EDITORIAL CORRESPONDENCE.

Philadelphia, July 28, 1863. CAPTURE OF A PRIZE BY THE ARAGO.

The Arago left Port Royal at 10 a. . ., July 23d, and stopped off Charleston at 3 p. m. for dispatches from Gen. Gillmore. About 25 officers from the army and about 100 privates came aboard, going north for conscripts to fill up the drafted regiments. At 5 a. m. on the 24th a steamer was discovered standing N. W. At 6.15 a. m. 'we commenced to pass cotton bales in considerable numbers, and as we overhauled the steamer it became evident that they had been thrown overboard from her. By this time we had gained considerably on the stranger, from whose funnels dense volumes of black smoke was pouring. At 612 she altered her course and stood due west. Having by this time become convinced that she was a blockade runner endeavoring to escape, Captain Gadsden consulted with Captain Taylor, of the Canandaigua, Gen. Seymor, and Col. Jackson of the 3d N. H. Vols., and it was decided that we should alter our course and give chase. The chase soon showed her uneasiness by endeavoring to use her sails, and when that devise failed to aid her by running due west. But the Arago gained steadily upon her, and at 10.30 a. m., in lat. 33. \$1. Tong. 76. 13., in obedience to a shell from the rifled gun of the Arago, she

Colonel Jackson, and the Purser, F. Grautegean, of the Arago, with ten soldiers armed with muskets, boarded her in a boat. The officers and men of the prize seemed to take the matter quite coolly; though by subsequent conversation with them their trepidation was greater than was evident by their demeanor. When the gun was fired from the Arago the man at the wheel deserted his post and ran forward, where the crew commenced to break spen the liquor cases. When Colonel Jackson asked the Captain to muster his his men for transfer to the Arago, he replied that they would not probably obey him. He says that it was thought in Bermuda that our cruisers had determined not to take prizes, but to sink them at once, and let the crew take care of themselves; it was with a good degree of satisfaction, therefore, that they saw the preparations to remove them and place a prize crew aboard.

The captain refused to answer any questions, said that he was sailing without papers, and under no flag. He had thrown overboard compasses, charts, chronometer, lantern and ship's bell. The captain was also injured. Mr. Henderson, the pilot, and Mr. Hughes, Chief Engineer of the Arago, went aboard and examined her engines, and found them in good condition. Mr. Mallory, first officer, and Mr. Henderson with a prize crew were left aboard the prize which was taken in tow.

Upon examination, the prize proved to be the steamer Emma, 300 tuns measure, ment, Capt. David Leslie. She had run out of Bermuda about the 10th of Last month, and into Wilmington, N. C., without molestation, with an assorted cargo. At Wilmington she took in a cargo of turpentine, pitch, tar and cotton. The cotton had most of it been thrown over in the chase, with the hope that we would stop and pick it up, and also to lighten the ship. Had it not been for the floating cotton we would never have chased her at all. This fact seems to chafe Leshe considerably. He was captain of the Columbia, captured last year, and says he will not try it again.

There were two men who profess to be passengers. One of them was recognized peper on Friday and camped that night by a passenger, as -- Harris, once a Lieutenant in our army, and subsequently a Sutler at Fort Gibson. He is a native of Kentucky. The other gives his name as Sanchez, of Savannah, Geo. . The latter is a gehtlemanly young man, and evidentby is more distressed and anxious at his position than any of the rest. He either has had a large pecuniary interest in the

eargo of the prize, or he has dispatches which render his capture important to us and dangerous to him.

The crew, 34 in number, were allowed to bring their clothing and private property aboard the Arago. They were mostly Scotchmen, and a fine looking set of fellows. They felt a little sore, of course, at being deprived of their expected bonnty money, but were agreeably surprised at the kindness with which they were treated. One of them had a fiddle, another a bagpipe, and all were disposed to

After remaining aboard some time, the reserve of the officers and men began to melt. They admit that the condition of things in the South is worse than has been reported. The spirit of the people has been very much broken by the fall of Vicksburg and Port Hudson. They anticipate the same fate for Charleston, and Wilmington itself is in daily expectation of an attack. Confederate money is now exchanged freely for gold at the rate of ten for one. A strong opposition to the blockade runners is springing up-the evident effects of it being to still further depreciate the currency, and to keep up a cotton supply.

The captain of the Emma states that on the night of the 17th inst., two steamers beside the Emma-one of 300 and one of 1,000 tuns, ran the blockade, and that the blockade is violated at this port almost every night.

FOREIGN SUMMARY. We have intelligence from Europe to the 19th of this month, at which time it was known there that Lee had been encountered by Meade and defeated. The English papers, for once, do justice to the Union troops. Some of them affect to doubt whether Lee's defeat would benefit the Union cause, and The Times sagaciously shakes its head—like Lord Burleigh in the "Critic"-and says that success to the Army of the Potomac would be a mere triffe, unless such impossible events as the fall of Vicksburg and Port Hudson were also to occur. Not only has Lee been defeated—forced to return to Virginia with the loss of over 30,000 men-but Vicksburg and Port Hudson have fallen, the Union troops are conquering in the Southwest; Morgan the guerrilla leader, is a prisoner, and his band captured or dispersed; the Mississippi is open; Charleston is attacked; the communication between Charleston and Richmond broken off; and Meade is pressing Lee very closely in his own selected ground in East Virginia. Against this catalogue of brilliant successes there is to be placed, per contra, only one disasterous incident-namely, the riots in New York, as disgraceful to us, we admit, as are the "No Popery" riots of 1780, or the Reform Bill riots of 1831. Lord Palmerston may well rejoice that little Roebuck had the good sense not to proceed, on the 13th July, with his motion pledging England to join other European Powers in acknowledging the independence of the rebellious South. The recent reverses of the rebels have put a new face on the whole affair.

THE ASPECT IN VIRGINIA.

According to information received to July 28th, three corps of Lee's army passed through Chester Gap on Thursday and Friday, and are now at the south of Culpepper. Their passage was opposed by Gen. Buford's eavalry, but he was compelled to fall back. He however being upon their rear, captured many prisoners and the herds heretofore mentioned.

Longstreet's corps passed through Culsouth of the town.

All the available rolling stock of the Virginia railroads were concentrated at Culpepper, and it was generally supposed that Lee was making all speed for Richmond. But General Buford thinks the rebels intend to make a stand on the south side of the Rapidan.

Ewell's wagon trains, with a strong

guard, went south from Strasburg, by way of Staunton, to avoid capture by our cavalry, which has, during the entire late campaign, signalized itself by a degree of energy and daring never before surpassed Rebel prisoners of intelligence unite in saying that our cavalry has done more to defeat Lee's plans than any other arm of the service. Stuart's legion now fear to encounter it, or, at all events, do not court an encounter.

Prisoners and refugees are unanimous in the statement that the morale of the rebel army in Virginia is broken, and that great despondency prevails in all Southern circles, particularly in the army .-Their defeats in the Southwest, at Gettysburg, and Morris Island, have at last oonvinced the rebel soldiery of their vulnerability. Further that Lee's plans, supported by the flower of the Southern troops, having proved failures by the energy of General Meade and the bravery and endurance of the Army of the Potomac, will necessitate a reconstruction of the rebel army of Virginia, while the defection of Joe Johnston, and his refusal to obey Davis' orders, will compel a reconstruction of the rebel army of the Southwest.

THE DRAFT.

Notwithstanding the treasonable mach-

inations of the copperheads and secret emisaries of the rebels scattered through the country, the draft has progressed far toward completion. In the New England states but little difficulty was encountered with the exception of a feeble attempt to imitate the New York riots in Boston. The mob was of course composed of the same materials in both places, viz: Irish ruffiians, thieves, pickpockets, and jailbirds intent on plunder, with a sprinkling of rebel spies and their pliant tools, copperheads. In many towns the drafted men assembled to cheer the Government, damn traitors and have a loyal jolification generally. Not the slightest difficulty occurred in Philadelphia where the drawings are nearly completed. The infamous outrages of the New York mob has been decidedly advantageous to the government. The murderous violence, the wholesale plundering, the incendiary spirit evinced by that mob has opened the eyes of every man in the country to the character of those who oppose the war .-A healthy reaction has taken place which will tend to clear the political atmosphere. Capitalists, merchants, traders, workingmen, all see that anarchy is what they aim at, and all classes are united in the determination to put down the revolutionary tiger with a strong hand.

The rebel steamer Merrimac, built by the British for the rebels last year, arived at New York on the 28th ult., with a load of cotton, having been captured on the 25th by the gun-boat Iroquois while running the blockade off Wilmington, N. C. She is over 500 tons burthen, a sidewheel iron steamer. She was one of three that left Wilmington together. Two, the Merrimac and Lizzie, have been captured.

" Yank"! cried out one of the rebel pickets the other night?

"Yank" !- "Well, what do you want, reb?" was the reply.

"Reb" !- "We don't know what to do; whether to wait until Rosecrans drives us. over where you are, or to come over before he does, we are thinking it over."

Editor-" We don't see it."

What writer would have been the best angler? The judicious Hooker. What flower most resembles a bull's

mouth? A cowslip. A woman may be surprised, astonished, taken all aback, but never dumbfounded.

How long did Moses lie in the balrushes? He lay his full length. What animal is there in the clouds?

Rain, dear. When is bread alive? When there is a little Indian in it.

Why is a doctor like a cobbler? He practices the healing (heeling) art.

The old dog Tray's over faithful, they say, But a dog that is faithful can never be-Tray.

Late Telegraphic News.

CINCINNAII, Thursday July 30th.

Yesterday morning Pegram's and Scott's forces numbering 2,500. crossed the Kentucky River and marched to Paris, where they arrived yesterday afternoon and attacked our forces,-After a severe engagement of two hours the rebels were repulsed and driven away. It is thought they will make a flank movement on

A large Federal cavalry force is in the rear of the rebels.

The movement of the rebels is believed to be against Paris for the purpose of destroying the bridge there.

CINCINNATI-P. M.

Pegram's forces have retreated to Winchester followed by our cavalry. A number of prisoners have been captured.

Paris, Ky., July 30.

The rebels, three hundred and seventy-five strong, drove in our pickets and unsuccessfully attempted to flank us and burn the bridge. They were driven back two miles, when the 43d Ohio came on their rear, captured fifteen and drove the rest toward Mount Sterling.

Col. Sanders at Winchester attacked their main force, about two thousand strong, with 8 pieces of artillary. The rebels retreated towards. Irvine. Col. Sanders is pursuing.

None of our men are hurt.

CINCINNATI, July 31. Our force came upon the rebels at Lancaster, where a considerable fight ensued. The enemy lost twenty in killed and wounded and nearly one hundred prisoners.

A rebel force, five thousand strong, took Stanford, Ky., about noon to day'; but were driven out by our cavalry with considerble loss and at the last advices were hastily retreating towards the Cumberland river.

Washington, July 30.

Advices from the Army of the Potomac tonight say the Eleventh corps is to be broken up. The first division will go with Maj, Gen. Howard, who takes command of the Second corps.-The Second division will be incorporated with the Twelfth corps, and the other (Carl Schurz's) has an independent position to guard the Orange and Alexandria Railroad from Manassas to the Rappahannocks

BERMUDA, July 22, 1863.

The privateer Florida is still in port, her departure having been delayed by the refusal of the naval authorities to furnish her with fuel; but the is now getting a supply from the rebel steamer Harriet Pinckney, and will sail in a day or two on her voyage of destruction. Any American gunboat in these waters could have made an easy capture of her, as her speed has been very defective. The coal she is now getting is of an inferior quality, and must also affect her speed.

PHILADELPHIA, July 31, P863.

The Subscription Agent reports the sale of \$1,563,350 five-tweaties to-day at the variousagencies. Deliveries of bonds are now being made to July 17, inclusive. The sales for the .week will probably reach \$11,000,000.

Crazy as George III. was said to have been, there was evidently a method in his madness at times. Speaking to Archbishop Sutton of his large family, he used the expression, "I believe your Grace has better than a dozen?" "No, sir," replied the Archbishop, "only eleven." "Well," rejoined the king, "is that not better than a dozen ?"

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