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The circulation of this Bee has authorized it to offer advertisement in our paper at the rate of $5 each week, payable in all cases to the cashier in advance.

Offices of Advertising To-Day.

By Shinn & Jordan in H o'clock, at Masonic Hall, on the Square.

PERPLEXING PROBLEMS.

That the surrender of Messrs. Slidell and Mason will not terminate the controversy between the United States and Great Britain, is clearly evident from the contents of the public documents relative to the subject, and of which the telegraph supplies a tolerably comprehensive summary. One of the dispatches addressed by Seward to Adams, the representative of the Federal Government at the Court of St. James, informs the latter that the demonstration would probably not affect the safety of the persons of the Envoys of Europe; and therefore they have no right to leave their posts in this country, and that they accomplish other purposes than political power besides the Federal Union within the limits of the Union, would be regarded by his Government as a cause of war.

This dispatch is just what might have been expected from a Lincoln official—cunning and unscrupulous, insolent in tone, and pregnant with all those qualities which never cease to be carried into effect. How diligently Lincoln's flunkies must have been employed in England to have produced such a result! Why, if the Southern Confederacy had been in existence when he is humbling himself at the feet of the British Lion, and crying up the Southern Commissioners, he would not dare to threaten it with hostile consequences. Why may he absolutely sure that as bombast and swagger is the one coin were delivered by an abject and humiliating tyrant, so would it be again when Great Britain to recognize the independence of the Confederate States. The wretched [illegible] employed by Lincoln and his [illegible] Secretary to calm any possibility on the part of [illegible] British Cabinet might [illegible] SEWARD is perpetually [illegible] know that such noisy [illegible]

[illegible] borne in mind that in the [illegible] we refer SEWARD disavows [illegible] European power to insure that [illegible] in this country. The meaning [illegible] that, according to the theory of [illegible] government, the United States can [illegible] at war when it is simply suppressing [illegible] insurrection. Now, if this be the British Government will naturally seek [illegible] upon what recognized principle [illegible] ways of nations the Federal Government [illegible] attempting to blockade all the South-[illegible] The right of a nation to impede the [illegible] commerce of neutrals to and from its [illegible] by blockade has always been denied, [illegible] United States Government, in opposition [illegible] England, disregarded the assumption of [illegible] prerogative when the late King of [illegible] endeavored to enforce it on one of [illegible] ports then in a state of rebellion. Hence, if we in the Federal Government [illegible] that the blockade is indefinitely illegal, and will not be respected. This is one difficulty in which the over-crafty SEWARD has placed the Lincoln Administration.

But M. THOUVENEL, the French Minister of Foreign Affairs, in his dispatch to M. MERCIER, at Washington, adds largely to the embarrassment and perplexity of the unhappy Secretary of State, by instructing MERCIER to put before the Federal Executive the simple but pointed query: "Are the Southerners belligerents or rebels?" If they are belligerents, they have a right to the rights accorded to belligerents by the usages of civilized nations and the laws of nations—some of which have ever been extended to them, except under circumstances of dire necessity. If they are rebels, the inference will be obvious to be that the United States Government cannot step out the sequence of the world from its own ports. If they are belligerents, the Federal Government will have no right to complain should European powers acknowledge as belligerents and a Government which a successful struggle shows to exist *de facto*. If they are belligerents, the blockade of their ports is manifestly heathenish, and therefore liable to instant [illegible] according to the laws of nations. But, [illegible] we cannot believe that the Federal Government can admit that the Southerners are [illegible] they also then rebels—and if so, he must be prepared to accept the legal and legitimate consequences of the avowal. England and France, desirous of maintaining their neutrality [illegible] long as possible, kept this thorny question [illegible] of diplomacy until the arrogance, the [illegible] and the alternate bluster and cowardice of Washington convinced them that patience was a needless virtue, and that the hope of a speedy restatement of Mr. SEWARD's slight insurrection was utterly chimerical. We presume [illegible] that the mediation of Europe will be [illegible] and unless we grievously mistake the [illegible] temper of Great Britain, and err in our opinion, that she has a paramount regard for her own interest, that power will no longer consent [illegible] with a multitude of empty sophisms, or [illegible] to await the arrival of that [illegible] uncertain epoch which is to witness the resumption of Southern cotton through Yankee shipping. The troubles of Lincolndom have just begun!

The arrest by the Yankees of Mr. Zacharie, of New Orleans, and Mr. Rogers, of Texas, while proceeding from Havana to Matamoros on board an English vessel, is a case precisely similar to the capture of Messrs. Slidell and Mason. The officers of the Esgouia Smith will doubtless pay the particulars of the case before the British Government, which, in its turn, will demand and obtain the release of Messrs. Zacharie and Rogers.

Again, the U. S. Government is undertaking to blockade the Rio Grande in hostility to the policy of the commerce of the neutral Republic of Mexico. The Rio Grande forms the boundary between Texas and Mexico, and Mexico has a perfect right to navigate it. The U. S. Government by this action on all occasions interferes with the rights of commerce. But Mexico is feeble and Europe strong. The Yankees will bully the one, but crouch to the other.

THE SOUTHERN MONTHLY.—The January number of this magazine has been received by Messrs. Blair & Co., No. 63 Exchange Place. We have read nearly every article in this number, and notice with pleasure the progressive improvement in the style and character of the contributions. The opening paper on the "Philosophy of the Bayonet" is a powerful and truthful exposé of the causes which have brought about the downfall of the Union. It is followed by several clever and sparkling stories, some of which are really excellent. We encouraged the "Southern Monthly" to all good patriots, in a most pleasant and instructive addition to our home literature.

LINCOLN'S SPY SYSTEM ABROAD.—The London *Herald* had recently an indignant article on the presence of Lincoln spies in England. It spoke contemptuously of the New York and Washington detectives in plain clothes, infest the Liverpool Exchange, that in dining saloons, and late-at-night, and evening rooms, English men must be careful what they say about the Federal or Confederate States, "lest they court premium some one or other, or spoil Lady-yethe or their business partners in New York or elsewhere." It speaks sneeringly of "complacent gentlemen," who believe people intent and others themselves half conscious, where they may listen to pass or to Washington, and not to notice that the Government is called upon to put it down in Scotland.

We learn from the Richmond papers that during those who attacked Norfolk, at Great Bridge, Thomas Hughes, a free man of color, was killed by the Federal troops. Hughes was a member of the Independent Union and Confederate, of New Orleans, and Dubuc, of Mississippi, released on [illegible] Messrs. Combs and Claiborne were on [illegible] United States frigate Congress, and [illegible] on the arrival of that vessel at New [illegible] when they were immediately arrested and confined in Fort Lafayette, and thence transferred to Fort Warren, Washington Dubuc, [illegible] is the Secretary to the staff of Albert [illegible] to Augusta, and proceeded to Pensacola, [illegible] by way of New York, where he was [illegible] arrested. We believe these gentlemen [illegible] from all responsibility as to accounts in the C. S. Treasury, as all papers will not go into native hands, if not [illegible] destroyed.

MARRIED FREEMASONRY.—Another order [illegible] Freemasonry, and some few [illegible] have been sent to Yorktown, to strengthen the defences on the Peninsula.—*Sch. Dispatch.*

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BY TELEGRAPH.

[TRANSMITTED TO THE NEW ORLEANS BEE.]

From Charleston, Miss.

Memphis Yesterday on Steep Rebound—Yankees Preparing to Cross the Island.

Memphis, Friday, 3.—A gentleman who arrived here from Little Rock, containing official intelligence from the Northwest, which states that Col. McCulloch's command, consisting of four regiments and a battery, under Chief Quartermaster Gen. Rust, had a fight with Federal cavalry near Big Island on yesterday, and there has been considerable drumming and stirring around on the island within the last ten days. They are evidently preparing for some move by the enemy.

From Memphis.

Shooting Sentinels at Fort Gibson.

SEVENTY LOST IN KILLED AND WOUNDED. 150 TAKEN PRISONERS.

Confederate Loss 70 Killed and Wounded.

Memphis, January 3.—A gentleman interviewed here from Little Rock, containing official intelligence from the Northwest, which states that Col. McCulloch's command, consisting of four regiments and a battery, under Chief Quartermaster Gen. Rust, had a fight with Federal cavalry near Big Island on yesterday, and there has been considerable drumming and stirring around on the island within the last ten days. They are evidently preparing for some move by the enemy.

[SECOND DISPATCH.]

Memphis, January 3.—Late advices via New Madrid state that the Federal Congress is split into three factions—a Union party, a Slavery Extinguishing party, and a Peace party, headed by Breckinridge. The Cabinet is also split up by Mason and Slidell affair. It is understood that no advance movement will be made till the difficulty is settled.

A gentleman from St. Louis says Hillcab is now on the Sacramento. He invites negroes to get their property, and they are promised to be confined in prison.

Many disaffected persons who are brought to St. Louis are treated very roughly.

Eleven gunboats have been sent from St. Louis to Cairo.

From Lincolndom via Richmond.

VIRGINIA ARRIVED AT HALIFAX.

ENGLAND'S WARLIKE PREPARATIONS CONTINUE.

Richmond, January 3.—The editor of the Petersburg *Express* has a dispatch stating that the ship of troops has brought him papers to the Norfolk *Day Book*, of which the following is a summary:

[Special to the New York Tribune, of Jan. 1, 1862.]

Washington, December 31.—There is reason to believe that Mason and Slidell will not [illegible] the surrender does not put an end to the demand of the ultimatum. A part of Seward's bargain is that Wilkes shall not be disowned.

The London *Post* says England will have reckoning as to the stone fleet.

The Boston papers say Lord Lyons has ordered the Niagara to take out Mason and Slidell to England.

McClellan is still very sick, and Ben Ward, of Ohio, is suggested as his successor.

The Parana has arrived at Halifax with troops. England's warlike preparations will progress in view of the difficulties arising from the stone blockade. The surrender of Mason and Slidell, it is said, is not the whole of England's demand.

From Charleston.

Charleston, January 3.—The *Mercury* of this morning says the enemy was repulsed in their attempt on Port Royal by the use of the bayonet. The enemy ran in Bull Run style, leaving their guns and knapsacks on the field. Yankees and many wounded, and took off several more.

The *Courier* says the Federals were advancing yesterday, and heavy skirmishing continued.

Lieut. Beauregard, a son of Gen. Beauregard, arrived yesterday.

The *Mercury* announces the arrival of the steamer Ella Warley, into the Inlet, from Nassau. She was pursued by the blockaders, but escaped. She brings nine passengers, including Mr. Bibble, the Confederate bearer of dispatches, also a valuable assorted cargo.

Further from Europe.

Richmond, January 3.—The steamer which Lord Lyons selected to take out Ministers Mason and Slidell was the English ocean steamer Nigara.

The London *Post* (Lord Palmerston's organ) says: The harbor of Charleston belongs to the world, and cannot be given up to an insurrectionary blockade.

From Lincolndom.

The Barnside expedition has not yet sailed A large number of frigates, transports and schooners are congregating in Hampton Roads.

The Truth Coming Out.

Our readers will remember how the Yankees claimed a brilliant and overwhelming victory at the recent battle on Allegheny Mountain. But the truth is beginning to leak out. The following first installment of it is from the Indianapolis (Ia.) *Journal* of the 23d:

There is no disguising the fact that the Ohio Regiments, in the recent battle in Western Virginia, ran like scared dogs. The 25th Ohio ran over the 13th Indiana while the latter was in line of battle, and threw them into some confusion, which was the principal cause of the 13th losing as many men as it did. The 13th recovered from its momentary check, and succeeded in rendering some prisoners of a body of 300 it had captured and compelled to stack arms before the needless and precipitate retreat of the 25th Ohio. Had the Ohio and Virginia troops stood their ground, the victory of General Milroy would have been more complete, as he would have certainly captured all, or nearly all, of the enemy, with their supplies and equipments. The Indiana troops did all the hard fighting that was done, and deserve all the credit of the battle. So far, the Hoosier boys have been successful in every engagement in which they have crossed fire with the enemy.

The Cincinnati *Commercial* comments on the above as follows. The reader must remember that the Yankee report made their loss in the fight inconsiderable—indeed scarcely worth mentioning—and he will appreciate the allusion of the *Commercial* to the "long list of killed and wounded" in the Ohio regiment:

We believe this is to be grossly unjust to the 25th Ohio, which lost more men in the fight than any other engaged on our side. Its long list of killed and wounded, which we published several days ago, is a sufficient answer to the *Journal's* slander. We would not detract from the glory Indiana has won in the war, but