next evening with Mr. Underwood's family. Mr. Underwood, in a letter of Monday last to *The Evening Post*, says:

"I am not a planter, for the sweat of unpaid labor has never moistened my fields, and, while I should be unwilling to acknowledge any man master, I would scorn to call any man slave. One month ago, I supposed I owned 800 acres of Virginia soil, but perhaps the respectable gentlemen who have driven me from the State have confiscated my property by a new code established very recently. My wife, who reached me on Saturday evening, informs me that when she appealed to the respectable gentlemen, who demanded either my blood or banishment from the State, to know what law of Virginia I had violated, they replied to her that they did not know that I had broken any law, but that I had broken the 'rules of Virginia.' Now, as I am not acquainted with these 'rules of Virginia,' I think it very possible that they may apply to property as well as personal freedom. It seems to me that confiscation is just as suitable a 'rule' as exile, to apply to freedom of opinion. One of the old rules of Virginia, as I had supposed, was free speech, and, in the language of Jefferson, I had thought that even 'error of opinion might be safely tolerated where reason is left her to combat it.'

* * * * "My poor wife was almost broken down with loss of sleep and excitement, having been haunted for two weeks with visions of murder and assassination. She is now, however, much improved by the rest of a quiet Sabbath, and by the generous sympathy which has seemed to breathe like a new atmosphere around her.

"We intend to leave this city in a day or two, seeking a temporary refuge in some of the quiet hills of the Free North. Yours truly,

"J. C. UNDERWOOD."

—The correspondent of *The Post* writes from Washington as follows:

"Mr. Underwood, the Virginian who was so summarily expelled by his Pro-Slavery neighbors from the 'Old Dominion,' for making a speech at the National Republican Convention, leaves Washington this afternoon for New-York, with his family. In order to prepare for the abandonment of his fine farm in the valley of the Shenandoah, he was not allowed to approach nearer home than this city, and a Member of Congress volunteered, as a friend, to bring his family thence to meet him in Washington, so as to join him in his journey to a free State. The gentleman who performed this office informs me that all manner of preposterous stories are in circulation among the slaveholding neighbors of Mr. Underwood to his prejudice. One of the most absurd of them signally displays the ignorance prevailing in the rural districts of the slave States, namely: that he was in the habit of stealing negroes and selling them at half price *in Canada!* I am also informed by the same gentleman that during his excursion to the place where Mr. Underwood resides, whenever the more liberal of his neighbors uttered any sentiment of sympathy for him, or any sentiment of an Anti-Slavery character, they would first look back over their shoulders to make sure they were not overheard, probably with the apprehension that they might share his fate—a significant testimony to the oppressive surveillance under which free speech and free action are impossible."

INTERESTING FROM KANSAS.

PROGRESS OF SUBJUGATION.

EFFECTS OF THE CIVIL WAR.

From Our Special Correspondent.

OSAWATTAMIE, K. T., June 28, 1856.

The southern portion of Kansas Territory, from the Wakerusa to the Neosha, is certainly the most beautiful in the world. The prairies are not very large. On the way from Lawrence to the south, the traveler has rarely to travel more than three miles between the streams. The prairies are neither so broken, nor do we find as much rock on the surface. Springs and clear fountains are more common. I do not think there are many prettier streams to be found in the West than the *Marie de Cygnet* (Merodesin). It is the upper part of the Osage River, and bears the latter name below Osawattamie, where the Potawatamie unites with the Merodesin.

But beautiful although the outer aspects of the country, they did not conceal the evidences of the civil feud raging in Kansas. Removed from the more stirring points of action, there is not so much to startle, but the route I pursued toward the South portion of the Territory lay within forty or fifty miles of the Missouri frontier, and the foot-prints of the Border-Ruffians were observable here. I saw many deserted houses, and fields where the young corn was flapping its yet narrow leaves in the sunshine, while the owners of these establishments were fleeing from evils they deemed greater than loss of property, or poverty. One fact I noticed, however, no inconsiderable portion of those absentees were Pro-Slavery men.

In the neighborhood of Osawattamie lives Capt. Brown, and after the war had fairly broken out this Spring, that gentleman went into it after a fashion not peculiarly suited to the views of the Border Ruffians and their confreres in the Territory. Those who had held a monopoly of infamous persecution, and who had delighted to harass the Free-State settlers, killing, burning, plundering, and driving off, learned to their astonishment that this was a game at which more than one can play, and, terrified by the fearless energy of their opponent, quailed before it. Some of the more delicately scrupulous and refined of the Free-State settlers shrank from some of the acts of Brown, and when the account of his course reached them through Pro-Slavery channels, distorted by fear and bitter party prejudice, some of them did not hesitate to denounce those Free-State men who thus stepped into the vortex of civil war in which others had plunged them, and anxious to eschew all imputation of such real or fancied guilt, freely condemned in others that which timidity, or a hope that there would be "peace—peace when "there was no peace," had prevented themselves from doing. It is more than likely that some of the acts of these guerilla bands have been such as a peace loving man would not admire, and perhaps the warfare may have been waged with a bitterness which every honorable man must deplore. But as I stood on the ashes of the homes of the Free-State men—as I thought of them skulking along the streams and ravines, enduring the hardships of the most severe camping life, in order to escape the dragoons who, at the heels of infamous Missouri Sheriffs and Deputy-Sheriffs, were trooping after them—as I contemplated their blighted prospects and impoverished homes, and remembered the Border-Ruffian source of all these calamities—as I reflected that the relatives of many of these men were in ignominious prisons, chained like felons, indicted for treason, and only for daring to will it that the beautiful country over which I was traveling should never be cursed with the pollution of Slavery—then I comprehended the spirit and motives by which they might be impelled; and in reflecting that civil war was always the most bitter and implacable, wished for the happy days when there would be no "Guelphs and Ghibbelines."

Osawattamie is a very pretty town, and stands between the Marie de Cygnet and the Potawatamie Creek, just above their junction. Here there are several stores and places of business. A very good saw-mill, the best I have seen in the Territory, has just commenced running, although it is not completed. Its engines and boilers give it a large amount of power, and although there is only one circular saw in operation, the intention is to run another saw, a pair of stones, and other machinery. Osawattamie is well laid out, and although the citizens told me that all improvement was at present arrested, and business and every thing else was suffering, all of which I could see, still it bore the marks of what would be prosperity under happier circumstances.

I heard many grievous complaints, and listened to statement after statement of the losses by the recent sacking of the place by the Westport and Independence Ruffians. I first thought of publishing a list of these losses, but at this, lapse of time from the transaction, I felt that the space it would occupy would be too great for a report from such a fertile field for outrages in Kansas. I found men who had been robbed of their all, and who, while scarcely able to remain, were yet unable to leave. Some of the more delicate minded were timid, and evidently felt like being quiet non-resistent under the fallacious hope that *they*, as individuals, might happily escape the observation of their enemies, a hope that their experience has already proved to be false, and which, till every man is aroused to stand by the rights he would wish defended, will prove to be false, and a dangerous illusion. The fiat has gone forth, the Free-State men are to be driven from the Territory by the minions of the Slave Power, and its corrupt tools, who covet their places, and the dispelling of such vain and false hopes as leave them exposed and comparatively defenseless, will be their best and only security.

Immediately on the high prairie, to the back of Osawattamie, the white tents of the United States troops are visible in fair array. These had been camped close to Osawattamie until the morning of the day when the town was attacked and plundered; that morning they left, and marched off on some other duty, and although many messengers implored them to go to the point of attack, they never got to Osawattamie until four days after the sacking of the place. Even then there was a camp composed of some of the men who had engaged in the outrage on Bull Creek, only eight miles distant, but no attempt to follow them was made, nor did the dragoons ever recover a particle of the property taken, or arrest a single one of the perpetrators, although some one or two Pro-Slavery residents of the country adjacent had engaged with the Missourians in the affair. There is never an arrest made in Kansas, but of Free-State men, no matter how heinous the crimes of their enemies.

Capt. Pate, the correspondent of *The Missouri Republican*, besides sending specially-colored moralizings about the troubles in Kansas, has a fair show in making them. He resides near Westport, Mo., but comes up every now and then in warlike or plundering excursions, helping to make his other vocations more profitable by taking a hand, aiding and abbeting, stealing from the "D—d Abolitionists." Capt. P. was at Osawattamie during the sack, and he and his men did much to retrieve the reputation tarnished on the field of Palmyra. They carried with them many interesting relics of Osawattamie. It was this company who burned the houses of the Browns—these pieces of incendiarism having been committed while traveling with the dragoons, the latter only being a short way off. The dragoons also received from them the Free-State prisoners that Pate captured while they were helpless on their claims. Although these men were taken without the shadow of legal process, the dragoons chained and guarded them in their camp—keeping them thus for weeks until the bogus authorities had time to trump up a charge and indictments against them.

Of the sixteen horses taken from Osawattamie, two have been recovered. These belonged to the mail-agent between Westport and Osawattamie. Their being in Osawattamie at the time, suffered from being in bad company. Through the kind instrumentality of Col. Boone, now Postmaster in Westport (the successor of Sheriff Jones), one of the horses was recovered; it was found, I believe, with the Hon. Milton Magee, of Westport, and was persuaded back by the influence of the Postmaster. The other was yet in possession of Capt. Reed, of Independence. Capt. Reed was chief in command of the Osawattamie robbers. He is now a candidate for Congress, one of the grandees of Independence, "a Southern Rights man to the core." *Sic transit gloria.*

It was in Osawattamie that I first heard of the atrocious murder of Mr. Gay, the Shawnee Indian Agent. I got the particulars minutely from one who was acquainted with the murdered man, and who has just got to Osawattamie from the scene of the transaction. Mr. Gay was recently appointed by the Administration at Washington. He was from Michigan. He had been a National Democrat of the Douglas discipleship, but an honest one, and had come to Kansas prepared to disapprove of the steps taken by the Free-State men to defend themselves from the attacks of Slavery, but tried to reconcile this with a desire to see Kansas a Free State. I think the scales of the "Squatter Sovereignty" delusion must have fallen from his eyes ere they were brutally closed in the long sleep of political martyrdom for Freedom. Buford's company had a camp in the Shawnee Reserve. This camp was composed of Southerners and volunteers from around Westport. Being in the lower part of the Reserve, and having no Free-State men to plunder save an occasional unlucky traveler, they commenced operations on the Indians, killing their hogs, and making themselves *at home* in a variety of ways. This was going on while the troops were camped some twenty miles up the Reserve, for the purpose of driving them out. Mr. Gay, as was his duty, having been complained to by the Indians, went to Sumner, and requested that the Shawnee property be defended. It was then that Sumner drove out this camp, and they, when they first saw the soldiers, hoisted their flag, and prepared for action, but seeing the artillery, and the strength of the dragoons, hauled down their flag and left. This was undoubtedly the cause of Gay's death.

My informant, while going from Westport to Kansas City, last Saturday, met Mr. Gay and his son going toward Westport, and on conversation learned that they were going toward the Shawnee Reserve; alas! they never reached it. They had gone through Westport, and had passed on the great California road, and had just reached the State line, when they were met by three men, two of them belonging to Buford's camp, and one being a resident of Westport. They accosted Mr. Gay and his son, and offered them something to drink; the son tasted the liquor, but Mr. Gay told them he never drank. Upon that they asked him whether he was a Free-State man or a Pro-Slavery man, and he had just said he was a Free-State man, when one of the villains drew his revolver and shot Mr. Gay in the breast. The wound was desperate, and would probably have proved fatal, but the victim had strength and courage to seize his assassin, drag him from his horse and throw him on the ground. At this point the young man, seeing that they were unarmed and would be overpowered, cried to his father to flee, and just as that father was about to do so he received several other pistol shots—one entered the back of his head, another penetrated the temple above the eye, and one pierced his hand. He dropped dead, and the son, seeing his father's fate, turned and fled. A great many shots were fired at the young man, but only one bullet hit him, wounding him severely in the thigh. They followed him, screaming and shouting to "Kill him," but he escaped into Westport. The corpse of the murdered man was brought into Westport that evening. At the instance of some indignant citizen, a warrant was issued by a magistrate, but no officer could be found to serve it; they dared not, even if they had wished. After a day or so, the business men of the place, fearing the effect of such a brutal murder of a United States officer, offered a reward of $600 for the apprehension of the murderers; but this was a farce. Who dare arrest any one for such a crime in Western Missouri?

I learn here that part of the plunder taken from Osawattamie is stored in the warehouses of certain merchants in Westport.

Major Buford has a camp of 200 men at the farm of Majors & Russell, a few miles from Westport. Other 200 are camped around the country, in the neighborhood of Westport and Independence, or billeted on the people. Many have left and gone back to the South, but others arrive and fill their places.

I learn that a company of 60 men straggled up the Santa Fé road, a few days ago. Three wagons carried their arms and tent equipage. They carried their side arms. Missouri is again arming. It is reported that the Governor of Missouri has ordered a company from every county for the Kansas war.

Great indignation and regret prevails in the Territory, on the receipt of the intelligence of the capture and disarming and plundering of the Free-State company at Lexington. I suppose you have the particulars before this. Another company was coming up; it is feared they fared in the same way. Lexington, Independence and Westport may pay for this yet.

ANOTHER FEATURE OF THE CONSPIRACY.

From Our Special Correspondent.

LAWRENCE, K. T., Tuesday, July 1, 1856.

Lawrence has again been thrown into considerable excitement by the intelligence just received that another company of Free-State emigrants, numbering seventy-five men, have been arrested on the Missouri River by the Pro-Slavery ruffians, all their baggage and arms taken, and they placed under guard and sent back. It is just what I expected—what may be expected by these infamous Missouri River boats, and from these piratical Missouri towns. Let no small party venture up. Individuals, who are willing to submit to insult or to be plundered, may possibly get through. I would recommend even these to trust only such boats as may run direct from Alton to Leavenworth. A large party should at least number a thousand strong; should have command of the boat, or be able to take command of it; should have at least two brass howitzers or swivel guns, and after they get to Jefferson City should take it for granted that they are in an enemy's country; keep close guard; never allow the boat to be chained up at or touch at a town where a large force is drawn up to meet them. They should be under able and fearless leaders, should be under arms, properly disposed to fight to advantage whenever they approached a Border-Ruffian town, and should commence firing at once upon any party that attempted to interfere with them. In this way, a trip up the Missouri might be made in safety, but I do not wish to be understood as recommending it. Two other precautions I had nearly forgotten. No large armed body should ever be allowed to come on board at these places, on any pretense: and lastly, whenever the boat was passing a point of danger two men with revolvers should be stationed beside the captain and the pilot, to blow out the brains of either who should show any treachery, or if the latter run the boat aground. These are serious matters, and must be seriously contemplated by all who are unwilling to be plundered or taken. This Missouri River piracy is getting to be a very serious evil. Can the Government do nothing to put a stop to it? If they don't, they may expect that those interested soon will.

I learn that the business of stopping all Free-State emigrants, be they coming in what shape they may, is general and systematic. The roads leading through Northwestern Missouri to St. Joseph, Parksville and Liberty, are carefully guarded, and emigrants from the Western States, in wagons with their families, are turned back, and in some cases abused and plundered. Missouri and the Southern armed emigrants think they can take care of, and are coolly preparing to sweep out the Free-State settlers by wholesale murder, but they are determined that no more Free-State men shall be permitted to enter the Territory. Well, let them beware. Our numbers are few; our ranks are thinned by villainous arrests, and still more villainous murder; but they may find another "three hundred" as brave as those who fought at Thermopylæ, to stand in the breach. We cannot fight all Missouri, but as sure as there is a just God in Heaven, if there is another Missouri invasion, we will try.

One old man came to me to-day, and asked me "what he should do; what redress he could have?" His son, with his wife and family, had been coming to join him in the Territory, but had been driven back while trying to cross the river at Parkville. I told him there was no remedy; none in the courts, none in the Territorial or National Executive; no security, even, but what the strength of his arm guaranteed.

The dragoons center their forces toward Topeka. The Missouri frontier is once more exposed, and at the very time that another invasion may be expected. Last night intelligence came in that the dragoons were going about trying to disarm Free-State people. I have no doubt from what I have seen that the dragoons will attempt to take the arms from all Free-State men going toward Topeka, and with the bands of banditti in the country, and the prospect of an invasion, the people cannot and *will* not allow themselves to be disarmed. We hear that Gen. Smith is coming. Who is General Smith? What is he coming to do? Is he to be the flunkey of a would be bogus Sheriff, or a special tool to execute the laws Missouri has violently imposed on us? These are questions the people of Kansas must have satisfactorily answered before they will have any confidence in any man sent here. I think any change of military commanders is a mere farce, and can have no effect in settling affairs here.

I see that Capt. Pate, in his own account of the battle of Palmyra, has been guilty of many gross misstatements. Capt. Brown did not deceive him with a flag of truce. He *knowingly* surrendered, and both he and his men were *glad* to do so. Neither was it true that he had any commission from the Governor. The statement that part of his men lived in Johnson County, Kansas, may be understood when it is known that Johnson County is in the Reserve, where no white men are allowed to live. That he has a claim in the Territory is likely, that his home is about Westport, Missouri, is certain, and that he stands a fair chance to take another claim "six feet by two," is highly probable if he brings up another band of Westport scoundrels to plunder in the Territory again. That he and his company traveled for some time in conjunction with Capt. Wood's company of dragoons, is true enough, and is a burning disgrace to that officer and the public service. It is also true that this association of troops and highwaymen made sundry arrests of Free-State men without process of law, and that the troops kept these prisoners without any legal authority for weeks, and treated them with great inhumanity. It is also true that while they thus traveled together Pate and his men burned up several houses of Free-State men, and in that of John Brown, jr., destroyed a large amount of valuable property beside the building. It is also true that his men plundered Palmyra on the evening of Saturday, and on the Sunday preceding the battle; and that Pate took charge of the plunder as it was brought to his camp. It is also true that he and his men took three unoffending Free-State men prisoners just before the battle, namely: Dr. Graham, preacher Moore, and another settler of that neighborhood. It is true that on Sunday a party of his men started over to plunder Prairie City, the prisoners heard them plot the attack before they started. It is true that these men arrived at Prairie City during divine service, and realized that the Free-State men can "watch as well as pray," for four of them were taken prisoners during their ill-starred attack on the place, and the rest galloped back with a dismal story of their adventure. It is true that Dr. Graham counted sixty men in their camp on Sunday evening, and that upward of fifty actually participated in the engagement. It is true that the exact total of the Free-State forces that left Prairie City that morning was thirty men. It is true that two of these stayed off some distance to guard the horses, and other two went after reenforcements. It is true that Capt. Brown, with nine men, went around to attack from the head or south side of the ravine, and that Capt. Shore, with fifteen men, marched over the ridge and came down over the open prairie, fearlessly making the attack. It is true that, after the first four volleys had been interchanged, Pate's men fled from the wagons behind which they had been ranged, and hid in the ravine—many of them yelling in wild fear that they "were whipped." It is true that, after two and a half hours' firing, they, thus protected, were so afraid of their precious persons, that they sent one of their prisoners out with a white flag when they wished to surrender; and it is true, that no other Free-State reenforcements arrived until after the battle was over. I subjoin these statements, which can be proved, in correction of both Capt. Pate's *inaccuracies*, and to give a more correct account of this truly gallant affair than I have yet been able to give. Only two Free-State men were wounded in the engagement, and they not very severely. Dr. Graham was also fired at by his merciless captors a dozen times during the engagement, when they were too cowardly to go out and meet their enemies. He received two bullets in his body, but is getting well. He escaped from them after they commenced firing.

LAWRENCE, K. T., Tuesday, July 1, 1856.

I have just read in THE TRIBUNE of June 13, an article from the pen of Capt. H. C. Pate, headed "The "Battle of Black Jack Point" (in other words the battle of Palmyra), and take the liberty of correcting a very few of Capt Pate's statements in reference to that affair, having had personal cognizance of what then occurred. The first statement I would notice is in these words: "At first the enemy squatted down in "open prairie and fired at a distance from 300 to 400 "yards from us. Their lines were soon broken and "they hastily ran to a ravine for shelter." This is wrong, as my company formed in a distinct line from Capt. Shore and his men, and without stopping to fire a gun passed at once into a ravine on the enemy's right, where we commenced our fire on them, and where we remained till the enemy hoisted the white flag. I expected Capt. Shore to form his men and occupy a similar position on the left of the enemy, but was disappointed, he halting on the eastern slope above the ravine, in front of the enemy's camp. This I consider as the principal mistake in our part of the action, as Capt. Shore was unable to retain this unfortunate position; and when he, with part of his men left it and joined my company, the balance of his company quit the field entirely. One of them was wounded and disabled. Capt. Shore and all his men, I believe, had for a considerable time kept that position, and received the fire of the enemy like the best regular troops (to their praise I would say it), and until they had to a considerable extent exhausted their ammunition. Capt. Pate says: "When the fight commenced "our forces were nearly equal." I here say most distinctly, that twenty-six, officers and men all told, was the entire force on the Free-State side who were on the ground at all during the fight, or in any way whatever participated in it. Of these Capt. Shore and his company numbered sixteen all told. My company, ten only, including myself. Six of these were of my own family. He says further, "but I saw that reenforcements for the Abolitionists were near," &c. Capt. Pate, it seems, could see much better than we; for we neither saw nor received any possible reenforcements until some minutes after the surrender, nor did we understand that any help was near us, and at the time of the surrender our entire force officers and men, all told, had dwindled down to but fifteen men, who were either on or about the field. Capt. Shore and his men had all left the field but eight. One of his men who had left was wounded and was obliged to leave. Of the eight who remained four, whose names I love to repeat, stood nobly by four of my men till the fight was over. The other four had, with two of my company, become disheartened and gone to a point out of reach of the enemy's fire, where, by the utmost exertion, I had kept them to make a little show, and busied one of them in shooting mules and horses to divert the others and keep them from running off. One of my men had been terribly wounded and left, after holding on for an hour afterward. Fifteen Free-State men, all told, were all that remained on and near the ground at the time the surrender was made; and it was made to nine men only, myself included in that number. Twenty-five of the enemy, including two men terribly wounded, were made prisoners. Capt. Pate reproaches me with a most dishonorable violation of the rights secured under a flag of truce, but says: "My object was to gain "time, and if possible have hostilities suspended for "a while." So much, in his own language, for good faith, of which he found me so destitute. Now for my dishonorable violation of the flag of truce: When I first saw it I had just been to the six discouraged men above named, and started at once to meet it, being at the moment from sixty to eighty rods from the enemy's camp, and met it about half way, carried by two men, one a Free-State man, a prisoner of theirs; the other was young Turner, of whom Capt. Pate speaks in such high terms. I think him as brave as Capt. Pate represents. Of his disposition and character in other respects I say nothing now. The country and the world may probably know more hereafter. I at once learned from those bearing the flag of truce that in reality they had no other design than to divert me and consume time by getting me to go to their camp to hear explanations. I then told young James to stand by me with his arms, saying, "We are both equally exposed to the fire of both parties," and sent their prisoner back to tell the Captain that, if he had any proposal to make, to come at once and make it. He also came armed to where I and young James were—some forty or fifty rods from either party, and I alone. He immediately began to tell about his authority from the General Government, by way of explanation, as he said. I replied that I should listen to nothing of that kind, and that, if he had any proposal to make, I would hear it at once, and that, if he had none for me, I had one for him, and that was immediate and unconditional surrender. I then said to him and young James, (both well armed,) "You must go down with me to your camp, and there all of you lay down your arms," when the three started, they continuing armed until the full surrender was made. I, an old man of nearly sixty years, and fully exposed to the weapons of two young men at my side, as well as the fire of their men in their camp, so far, and no further, took them prisoners under their flag of truce. On our way to their camp, as we passed within hailing distance of the eight men, who had kept their position firm, I directed them to pass down the ravine in front of the enemy's camp about twenty rods off, to receive the surrender. Such was my violation of the flag of truce. Let others judge. I had not during the time of the above transactions with Capt. Pate and his flag of truce a single man secreted near me who could possibly have pointed a rifle at Capt. Pate, nor a man nearer than forty rods till we came near their camp. Capt. Pate complains of our treatment in regard to cooking, &c., but forgets to say that, after the fight was over, when I and some of my men had eaten only once in nearly forty-eight hours, we first of all gave Capt. Pate and his men as good a dinner as we could obtain for them, I being the last man to take a morsel. During the time we kept them it was with difficulty I could keep enough men in camp away from their business and their families to guard our prisoners; I being myself obliged to stand guard six hours—between four in the afternoon and six in the morning. We were so poorly supplied with provisions that the best we could possibly do was to let our prisoners use their own provisions; and as for tents, we, for the most part, had none, while we sent a team and brought in theirs, which they occupied exclusively. Capt. Pate and his men had burned or carried off my own tent, where one of my sons lived, with all its contents, provisions &c., some four or five days before the fight. We did not search our prisoners, nor take from them one cent of their money, a watch, or anything but arms, horses, and military stores. I would ask Capt. Pate and his men how our people fared at their hands at Lawrence, Osawattamie, Brown's Station, and elsewhere, my two sons, John, jr., and Jason Brown, being of the number? We never had, at any time, near Capt. Pate, or where his men were, to exceed half the number he states. We had only three men wounded in the fight, and all of those have nearly recovered, and not one killed or since dead. See his statement. I am sorry that a young man of good acquirements and fair abilities should, by his own statement, knowingly and willfully made, do himself much greater injury than he even accuses "Old Brown" of doing him. He is most welcome to all the satisfaction which his treatment of myself and family before the fight, his polite and gentlemanly return for my own treatment of himself and his men have called forth since he was a prisoner, and released by Col. Sumner, can possibly afford to his honorable and ingenuous mind. I have also seen a brief notice of this affair by Lieutenant Brockett, and it affords me real satisfaction to say that I do not notice a single sentence in it that is in the least degree characterized by either direct or indirect untruthfulness. I will add that when Capt. Pate's sword and pistols were taken from him at his camp, he particularly requested me to take them into my own care, which I did, and returned them to him when Col. Sumner took him and his men from us. I subjoin a copy of an agreement made with Capt. Shore and myself by Capt. Pate and his Lieutenant, Brocket, in regard to exchange of prisoners taken by both parties, which agreement Col. Sumner did not require the Pro-Slavery party to comply with. A good illustration of governmental protection to the people of Kansas from the first:

[COPY.]

This is an article of agreement between Captains John Brown, sen., and Samuel T. Shore of the first part, and Capt. H. C. Pate and Lieut. W. B. Brocket of the second part, and witnesses, that in consideration of the fact that the parties of the first part have a number of Capt. Pate's company prisoners, that they agree to give up and fully liberate one of their prisoners for one of those lately arrested near Stanton, Osawattamie, and Potawatomie, and so on, one of the former for one of the latter alternately until all are liberated. It is understood and agreed by the parties that the sons of Capt. John Brown, sen., Capt. John Brown, jr., and Jason Brown, are to be among the liberated parties (if not already liberated), and are to be exchanged for Capt. Pate and Lieut. Brocket respectively. The prisoners are to be brought on neut