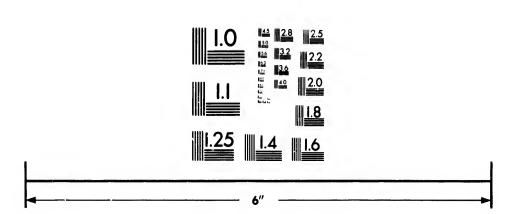
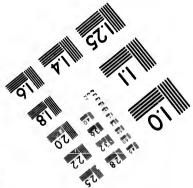


IMAGE EVALUATION TEST TARGET (MT-3)



Photographic Sciences Corporation

23 WEST MAIN STREET WEBSTER, N.Y. 14580 (716) 872-4503





CIHM/ICMH Microfiche Series. CIHM/ICMH Collection de microfiches.



Canadian Institute for Historical Microreproductions / Institut canadian de microreproductions historiques



(C) 1987

Technical and Bibliographic Notes/Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming, are checked below.					L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.				
	Coloured covers/ Couverture de cou	leur			Coloured Pages de				
	Covers damaged/ Couverture endom	magée			Pages das Pages en		ées		
	Covers restored an						d/or lamir et/ou pelli		
	Cover title missing Le titre de couvert			V			, stained (tachetées		es
	Coloured maps/ Cartes géographiq	ues en couleur			Pages des Pages dés				
	Coloured ink (i.e. o Encre de couleur (i				Showthro Transpare	-			
	Coloured plates an Planches et/ou illu			~	Quality of Qualité in			on	
	Bound with other Relié avec d'autres						ntary mat ériel supp		•
	Tight binding may along interior mare Lare liure serrée po distorsion le long d	gin/ eut causer de l'or	mbre ou de la		Only editi Seule édit Pages wh slips, tisse	tion d is po	onible artially ob		
	Blank leaves added during restoration may appear within the text. Whenever possible, these have been omitted from filming/ II se peut que certaines pages blanches ejoutées lors d'une restauration apparaissent dans le texte, mais, lorsque cela était possible, ces pages n'ont pas été filmées.				ensure the best possible image/ Les pages totalement ou partielle obscurcies par un feuillet d'erret etc., ont été filmées à nouveau d obtenir la meilleure image possib			ige/ rtiellemen erreta, und eu de fac	t e pelure,
	Additional comme Commentaires sup								
	item is filmed at th locument est filmé :	au taux de réduc				26X		30 X	
100									
	12X	16X	20X		24X		28X		32X

The to t

The pos of t film

Orig beg the sion othe first sion or il

The shall TING which

Map diffe entibegi righ requ met The copy filmed here has been reproduced thanks to the generosity of:

University of British Columbia Library

The images appearing here are the best quality possible considering the condition and legibility of the original copy and in keeping with the filming contract specifications.

tails du odifier

une

nage

rata

elure.

Original copies in printed paper covers are filmed beginning with the front cover and ending on the last page with a printed or illustrated impression, or the back cover when appropriate. All other original copies are filmed beginning on the first page with a printed or illustrated impression, and ending on the last page with a printed or illustrated impression.

The last recorded frame on each microfiche shall contain the symbol → (meaning "CONTINUED"), or the symbol ▼ (meaning "END"), whicheve: applies.

Maps, plates, charts, etc., may be filmed at different reduction ratios. Those too large to be entirely included in one exposure are filmed beginning in the upper left hand corner, left to right and top to bottom, as meny frames as required. The following diagrams illustrate the method:

L'exemplaire filmé fut reproduit grâce à la générosité de:

University of British Columbia Library

Les images suivantes ont été reproduites avec le plus grand soin, compte tenu de la condition et de la netteté de l'exemplaire filmé, et en conformité avec les conditions du contrat de filmage.

Les exemplaires originaux dont la couverture en papier est imprimée sont filmés en commençant par le premier plat et en terminant soit par la dernière page qui comporte une empreinte d'impression ou d'illustration, soit par le second plat, selon le cas. Tous les autres exemplaires originaux sont filmés en commençant par la première page qui comporte une empreinte d'impression ou d'illustration et en terminant par la dernière page qui comporte une telle empreinte.

Un des symboles suivants apparaîtra sur la dernière image de chaque microfiche, selon le cas: le symbole → signifie "A SUIVRE", le symbole ▼ aignifie "FIN".

Les cartes, planches, tableaux, etc., peuvent être filmés à des taux de réduction différents.

Lorsque le document est trop grand pour être reproduit en un seul cliché, il est filmé à pertir de l'angle supérieur gauche, de gauche à droite, et de haut en bas, en prenant le nombre d'images nécessaire. Les diagrammes suivants illustrent la méthode.

1	2	3

1
2
3

1	2	3
4	5	6

10000 LEAF FROM HISTORY.

REPORT

THOMPSON

SECRET AGENT OF THE LATE CONFEDERATE GOVERNMENT, STATIONED IN CANADA, FOR THE PURPOSE OF ORGAN-IZING INSURRECTION IN THE NORTHERN STATES AND BURNING THEIR PRINCIPAL CITIES.

PLANS FOR THE REVOLT AND RELEASE OF REBEL PRISON. ERS-WHOSE ASSISTANCE WAS EXPECTED-TREASON OF THE DEMOCRATIC LEADERS, AND OTHER INTER-ESTING AND IMPORTANT FACTS WHICH THE PEOPLE OUGHT TO KNOW.

[Published by the Union Republican Congressional Committee.]

nal paper now in the hands of the Government, and it will be read with intense interest by every loyal citizen:

THE REPORT.

TORONTO, C. W., Dec. 8, 1864.

Hon. J. P. BENJAMIN, Secretary of Mute:

Sir: Several times ha attempted to send you communication I bave no ussurance that any one of soom has been received. I have released no effort to carry out the objects the Government had in view in sending me here. I had hoped at different times to have accomplished more, but still I do not think my mission has been altogether fullless. At all events we have af-ford d the Northwestern States the amplest opportunity to throw off the galling dynasty at Washington, and openly to take ground in favor of State Rights and Civil Liberty. This fact must satisfy the large class of discontent; at home of the readiness and willingness of the Administration to avail itself of every proffered assistance in our great struggle for independence.

On my arrival here I heard that there was such an organization as the order of the "Some of Liberty" in the Northern States, and my first effort was to learn Its strength, tha principles, and its objects, and if possible to put myself in communication with its leading spirits. This was effected without called, and it was thought the movement on the difficulty or delay. I was received among them with cordinity, and the great-

The following is an exact copy of the origi- | was based on the consent of the parties to it; that the States were the parties, and were sovercign; that there was no authority in the General Government to coerce a seceding State. The resolutions of 1798 and 1799 were State. The resolutions of 1798 and 1799 were set forth as presenting the true theory of the Government. Its organization was essentially inllitary; it had its commanders of divisions, of origides, of regiments, of companies.

> In the month of June last the universal feeling among its members, leaders, and privates was that it was useless to hold a presidential election; Lincoln had the power and would certainly reflect himself, and there was no hope but in force. The bellef was entertained and freely expressed that by a bold, vigoron; and concerted movement the three great Northwestern States of Illinois, Indiana, and Ohlo could be seized and held. This being done, the States of Kentucky and Missouri could easily be lifted from their prostrate condition and placed on their feet, and this in sixty days would end the war. While everything was moving on smoothly to a supposed successful consummation, the first interruption in the calculation was the postponement of the meeting of the Democratic convention from the Fourth of July to the 29th of August, but preparations still went on, and in one of the States the 20th of July was fixed as the day for a movement.

16th of August was fixed upon for a general uprising. This postponement was insisted upon the ground that it was necessary to ost confidence at once extended to me. This postponement was insisted upon the ground that it was necessary to not so great as Mr. Holt, in his official report, represented it to be. Its objects were positical; its principles were that the Government is principles were that the Government is principles were made—one at Peorla.

bne at Springfield, and one at Chicago on the | home. In this view of the subject the same The first one was at Peoria, and to make it a success I agreed that so much money as was necessary would be furnished by me. It was held and was a decided suc-cess. The vast multitudes who attended seemed to be swayed but by one leading idea-Peace. The friends were encouraged and strengthened and seemed anxious for the day when they would do something to hasten them to the great goal of peace. About this time that correspondence between our friends and Horace Greeley made its appearance. Lincoln's manifesto shocked the country. The belief in some way prevailed over the North that South would agree to a reconstruction, and the politicians, especially the leading ones, conceived the idea that on such an issue Lincoln could be beaten at the ballot-box. all events they argued that the trial of the ballot-box should be made before a resort to force-always a dernier resort. 'The Springfield meeting came off, but it was apparent that the fire exhibited at Peoria had already diminished-the whole tone of the speakers was that the people must rely on the ballot-box for redress of grievances. The nerves of the leaders of the order began to relax. About this time a large lot of arms were purchased and sent to Indianapolis, which was discovered, and some of the leading men were charged with the design to arm the members of the order for treasonable purposes. Treachery showed itself at Louis-ville. Judge Bullitt and Dr. Kalfus were arrested and sent to Memphis.

The day on which the great movement was to be made became known to Mr. McDonald, candidate for Governor of Indiana, and be-lieving that it would mar his prospects for election unless prevented he threatened to expose all the parties engaged unless the project was abandoned. Thus the day passed by and nothing was done. The Chicago Con-vention came; the crowd was immense; the feeling was unanimous for peace; a general impression prevailed that a reconstruction could be had, and that it was necessary to so far pander to the military feeling as to take General McClellan to secure a certain success. This nomination, followed as it was by divers disclosures and arrests of persons, prominent members, totally demoralized the "Sons of Liberty." The feeling with the masses is as strongers ever; they are true, brave, and I believe willing and ready, but they have no leaders. The vigilance of the Administration, its large detective force, the large bounties paid for treachery, and the respectable men who have yielded to the temptation, added to the large military force stationed in these States, make organization; and preparation almost an impossibility. A large sum of money has been expended in fostering and furthering these operations, and It now seems to have been to little profit. But, in reviewing the past, I do not see how it could have been avoided, nor has it been spent altogether in vain. The apprehensions of the enemy have caused him to bring ' in front at least back and keep from 60,000 to watch ..

amount of money has effected so much in no other quarter since the commencement of the war.

In July last Captain Charles H. Cole, of General Forrest's command, made his escape from prison. He represented to me that he had been appointed a lieutenant in our navy; I sent him around the lakes, with instructions to go as a lower-deck passenger, to familiarize himself with all the channels and different approaches to the several harbors, the strength of each place, the depositaries of coal, and especially to learn all that he could about the war steamer Michigan, and dovise some plan for her capture or destruction. This duty he performed very satisfactorily. He was then instructed to re-turn and put himself in communication with the officers of the Michigan, and feeling his way, to endeavor to purchase the boat from its officers.

For a time he thought he would succeed in this, if he could give the guarantees of payment of the sums stipulated, but by degrees the question was dropped, and he asked permission to organize a force, board, and take her. This was given, and Acting Master John Y. Beall was sent him to aid in the organization and in carrying out the enter-

Their plan was well conceived, and held out the promise of success. It had been previously ascertained from escaped prisoners from Johnson's Island that an organization existed among the prisoners on the island for the purpose of surprising the guard and capturing the island; the presence of the steamer Michigan, which carried fourtoen guns, was the only obstacle. Secret communications were had by which they were advised that on the night of the 19th of September an attempt to seize the Michigan would be made.

On that night, Captain Cole, who had previously established the friendliest relations with the officers of the steamer, was to have a wine drinking with them on board, and at the last hard the control of the steamer. a given hour Acting Master Beall was to appear on a boat, to be obtained for that purpose, with a sufficient body of Confederate soldiers to board and take the steamer. Should they capture the steamer, a cannon shot sent through the officers' quarters on Johnson's Island was to signify to the prisoners that the hour for their release had come. Should they take the island boats were to be improvised and Sandasky was to be attacked. If taken, the prisoners were to be mounted and make for Cleveland, the hoats cooperating, and from Cleveland the prisoners were to make Wheeling, and thence to Virginia. The key to the whole movement was the capture of the Michigan. On the evening of the 19th by some treachery Cole was arrested, and the messenger who was to meet Acting Mas-ter Beall at Kelly's Island did not reach him. Disappointed, but nothing daunted, Acting Master Beall, having possession of the Philo Parsons, passenger steamer from Detroit to Sundusky, went on his way toward Johnson's Island. Having landed at to people at Middler Bas Island to secure a supply of

Purchased 6 aug 1913
From Josef Press
Place of Purchase Codon Rob LATER CATALOGUED PRICES

ipment of more an expense of rs, but ît seems been a former rrested by Genthe was export-Lyons had no ld in this transent to return to he unexpended arry out his in-75,000. I must t had a marked inclined to the ork great dam-eral finances if no untoward with the ope-

a a Mr. Minor uted himself as

pended for want of means. I advanced to him \$2,000 in Federal currency, and soon af-terward several boats were burned at St. Louis, involving an immense loss of property to the enemy. He became suspected, as he represented to me, of being the author of this burning, and from that time both he and his men have been hiding, and consequently have done nothing. Money has been advanced to Mr. Churchill, of Cincinnati, to organize a corps for the purpose of incendiarism in that city. I consider him a true man, and although as yet he has effected but little, I am in constant expectation of hear-

ing of effective work in that quarter.

Previous to the arrival of Lleutenant
Colonel Martin and Lleutenant Headly, bringing an unsigned note from you, all the different places where our prisoners are confined—Camp Douglas, Rock Island, Camp Morton, Camp Chase, Elmira—had been thoroughly examined, and the conclusion was forced upon us that all efforts to release them without an outside cooperation would bring disaster upon the prisoners and result in no good. All projects of that sort were abandoned, except that at Camp Douglas, where Captain Hines still believed he could effect their release. We yielded to his firmness, zeal, and persistence, and his plans were plausible, but treachery defeated him before his well-laid schemes were developed. Having nothing else on hand Colonel Marron expressed a wish to organize a corps to born New York city. He was allowed to do so, and a most daring attempt has been made to do so that the little but the live but the fire that city, but their reliance on the Greek fire has proved a misfortune. It can not be

depended on as an agent in such work. I have no faith whatever in it, and no attempt shall hereafter be made, under my general directions, with any such materials. I knew nothing whatever of the raid on St. Alban's until after it transpired. Pesiring to have a boat on whose captain and crew reliance could be placed, and on board of which arms could be sent to convenient points for

ts now going on for his delivery under the States to destroy steamboats on the Missis-extradition treaty. If we had Cole's, Beall's, sippi river, and that his operations were susor his own commission I should not fear the result. As it is, they will have to prove that they acted under my order, and that will, in all probability, secure his release, but it may lead to my expulsion from the provinces; at least, I have it from a reliable source that this last proposition has been pressed upon the Canadian authorities, and they have considered it. Should the course of events take this direction, unadvised by you, I shall consider it my duty to remain where I am, and abide the issue. I should prefer, if it be possible, to have your views on the subject. Captain Cole is still a prisoner on Johnson's island. In obedlence to your suggestion, as far as it was praticable, soon after my arrival here I urged the people in the North to convert their paper money into gold and withdraw it from the market. I am satisfied this policy was adopted and carried into effect to some extent, but how extensively I am unable to state. What effect it had on the gold market it is impossible to estimate, but certain it is tint gold continued to appreciate until it went to 290. The high price may have tempted many to change their policy, because afterward gold fell in the market to 150, when it was about 180, and exportation of gold was so small that there appeared to be but little or no demand for it. Mr. John Poterfield, formerly a banker in Nashville, but now a resident of Montreal, was furnished with \$100,000 and instructed to proceed to New York to carry out a financial policy of his own conception, which consisted in the purchase of gold and exporting the same, selling it for sterling bills of exchange, and then again converting his exchange into and then again converting his exchange his gold. This process involved a certain loss, the cost of transhipment. He was instructed by Mr. Clay and myself to go on with his policy until he had expended \$25,000, with which he supposed he would ship the supposed he would ship the supposed the directly \$5,000,000, and induce others to ship much more, and then if the effect upon the gold market was not very perceptible he was to desist and return to Canada, and restore the money unexpended. By his last operations on the Lakes, I aided Dr. James.

pture very to rewith g his from ed in paygrees

ame n no f the

e, of

s es

o me

nt in with

ssenchan-

veral e de-

Mlch-

d peri take faster n the enterd held n preoners zation nd for

d capeamer s, was atlons hat on ttempt d pre-

latious o have and at to apit purderate eamer. annon ers on e prishad boats dusky isoners front

be key are of e 19th d, and ig Masand reach umted, sion of teamer ils wnv nded at

pply of

bne at Springfield, and one at 16th. The first one was at make it a success I agreed money as was necessary wou by me. It was held and was cess. The vast multitudes seemed to be swayed but by on Peace. The friends were ϵ strengthened and seemed anx when they would do somet them to the great goal of per time that correspondence friends and Horace Greeley pearance. Lincoln's mar The belief the country. prevailed over the South would agree to a recthe politicians, especially th conceived the idea that on su coin could be beaten at the all events they argued that ballot-box should be made I force—always a dernier reso tield meeting came off, but i

that the fire exhibited at Peoria had already | ment of the sums surprises diminished—the whole tone of the speakers was that the people must rely on the ballot-box for redress of grievances. The nerves of the leaders of the order began to relax. About this time a large lot of arms were purchased and sent to Indianapolis, which was discovered, and some of the leading men were charged with the design to arm the nembers of the order for treasonable purposes. Treachery showed itself at Louisville. Judge Bullitt and Dr. Kalfus were

arrested and sent to Memphis.

The day on which the great movement was to be made became known to Mr. McDonald, candidate for Governor of Indiana, and be-lieving that it would mar his prospects for election unless prevented he threatened to expose all the parties engaged unless the project was abandoned. Thus the day passed by and nothing was done. The Chizago Convention came; the crowd was immense; the feeling was unanimous for peace; a general impression prevailed that a reconstruction could be had, and that it was necessary to so far pander to the military feeling as to take General McClellan to secure a certain suc-cess. This nomination, followed as it was by divers disclosures and arrests of persons, rominent members, totally demoralized the 'Sons of Liberty.' 'The feeling with the masses is as strongens ever; they are true, brave, and I believe willing and ready, but they have no leaders. The vigilance of the Administration, its large detective force, the large bounties paid for treachery, and the respectable men who have yielded to the temptation, added to the large military force stationed in these States, make organization and preparation almost an impossibility. large sum of money has been expended in fostering and furthering these operations, and it now seems to have been to little profit. But, in reviewing the past, I do not see how it could have been avoided, nor has it been spent altogether in vain. The apprehensions of the enemy have caused him to bring back and keep fro front at least 60,000 to watch .

the question was dropped, and he asked permission to organize a force, board, and take her. This was given, and Acting Master John Y. Beall was sent him to aid in the organization and in carrying out the enter-

prise. Their plan was well conceived, and held out the promise of success. It had been previously ascertained from escaped prisoners from Johnson's Island that an organization existed among the prisoners on the island for the purpose of surprising the guard and cap-

turing the island; the presence of the steamer Michigan, which carried fourteen guns, was the only obstacle. Secret communications were had by which they were advised that on the night of the 19th of September an attempt

to seize the Michigan would be made. On that night, Captain Cole, who had previously established the friendliest relations with the officers of the steamer, was to have a wine-drinking with them on board, and at a given hour Acting Master Beall was to appear on a boat, to be obtained for that purpose, with a sufficient body of Confederate soldlers to board and take the steamer. Should they capture the steamer, a cannon shot sent through the officers' quarters on Johnson's Island was to signify to the prisoners that the hour for their release had Should they take the island boats come. were to be improvised and, Sandnsky was to be attacked. If taken, the prisoners were to be mounted and make for Cleveland, the boats cooperating, and from Cleveland the prisoners were to make Wheeling, and thence to Virginia. The key to the whole movement was the capture of the Michigan. On the evening of the 19th by some treachery Cole was arrested, and the messenger who was to meet Acting Master Beall at Kelly's Island did not reach him. Disappointed, but nothing daunted, Acting Master Beall, having possession of the Philo Parsons, passenger steamer from Detroit to Sandusky, went on his way toward Johnson's Island. Having landed at ... io people at Middle Bas Island to secure a supply of

a large number of passengers and thirty-two soldiers, came up alongside and lashed hersoldiers, came up alongside and lashed herself to the Parsons. An attack was at once resolved upon. The passengers and soldiers were soon made prisoners, and the boat delivered up to our men. The soldiers were regularly paroled; the passengers were left on the island, having given their promise not to leave for twenty-four hours, and the boat was towed out into the lake and sunk

The Parsons was then steered directly for the Bay of Sandusky; here the men, from certain reasons not altogether satisfactory, but possibly fortunately, refused to make the attack on the Michigau. Beall returned, landed at Sandwich, C. W., and the men scattered through the country. Most of them have returned to the Confederate States, but a few days since Acting Master Benuet G. Burley was arrested, and the trial is now going on for his delivery under the extradition treaty. If we had Cole's, Beall's, or his own commission I should not fear the result. As it is, they will have to prove that they acted under my order, and that will, in all probability, secure his release, but it may lead to my expulsion from the provinces; at least, I have it from a reliable source that this last proposition has been pressed upon the Canadian authorities, and they have considered it. Should the course of events take this direction, unadvised by you, I shall consider it my duty to remain where I am, and abide the issue. I should prefer, if it be possible, to have your views on the subject. Captain Cole is still a prisoner on Johnson's island. In obedience to your suggestion, as far as it was praticable, soon after my arrival here I urged the people in the North to convert their paper money into gold and withdraw it from the market. I am satisfied this policy was adopted and carried into effect to some extent, but how extensively I am unable to state. What effect it had on the gold market it is impossible to estimate, but certain it is that gold continued to appreciate until it went to 290. The high price may have tempted many to change their policy, because afterward gold fell in the market to 150, when it was about 180, and exportation of gold was so small that there appeared to be but little or no demand for it. Mr. John Poterfield, formerly a banker in Nashville, but now a resident of Montreal, was furnished with \$100,000 and instructed to proceed to New York to carry out a financial policy of his own conception, which consisted in the purchase of gold and exporting the same, selling it for sterling bills of exchange, and then again converting his exchange into gold. This process involved a certain loss, the cost of transhipment. He was instructed by Mr. Clay and myself to go on with his policy until he had expended \$25,000, with which he supposed he would ship directly \$5,000,000, and induce others to directly \$5,000,000, and induce others to ship much more, and then if the effect upon the gold market was not very perceptible he was to desist and return to Canada, and restore the money unexpended. By his last operations on the Lakes, I aided Dr. James.

the steamer Island Queen, with | report he had caused the shipment of more than two millions of gold at an expense of less than ten thousand dollars, but it seems that a Mr. Lyons, who had been a former partner of Porterfield, was arrested by General Butler, on the ground that he was exporting gold; and although Mr. Lyons had no connection with Mr. Porterfield in this transaction, yet he thought it prudent to return to Canada, and, while he retains the unexpended balance of the \$25,000 to carry out his in-structions, he has restored \$75,000. I must confess that the first shipment had a marked effect on the market. I am inclined to the opinion that his theory will work great damage and distrust in the Federal finances if vigorously followed up, and if no untoward circumstances should interfere with the operation.

> Soon after I reached Canada a Mr. Minor Major visited me and represented himself as an accredited agent from the Confederate States to destroy steamboats on the Mississippi river, and that his operations were suspended for want of means. I advanced to him \$2,000 in Federal currency, and soon afterward several boats were burned at St. Louis, involving an immense loss of property to the enemy. He became suspected, as he represented to me, of being the author of this burning, and from that time both he and his men have been hiding, and consequently have done nothing. Money has been advanced to Mr. Churchill, of Cincinnati, to organize a corps for the purpose of incendiarism in that city. I consider him a true man, and although as yet he has effected but little, I am in constant expectation of hearing of effective work in that quarter.

> Previous to the arrival of Licutenant Colonel Martin and Lieutenant Headly. bringing an unsigned note from you, all the different places where our prisoners are confined-Camp Doug. Bock Island, Camp Morton, Camp Chas, Elmira-had been thoroughly examined, and the conclusion was forced upon us that all efforts to release them without an outside cooperation would bring disaster upon the prisoners and result in no good. All projects of that sort were abandoned, except that at Camp Douglas, where Captain Hines still believed he could effect their release. We yielded to his firmness, zeal, and persistence, and his plans were plausible, but treachery defeated him before his well-laid schemes were developed. Having nothing else on hand Colonel Martin expressed a wish to organize a corps to purn New York city. He was allowed to do so, and a most daring attempt has been made to fire that city, but their reliance on the Greek fire has proved a misfortune. It can not be depended on as an agent in such work.

I have no faith whatever in it, and no at-tempt shall hereafter be made, under my general directions, with any such materials. I knew nothing whatever of the raid on St. Alban's until after it transpired. Desiring to have a boat on whose captain and crew reliance could be placed, and on board of which arms could be sent to convenient points for

pertake aster the nter-

held preners ation d for canamer , was tlons at on empt

tions

have nd at to appur-lerate amer. nnon rs on prisboats Insky oners front make ie key are of

unted, leamer Is way ided at aply of

19th

"reach

and g Mas-

T. Bates, of Kentucky, an old steamboat captain, in the purchase of the steamer Georgian. She had scarcely been transferred when the story went abroad that she had been purchased story wentabroad that she mad been purpose and armed for the purpose of sinking the Michigan, releasing the prisoners on Johnson's Island, and destroying the shipping on son's Island, and destroying the shipping on their margin. The the lakes, and the cities on their margin. wildest consternation prevailed in all the border cities; at Buffalo two tugs had cannon placed on board, four regiments of soldiers were sent there—two of them represented to have been drawn from the army of Virginia. Bells were rung at Detroit and churches broken up on Sunday. The whole lake shore was a scene of wild excitement. Boats were sent out, which boarded the Georgian and found nothing contraband. gian, and found nothing contraband on board, but still the people were incredulous. found nothing contraband on The bane and curse of carrying out anything in this country is the survelllance under which we act. Detectives or those •under which we act. ready to give information stand at every street corner. Two or three can not interchange ideas without a reporter.

The Presidential election has so demoralized the leaders of the order of the "Sons of Liberty" that a new organization under new leaders has become an absolute necessity. This is now going forward with great vigor and success. The new order is styled the "Order of the Star." There is a general expectation that there will soon be a new draft, and the members swear resistance to another draft. It is purely military, wholly independent of politics and politicians. It is given out among the members that Stonewall Jackson is the founder of the order, and the name has its significance from the stars on the collars of Southern officers. There is no ground to doubt that the masses, to a large extent, of the North are brave and true, and believe Lincoln c tyrant and usurper.

During my stay in Canada a great amoun-of property has been destroyed by burning. The information brought me as to the perpetrators is so conflicting and contradict tory, that I am satisfied that nothing can be certainly known. Should claims be presented at the war office for payment for this kind of work, not one dollar should be advanced on any proof adduced until all the parties concerned may have an opportunity for making out and presenting proof. Several parties claim to have done the work at St. Louis, New Orleans, Louisville, Brook-lyn, Philadelphia, and at Cairo. Within the last few days Dr. K. I. Stewart, of Virginia, has reached this place, and very mysteriously informs me that he has a plan for the execution of something which has received the sanction of the President. He is in want of money, and states to me that you gave him a draft on me for \$20,000 in gold, which has been lost on the way. He has sent back to Richmond for a renewal. has rented a large house and moved his family into it. I can not doubt his word, but, of course, I do not feel authorized to advance him money without your authority or that of the President. I have, however,

been constrained to advance him \$500 in gold on his written statement that, unless the money was in hand the lives and liberties of high Confederate officers would be imperiled.

Owing to the health of Mr. Clay we separated at Halifax, and since then we have not lived together, though we have been in consulting distance.

As the money was all in my name, which I supposed to be controlled by us jointly, and as he desired to have a sum placed in his hands at all times subject to his pesonal control, I transferred to him \$93,614, for which I hold his receipts, and for which he promises to account to the proper authorities at home. Including the money turned over to Mr. Clay, all of which he has not yet expended, the entire expenditures as yet on all accounts is about \$300,000. I still hold three drafts for \$100,000 each, which have not been collected. Should you think it best for mo to return I would be glad to know in what way you think I had best return with the funds remaining on hand.

I infer from your "persona" in the New York News that it is your wish I should remain here for the present, and I shall obey your orders. Indeed I have so many papers in my possession, which in the hands of the enemy would utterly ruin and destroy very many of the prominent men in the North, that a due sense of my obligation to them will force on me the extremest caution in my movements.

For the future, discarding all dependence on the organizations in the Northern States, our efforts, in my judgment, should be di rected to inducing those who are conscripted in the North, and who utterly refuse to join the army to fight against the Confederate States, to make their way South to join our service. It is believed by many that at least a number sufficient to make up a division may in this way for our se be secured in this way for our service before spring, especially if our army opens up a road to the Ohio. Some are now on their way to Corinth, which at present is the point of rendezvous. Also to operate on their railroads and force the enemy to keep up a guard on all their roads, which will require a large standing army at home, and to burn whenever it is practicable, and thus make the men of property feel their insecurity, and tire them out with the war. The attempt on New York has produced a great panic, which will not subside at their bidding.

This letter, though long, does not, I am aware, report many things of minor importance which have occurred during my sojourn in Canada, but I shall omit them at present.

Very respectfully, your obedient servant,

Note.—The original copy bears the following endorsement in the hand-writing of J. P. Benjamin, Confederate Secretary of War: "Rec'd 13 Feb'y, '65. J. P. B."

J. THOMPSON.

