THE NEW YORK HERALD.

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INTERESTING FROM PORT ROYAL.

Arrival of the Empire City from Beaufort.

OCCUPATION OF BLUFFTON.

The British Steamship Fingal Shut Up in Savannah.

OPERATIONS AT FORT PULASKI,

&c., &c., &c.

The Empire City, Captain Baxter, from Beaufort December 24, and Port Royal 25th, arrived at this port yesterday morning.

The Empire City discharged her cargo at Beaufort, and is, without doubt, the largest vessel ever at that place. When coming out of Port Royal she came through the Southeast channel, which has recently been buoyed out, and found not less than thirty feet of water in any part.

Nothing of importance had transpired at Port Royal since the sailing of the Baltic.

The Seventy-ninth regiment had made a reconnoissance about fifteen miles from Beaufort, on the 20th of December, and captured six rebels at a place called the brickyards.

At Tybee Island the troops were still engaged making intrenchments, while Fort Pulaski kept up a continued fire on the island, but did no damage.

The Empire City brings a large mail from Port Royal.

On the 23d a rebel boat came down in Warsaw channel from Savannah to reconnoitre, as was supposed to see if the way was clear for the English steamer Fingal (which ran the blockade a short time since and is now loaded with cotton) to come out. On being chased by one of our gunboats, they ran their boat ashore, and the crew took to the woods. Our people caught two of them, who are now on board the Wabash.

The Empire City brings home the following persons from the stone fleet:—

Capt. Worth, two officers and crew, ship Archer.
Capt. Brown, two officers and crew, ship Potomac.
Capt. Beard, two officers and crew, ship American.
Capt. Malloy, two officers and crew, ship Richmond.
Capt. Willis, two officers and crew, ship R. Simms.
Capt. Taylor, two officers and crew, ship Harvest.
Capt. Picton, two officers and crew, ship Kensington.
Capt. Swift, two officers and crew, ship Amazon.
Capt. Wood, two officers and crew, ship Valparaiso.
Capt. Lake, two officers and crew, ship Wm. Lee.
Capt. Skinner, two officers and crew, ship Robin Hood.
Capt. Rice, two officers and crew, ship Fortune.
Capt. Sisson, two officers and crew, ship Tenedos.
Capt. Taber, two officers and crew, ship Emerald.
Capt. Brayton, two officers and crew, ship Courier.
Capt. Chase, two officers and crew, ship America.
Capt. Bailey, two officers and crew, ship Maria Theresa.
1st Officer Washburn, 2d do. and crew, ship Corea.
Capt. Gifford, two officers and crew, ship Herald.
1st Officer King, 2d do. and crew, ship Leonidas.

Of the above vessels, the Harvest and Valparaiso are storeships at Port Royal; the Corea is made a wharf of at same place; the Emerald was lost on Tybee bar, and the remaining sixteen ships were sunk off Charleston, to blockade the channel.

There are also as passengers:—

Colonel Lee Strickland, Eighth Maine regiment.
Lieutenant L. J. Smith, Eighth Maine regiment.
Captain E. H. Hines, Ninth Maine regiment.
Captain T. E. Wentworth, Ninth Maine regiment.
Captain E. W. Wedgeworth, Ninth Maine regiment.
Captain V. E. Newel, Fourth New Hampshire regiment.
Captain W. C. Sherlock, Round Heads, Pennsylvania.
Captain R. G. Newel, 47th New York regiment.
Lieutenant E. W. Patterson, 48th New York regiment.
Lieutenant J. R. Caughey, Round Heads, Pennsylvania.
Lieutenant J. R. Seeley, 47th New York regiment.
J. Cross, of Adams & Co.'s Express.
Rev. C. W. Dennison.
Rev. P. S. Evans.
H. A. Fuller, of Brooklyn.
And fifteen in the steerage.

OUR HILTON HEAD CORRESPONDENCE.

HILTON HEAD, S. C., Dec. 24, 1861.

Occupation of Bluffton, on the Main, by General Stevens—No Resistance Made by the Rebels—The Village Found Evacuated—Guard Mounting in General Viele's Brigade—High Proficiency of the Soldiers in Drill, &c.—The Brigade to Have New Uniforms—Heavy Frosts—No Letter To-morrow—A Merry Christmas, &c., &c.

It is said this evening that General Stevens has occupied Bluffton. Our forces landed at sunrise, and the Stars and Stripes were raised over the village at eight o'clock. The town was found deserted by the rebels, and our forces met with no opposition, as far as I can learn. Bluffton is on the mainland, and is a village about the same size as Beaufort. We have received no particulars of the movement, and I must wait the next mail before I can send the details. The Empire City sails early in the morning, and it will be impossible to obtain them in time to send by her.

I witnessed, this afternoon, the grand guard mounting of General Viele's brigade. I was surprised at the high state of discipline which the detachments from the different regiments of the brigade exhibited. They show a marked improvement in drill and soldierly appearance since their arrival here, due as well to General Viele and his able Assistant Adjutant General, Captain Pierre C. Kane, as to the regimental officers. The music was furnished by the bands of all the regiments combined into one general band of nearly a hundred pieces, with a corps of twenty drummers. At General Viele's suggestion, they were thus united for brigade drill and guard mounting, and, though recently combined, they perform together with spirit and skill. Their performance yesterday was highly creditable to their musical talent and skill.

General Viele's brigade will go through a brigade drill and inspection next Sunday, when they will appear in a new uniform throughout, of the regulation pattern, and I hope to be able to witness it and report the result.

There was a heavy cannonading this afternoon, at sunset, from the direction of Port Royal ferry. Doubtless a section of Hamilton's battery, under command of Lieut. Ransom, has been stirring up the rebels on the mainland, where they are erecting a battery. No particulars have been received of the cause or result.

The weather for the past two nights has been exceedingly cold. To-night we have a heavy frost, and the ground is already growing white.

To-morrow, being Christmas, observing the time honored custom, your reporter will address himself to the discussion of a turkey, if such a bird can be obtained, or in absence of that institution to a piece of salt beef, alias horse, and will not issue his usual letter to the HERALD. An extra will be issued on Thursday morning, if anything startling should occur to-morrow.

A merry Christmas to all your readers.

HILTON HEAD, Dec. 21, 1861.

Perilous Adventure of the Steamer Mayflower—She Circumnavigates Beaufort Island—The Enemy Fire upon Her—The Engagement Between a Masked Battery of the Rebels and the Rhode Island Light Battery—The Mayflower Gets Aground—Assistance Sent Her—The Seventy-ninth Run the Gauntlet of the Rebel Fire in Small Boats—Termination of the Contest—Captain Day, of the Third Rhode Island Regiment—His Gallant Conduct—Reconnoissance of Commander Percival Drayton with the Pawnee, Seneca and Vixen up North Edisto River—Two Batteries Found Deserted—North Edisto Harbor Ours—Rebels Shelled out of Camp—Capture of Tents, Camp Equipage, &c.—The Charleston Fire—From Tybee Island—Firing of Fort Pulaski—Arrival of United States Steamer Santiago de Cuba from Havana, with Despatches from Nassau—The Outrage on Our Rights Committed by the British—The Reporters Have an Interview with General Sherman, &c., &c.

The steamboat Mayflower, Captain Isaac O. Phillips, met with quite an exciting adventure on last Wednesday, while on a sort of hydrographical survey in the Coosaw river, which came near resulting in a complete destruction of the steamboat. They had passed up Broad river, and had entered Coosaw river, which proved to be navigable for vessels of six or seven feet draft. They had proceeded without interruption nearly ten miles up the Coosaw, when they were fired upon by infantry stationed in a dense wood on the mainland, and skirting the river bank. The fire, at first scattering, became general very soon, and for the distance of three or four miles there was a blaze of musketry all along the enemy's shore, which seemed to do but little damage, as they all went high. Many bullets, however, passed through the sides of the steamer, but did no further damage. The boat was run as fast as possible, and the six-pounder howitzer, in charge of a detachment of thirty of the Third Rhode Island regiment, under command of Captain Day, when the fire became too hot, was discharged, and a load of grape and cannister distributed in the woods, when the enemy were observed to fire and fall back, and fresh men to take their places. When the howitzer was discharged the infantry retired and ceased firing. The Mayflower, steaming rapidly on, soon came upon a masked battery, which at first appeared deserted; but the sudden appearance of a man in a red shirt jumping upon the ramparts of the work, and shovelling away the dirt, satisfied those on the Mayflower that they would soon be fired upon. As the river was too narrow to allow the steamer to turn about, it was made a matter of necessity to go ahead and pass the battery as soon as possible. The men were placed at the howitzer, and the Mayflower steamed ahead, but at a slow pace, as the channel was unknown and the water rather shallow. On arriving abreast of the battery the embrasures had been cleared away and four heavy guns disclosed. Instantly the enemy opened fire upon the steamer; the first shot going over the steamer, but the second striking forward; the shot, entering the planksheer and knocking a horse-pole to pieces, went off the vessel on the other side. The howitzer returned the fire promptly, throwing shot, shell and grape, ten shots being fired before the Mayflower passed the battery—a period of five or ten minutes—when the Mayflower got out of range. All but one of the enemy's shot passed over or astern. One passed between the pilot house and the smokestack, another over the hurricane deck. The Mayflower was within a distance of three hundred yards of the battery while under fire, and the wonder is she was not torn to pieces and sunk. During this exciting time Capt. Phillips, standing by the side of the pilot house, was urging the artillerists on, calling upon them to give the rebels hell, and directing the course of the vessel. Peter McNamara, the engineer, stood upon the pilot house during the musketry, watching the movements of the enemy, until the battery appeared, when he descended to his engine room to attend to getting the Mayflower on as fast as possible. After passing the battery in safety the Mayflower continued on between two and three miles, when she ran on a shoal and stuck fast, as the tide was rapidly falling. She laid there nearly an hour, when Hamilton's battery opened from the ferry at Beaufort Island upon the rebel battery. Hamilton fired thirty shot and shell into the rebel battery, and after a little received no reply. He then discontinued fire.

A short time subsequently to this three boats, full of men, were observed coming up the river towards the steamer by those on the Mayflower. As they bore no flags, it was at first supposed that they were enemy's boats, coming with the intention of boarding and capturing the steamer. The howitzer was taken over the shaft and placed aft to sweep the river, and it was determined that the rebels should receive a hot reception if they approached. Upon approaching within short range it was discovered that the boats contained our own men, coming to the Mayflower's assistance. The men in the boats belonged to the Seventy-ninth regiment, and had come from Port Royal ferry. On their passage the enemy moved down to the shore a section of light artillery, and opened upon the boats with grape and cannister, firing with great rapidity, but with bad aim. The water all about the boat was white with falling shot, but the boats escaped with the loss of one man killed in the Seventy-ninth and one wounded. As the boats moved, the artillery moved with them. On coming in range, Captain Day opened upon the rebel artillery to cover the boats and draw their fire. Captain Day sent a well-directed shell right among the men of the rebel battery, which exploded, and doubtless killed many of them. At all events, the enemy speedily retired, and the boats came through without any further trouble. Captain Day discharged six or seven shells into and around the rebel battery before they withdrew. Too much praise cannot be awarded Captain Day and the brave men under his command for the cool and efficient manner in which they worked his guns, firing with the greatest rapidity and precision, and by his efforts saving not only the Mayflower, but the men in the boats. He will certainly make a name for himself hereafter, if an opportunity offers. The arrival during the conflict of reinforcements from the Eighth Michigan regiment, under the Colonel, which remained in striking distance on the island, tended greatly to the extrication of the steamer. The Mayflower remained aground for three hours, when she got off and steamed around the island to Beaufort.

Nearly every pane of glass in the Mayflower was shattered by the concussion produced by the howitzer practice, and it now serves well for a summer boat. Captain Phillips reports that the rebels have driven spiles across the river, and sunk several boat loads of live oak in the river to obstruct the navigation of the stream; but so far their efforts have been unsuccessful. Perhaps a gunboat or two may be sent up soon to drive out the rebels from their battery. If it is done, I will send you the results at the earliest moment.

Altogether, the trip of the Mayflower, though rather too warm for comfort and pleasure, developed many new and important facts that will have an important bearing on the campaign in this quarter. She will soon undergo the repairs made necessary by the heavy gale through which she passed in coming South, and will then be ready again to engage in any service which she may be called upon to perform.

Another of a series of important reconnoissances projected by Flag Officer Dupont was successfully performed last week by the gunboats Pawnee and Seneca, piloted by the surveying steamer Vixen, under the command of Captain C. H. Boutelle, of the Coast Survey; the expedition under command of Commander Percival Drayton, of the Pawnee. The force left here on Sunday morning, and proceeded up the coast to the mouth of the North Edisto river, where they expected to find a strong rebel battery protecting the entrance of the river. Upon getting near the entrance, a rebel work was discovered, and several shells were thrown into the work. No reply being elicited, a couple of boats were sent ashore, and the work found to be deserted and partially destroyed. All the guns had been removed by the rebels, and such portions of the fort as would burn were consumed by fire. The negroes reported that the rebels had evacuated and destroyed the work two weeks ago, and conveyed all the guns by a small steamer to Charleston. It undoubtedly mounted seven or eight guns. The vessels of the fleet laid at anchor during the night of Wordlaw Island, upon which the deserted battery was found, and on the following morning the Seneca, Commander Ammen, was despatched up the river to search for a schooner which had been observed on the previous day to run up anchor, on our appearance, and sail up the stream.

The Seneca ran seven or eight miles up the river, and came upon the schooner, which had been run ashore. She was taken possession of by our forces. A small quantity of cotton and provisions were found in her, but nothing of great value. The Pawnee came up the river and shelled a second battery on the river bank; but, like the one on Wordlaw Island, it had been evacuated and destroyed by the rebels. The guns were also removed by them. Here, two boats were sent ashore, and while reconnoitring they saw Major Seabrook, a prominent rebel of this State, on horseback, engaged in looking at our operations. He did not discover the presence of our sailors until they were nearly upon him. He turned his horse quickly about and fled, receiving a parting volley of musketry, which whistled so closely to him as to induce him to throw himself from his horse and take to the woods. He succeeded in effecting his escape, but left in our possession a full uniform of the most elegant description, a splendid chapeau, a fine horse, with saddle, bridle, holsters, with a revolver in each, and, indeed, all the trappings of the saddle. I believe his sword was also taken.

Mr. Wilson, a wealthy planter near by, had visited his plantation the previous night and burned the barns, cotton gins, &c., sparing one building only, his house. In that some late Charleston papers were found (up to the 16th), which contained full details of the disastrous conflagration that swept nearly a third of the city as with a besom of destruction. The office of the Charleston *Mercury* was not burned down, but so badly injured that the publication of the *Mercury* was suspended two or three days. The *Courier* office escaped injury. The papers estimate the loss by the conflagration at $5,000,000, and represent the destitution and suffering consequent upon the fire as being widespread and intense. The Legislature of South Carolina had appropriated $150,000 for the relief of the sufferers, and the Confederate Congress had appropriated about $200,000 for the same purpose. As I have not seen the copies of the papers containing the above information, I am unable to give their conjectures as to the origin of the fire. But my informant, William Hamilton, master of the Seneca, was of the impression that the papers stated that the fire was the work of an incendiary. But to return to the reconnoissance. The gunboats proceeded a short distance further up the river, and discovered a rebel encampment of four or five hundred men. A negro had previously informed our officers that the rebels had hastily fled from it; so our forces landed and took possession of it. On all sides were found evidences of a most hasty and shameful flight. Swords, pistols, tent furniture and everything that would add to the comfort of the officers were found in abundance. Forty-five tents were taken and brought here, and a storehouse full of bacon and hominy, which were also taken. The camp was destroyed. A house in which a rebel picket was concealed was shelled by the Seneca, and the rebels driven out and put to flight. A sloop, containing cotton and other staples of some value, was captured before the force returned. Altogether the expedition was very successful, and added not a little important information to our already large stock. Two crack companies of the Charleston troops were among those which occupied the encampment at Rockville. But they evinced but little of that courage they talk so much of and exhibit so seldom. Six fires were seen burning at one time by the fleet, on the islands about them, and doubtless every particle of cotton in that neighborhood has been destroyed. They are good barnburners, but seem to have but little taste for fighting. The expedition returned to Port Royal on Saturday night, shortly after the Ottawa got back from Charleston bar, too late to send details by the Marion on Saturday.

The possession of Wordlaw Island gives us a fine harbor at North Edisto, and our cruisers are already enjoying it. It relieves them of the necessity of laying at an exposed anchorage off the bar, which a severe gale obliges them to leave.

South Edisto has also been occupied, I understand, the batteries at that point being deserted by the enemy. It is now quite evident that the rebels have or will relinquish the possession of all their seacoast batteries accessible to our gunboats, and retire to the midland. The lesson taught the rebels by our naval batteries on the 7th of November last has been of great value to us. It has saved us a good many pounds of powder and a large quantity of shells which we would have been obliged to expend on these small batteries, before we could have driven them out. So the results of the victory of Commodore Dupont at Port Royal flow on and on, and become more valuable every day to us. We do not rightly appreciate them as yet. Time only can fully develope them.

Apropos of the Charleston fire: one of the officers of the Florida, engaged in blockading service off that port at the time of the conflagration, informed me the other day, while we were sinking the stone fleet, that he read a newspaper with the greatest ease at midnight from the light of the burning city. The Florida was at least eight miles from the city at the time, and one can easily comprehend from this fact alone the magnitude of the conflagration. The city seemed to be one sheet of angry flames, that threatened to utterly destroy every building in the town. I shall endeavor to send you papers containing full details of the fire by the Empire City to-morrow.

From Tybee Island we have but little news. Our forces still occupy the island, and are now in a position to hold it against any force the rebels can send to retake it. Our forces are in a very comfortable position there, and are working like beavers to strengthen their words. In their labors they are occasionally compelled to pass in sight of the rebels in Fort Pulaski, who invariably open fire upon our men, but thus far without any serious results. Otherwise there is nothing in or about the island of any interest to the public.

I understand that Flag Officer Dupont has despatched a gunboat to Warsaw Inlet or Sound, to blockade that entrance to Savannah, as well as to prevent the rebels from making any new movement towards Tybee. Ossabow Sound will be attended to in the same manner in a short time, and as fast as vessels are placed at the Flag Officer's disposition he will block up every little inlet on the coast.

The United States steamer Santiago de Cuba, ten guns, arrived from Havana, sixty hours passage, with special despatches of the highest importance to Flag Officer Dupont, from the United States Consul at Havana; also with despatches for the government at Washington. She also brought despatches from the American Consul at Nassau, New Providence, relating to transactions of British officials at the latter place, involving questions of the most vital interest to our government and flag. I presume you have received via Havana the full particulars of the unpleasant difficulty between our Consul and Naval Representative at Nassau and the British authorities.

It seems that the English authorities refused to allow a coal ship belonging to our government to give coal to our vessels in that harbor, or to place the coal on shore for the same purpose. This action gave rise to an exchange of several warm communications between our Consul and the Governor of the island. Our Consul drew the attention of the Governor to the fact that at that moment the steamer Gladiator was laying in port, loaded with arms and munitions of war, well known to be owned by and destined for the rebel government. No objection to her presence had been made by the Governor, and he well knew that the articles contraband of war were being transferred to schooners alongside, which openly sailed for Southern ports, to elude, if possible, the blockade, and illicitly convey the arms to the rebels, in violation of the professed neutrality of Great Britain. He also called the Governor's attention to the fact that the steamer Isabel was in port, with a large cargo of cotton; that her flag had been illegally changed; that she was then coaling for a voyage to England, and that no notice of this violation of the principles laid down by the Governor in his communication to the Consul, as controlling his action, had been taken by the authorities. He pointed out the manifest injustice of the thing, and the partiality shown the rebels. The correspondence then closed, and will be submitted to the government at Washington.

No one who has not been in Nassau can realize the true character of the feeling among the authorities and inhabitants towards the United States. They hate the North, and attest in every manner their sympathy towards the rebels. The latter are *feted* and shown every kind of attention by the English, and Union men are treated in the coldest manner, and openly abused by these miserable pirates and wreckers. Nassau is a rendezvous of privateers, and the fountain of that trade in arms and articles contraband of war which has supplied the rebels with a large quantity of arms and other necessary articles. However, you have had fuller details of these occurrences by the mail from Havana, and I will not attempt to give further particulars. One thing is pretty certain: a precious little of the Gladiator's cargo will get into Southern ports. Commodore Dupont received by the Santiago de Cuba a vast deal of valuable information in regard to the plans of the English and the rebels to get the Gladiator's cargo into Southern ports, and has taken steps to prevent them from being successfully carried out. So look out for some exciting times down this way before many days.

The correspondents of the press with the expeditionary corps enjoyed a pleasant interview with General Sherman last Monday evening, at his quarters, of a character similar to that famous one between General McClellan and the Washington reporters. This of last Monday evening was suggested by General Sherman, and it was upon his invitation that we met. The object of the interview was to obtain an expression of opinion and an interchange of views as to the best way of preventing information of military plans and movements from reaching the enemy through the columns of the press. It is well known that the intelligence contained in a New York paper is received by the rebels in Charleston, Savannah or New Orleans in three days or less after it is known in New York. And through this avenue they have obtained intelligence of contemplated movements in this department that has done great injury to the cause. Premature exposition of plans has been made, which, reaching rebel commanders, has occasioned a complete change in the enemy's positions, and consequently required a corresponding change in our plans. Now, to prevent a recurrence of this unfortunate error, it was determined by all the correspondents present that thereafter we should report no military movement until it had been completed; publish no plans of a campaign, nor give intelligence of reconnoissances or their results, and be cautious in sending any information which will afford the enemy any advantage. Indeed, about the same rules will govern us as should govern the Washington correspondents. We very cheerfully came to this determination, which met the hearty approval of General Sherman himself. After spending a couple of hours in agreeable conversation, of a general character, the correspondents separated, very well pleased with the result of the interview.

The weather since Saturday has been cold, cheerless and decidedly uncomfortable. A chilling northeast gale arose on Saturday, and has continued until to-night, blowing with great violence. There is a heavy sea outside, and no vessels have come in during yesterday or to-day.

Camp life is very disagreeable at present. It is almost impossible to keep warm or comfortable, and the troops are suffering a good deal from this winterish spell. As I close the sky is clear, but the weather is very cold indeed. I think this is the coldest night of the season as yet.

IMPORTANT FROM THE WEST INDIES.

ARRIVAL OF THE KARNAK.

INTERESTING FROM HAVANA.

Treatment of United States Vessels-of-War at Nassau.

Expected Arrival of the Spanish General Prim.

REPORTED REVOLUTION IN ST. DOMINGO,

&c., &c., &c.

By the arrival of the British steamer Karnak, from Havana and Nassau, we have very interesting intelligence from both these places. The secession element in Nassau was greatly on the increase. We are indebted to Captain Le Messurier and the Purser of the steamer for the latest papers.

Our Havana Correspondence.

HAVANA, Dec. 21, 1861.

Arrival of the Gladiator at Nassau—British Treatment of United States Vessels—Two More Cargoes of Cotton from Charleston—Spanish Feeling Towards the United States—Preparations for General Prim's Reception—Miramon Expected—The Captain General and the Mexican Expedition—More Vessels-of-War from Spain—Havana Bonds—The Opera, &c., &c., &c.

The Gladiator, the Anglo Confederate steamer of which G. F. Train has lately given such a minute account, through the NEW YORK HERALD, has arrived at Nassau with her valuable cargo of arms, &c. Anchored close alongside her is the Flambeau, United States gunboat; that is to say, such was the position of affairs when the Karnak left, on Monday, the 16th instant. The close proximity of the Flambeau gave rise to a report that she intended cutting out the Gladiator, whereupon the Second West India regiment, quartered at Nassau, was called out, and the forts manned, to prevent the execution of the design. Both vessels kept their steam up constantly; but the Gladiator will come off best at that game, for the authorities have refused to permit the Flambeau to coal while the other can get everything she requires. The steamers Theodora and Ella Marley, formerly the Isabel, are also at Nassau, both from Charleston, the former with 250 bales and the latter about 1,000 bales of cotton, and the privileges accorded to the Gladiator are of course enjoyed by them.

The refusal to permit United States vessels to coal is a straw which indicates pretty clearly the British feeling in these regions, and is doubly wrong, because, in the first place, the coal asked for belongs to the United States government, having been deposited at Nassau for the convenience of United States vessels; and, in the next place, because the local authorities there treat Confederate steamers very differently. To say the least of it, it is not fair play; neither is it an honest compliance with the principle of neutrality about which so much is said now-a-days. All this, of course, grows out of the Sidell and Mason affair, the interest and importance attached to which overshadows everything else, at least in the minds of Americans and English residing here. Many entertain the conviction that there will be war between the United States and England; but it is quite time enough when there is war for the authorities at Nassau to act as they have. Naturally, perhaps, British feeling runs pretty high, but it would be more dignified in an official to follow the path of duty strictly than give way to his feelings.

Another rumor, bearing in the same direction, has just been given to the winds. The steamer Vanderbilt arrived here on the 3d inst. from New Orleans, carrying British colors. A day or two ago she got up steam, apparently with the intention of leaving. The United States steamer Santiago de Cuba, then in port, got up steam also, apparently with the intention of following, which was no sooner perceived on board H. B. M.'s steamer Challenger than the Englishman got his steam and dander both up, for the purpose of following pursuer and pursued, and preventing the capture of the Vanderbilt, or recapturing her if necessary. The story may be nothing more than one of those enormous canards which are hatched whenever the political atmosphere grows hot; but yet there is an air of probability about it. As a general thing, Englishmen and Spaniards here cry loudly for vengeance. The Spaniard, whether from envy, hatred or malice, or all three combined, never allows an opportunity for a fling at the United States to escape him. In a previous communication I alluded to an editorial article in the leading Havana paper on the additional duty imposed on foreign tobacco imported into the United States. There was simply a chance afforded to say something unfriendly, and something bordering on nothing was accordingly said, for the writer admitted it was done to protect the home grown article, which no man of sense will doubt was a very sensible and proper motive. With how much greater reason could it be retorted, for instance, that the Spanish government commits a gross injustice in obliging Americans here to pay twelve and a half cents on every letter from the United States, when the carriage is done by American or English vessels. The United States government insists on the letter postage to Havana—ten cents—being prepaid in the States, because it furnishes a means of transmission; but what shadow of excuse has the Spanish government for charging twelve and a half cents? Moreover, when a letter from any part of the island of Cuba is charged but six and a quarter cents, they cannot allege home protection, for charges not, and I doubt if there ever was, a single Spanish steamer running between this island and any part of the continent claimed as United States territory. Then look at the enormous duty charged upon furniture, and the thousand and one things which they must have from the United States or do without, for there is nothing of the kind manufactured here. A table which could be bought in New York for two dollars cannot be sold here at less than eight or ten, so heavy is the duty. Here again the protection of home productions cannot be pleaded, because there are no home productions of the kind to be protected. I very much admire that good old wise saying about people living in glass houses—one that certainly cannot be unknown to the Spaniard, whose language is so rich in proverbs. How much better and more profitable would it not be to cultivate a friendly feeling by dealing more liberally with a powerful neighbor, instead of nourishing a narrow prejudice fatal to the advance of every species of material prosperity. That American genius and industry have given to Cuba all that she possesses in comfort and luxury needs no elaborate demonstration. The very stones in her streets have to come from the United States; the gas that lights her thoroughfares and palaces is due to American industry; every railroad is not only built, but conducted and managed by Americans. If you wish to see confessedly the best oil portrait of the Queen of Spain, or those of the Captain General and his beautiful wife, you will have to go to Fredericks & Kohner's, an American establishment in this city. And so with everything else. The sooner Spain learns that the people of the United States are worth having as friends the better it will be for her interest and prosperity.

Speaking of these matters reminds me of an erroneous idea which prevails in New York in regard to Havana bonds. Up to the present there have never been any properly called Havana bonds—that is, bonds issued by the Ayuntamiento, or city government. That body is now about to issue them for the first time, and, when issued, they will be as good as any in the world. Those heretofore called Havana bonds have been those issued by private companies incorporated here, not indorsed by the government, and representing nothing more than the private fortunes of private speculators.

We are anxiously awaiting news from Mexico, and I hope the expected steamer from Vera Cruz may arrive before the Karnak sails. General Prim, the hero of Morocco, is now on his way to this city, as are also the no less celebrated Miramon, ex-President of Mexico, and General Almonte, Miramon's Minister at Paris. Extensive preparations are being made to give General Prim, who, by his valor, has earned the title of Conde de Reus and Marquis de Castillejos, a magnificent reception. The streets through which he is expected to pass are being decorated with hangings, and his countrymen from Catalonia, it is said, intend drawing his carriage through the streets with ropes of gilded silk.

Dame Rumor still insists that Captain General Serrano is, and has always been, opposed to the expedition, and I have even heard that he intends taking an abrupt departure for Spain as soon as General Prim arrives. They say he is chagrined at having General Gassett, his appointee, superseded. I do not vouch for any of this, nor for the truth of the following anecdote, related in a *café* a night or two ago; I give it simply as a faithful chronicler should everything he sees and hears. On the festival day of the Captain General's infant heiress, a certain distinguished gentleman is said to have proposed a *toast* to the expeditionary army, and its speedy and triumphant entry into the capital of Mexico; whereupon the Captain General remarked, with some warmth, that not only not one of those present, but not one man of the six thousand would be likely, not only not to enter the city of Mexico, but even to land on Mexican soil. Curious and interesting if true.

In addition to the vessels composing the expedition—a complete list of which I forwarded to the HERALD—there will be added, according to the Madrid correspondent of the *Diario de la Marina*, the steamers (sidewheel) Ulloa and Vasco Nunez, each of six guns and 200 horse power, and the steam transport San Quintin, 1,300 tons and 300 horse power. Add also the steam transport Gen. Alava, 1,500 tons and 280 horse power, which left this port a few days ago to join the squadron at Vera Cruz.

Muzio continues his successful campaign at the head of his company. The only novelty since my last letter was the *debut* of Signor de Ferranti, the husband of Signora Rennett de Ferranti, who divides popular favor with Signora Bassezgio. Of Signor de Ferranti, however, I can say nothing, as he appeared for such a little while on the stage, and the business directors have so poor an idea of the importance of affording critics reasonable facilities for seeing and observing, that I confess my inability to pass judgment. To provide these facilities for the representatives of the press is as necessary and important as to provide a stage for the artists to appear on.

Considering the times, there are very few war vessels in port—only one French steamer (Le Renaudier) and two British—the Challenger and Plover—the latter from Key West two or three days ago. Admiral Dunlop is still here, and is very highly spoken of as an officer and a gentleman. Mr. Proctor, United States Vice Consul at Vera Cruz, is here, awaiting the English steamer to Mexico.

Sugar to-day is quoted at 8¼ for No. 12. Exchange on New York, par to ¼; for London, 11 a 12.

There is a rumor here, in private circles, of an outbreak in the city of St. Domingo within the last fifteen days, principally with the purpose, it would appear, of wreaking vengeance on the person of Santana. It is said to have been a serious affair, and that a great many lives were lost. A party from the country endeavored to enter the city to assist the revolted citizens, but were prevented by a Spanish force sent out to intercept them. This would indicate a pretty wide spread conspiracy. The papers here say nothing about it.

Our Nassau Correspondence.

NASSAU, N. P., Dec. 16, 1861.

Passage of the Karnak—Arrival at Nassau—Scenes on Shore—Royal Victoria Hotel—Arrival of the Steamer, Isabel and Theodora—Arrival of the Steamer Gladiator—United States Steamer Flambeau—Feelings of the People of Nassau—Treatment of Citizens of the United States—Second West India Regiment, &c.

We arrived this morning, after a rapid passage of four days and two hours from New York. We had delightful weather; sail was made as we passed Sandy Hook, and not taken in until within a short distance of this port.

The stoppage of all steamers between New York and Havana, except the Columbia, has been a fortunate occurrence for this vessel. She never was intended for a first class passenger steamer; but the exigencies of the times keep her full to overflowing on every trip. I am much indebted to Captain Le Messurier and the other officers of the vessel for many acts of kindness and consideration received at their hands, and trust they may all soon be changed to a larger vessel, and one better fitted for the large and increasing business of this line.

As we approached the harbor all were on deck, and when about a mile from the lighthouse the pilot was received on board. We could now distinguish the flags of the different Consulates, and it was with much pride and pleasure I discovered the glorious old Stars and Stripes flying from the Consulate of the United States, from several merchant vessels and from the United States steamer Flambeau, Lieutenant Temple commanding. I was terribly mortified, however, by discovering the notorious "Stars and Bars" of Jeff. Davis & Co.'s confederacy flying from a steamer which I recognized as the old Gordon, or Theodora, as she is now called.

After crossing the bar at the entrance of the harbor we proceeded to our anchorage, within a half mile of the city, which is beautifully situated, facing the ocean, and apparently clean and well cared for. The entrance is well guarded by powerful fortifications, although, as far as I could see, but few guns are at present mounted.

As soon as we had anchored the ship was surrounded with numerous boats, seeking passengers for shore; and, taking advantage of a notice suspended to the side of the captain's room that the ship would not sail until the next day, I made a hasty toilet and departed to visit once more the land of cocoanuts, bananas, Englishmen and contrabands.

On reaching the shore I proceeded to search for our active and energetic Consul, Captain Whiting, of steamship Marion notoriety, and found him at the Post Office, awaiting the mail to be assorted. I was most hospitably received, and am indebted to him for much valuable information.

While waiting at the Post Office I had a good opportunity of observing the different classes of inhabitants of Nassau, the most prominent, of course, being the officers of the Second West India regiment, four companies of which are now stationed here. They are unmistakeable everywhere, but especially here, where their costume is so very inappropriate to the climate; the small cap, huge side whiskers, red shell jackets, dark blue cloth pants with heavy marching shoes, enclosing feet of the most enormous proportions, prove them at once to be officers and Englishmen. As it was Sunday, every one was in holiday costume, and the dress of the female contrabands was without doubt the most striking of all. The most gaudy patterns suit them best, and, while the colors of the rainbow could be seen on nearly all, few could be found with shoes and stockings.

After leaving our Consul I proceeded to the Royal Victoria Hotel, a new building, conducted upon the American plan, and most admirably kept by Mr. John S. Howell, a New Yorker. The location is excellent, the rooms large, airy and beautifully furnished, and the table United States all over. I never expected to see such a hotel in the West Indies, and there never would have been except for the enterprise of us Yankees.

The past week has been one of the most exciting ever known in the annals of Nassau. At least so says the oldest inhabitant. On the 6th inst. there arrived the schooner Prince of Wales, of Nassau, and a sloop, both loaded with cotton and rice, having run the blockade at Charleston. On the 7th inst. the steamer Isabel, formerly the United States mail packet between Charleston and Havana, arrived, loaded with one thousand bales of cotton, she also having escaped from Charleston. Her name has been changed to Ella Warley; her captain's name I have been unable to learn, but she was piloted over Charleston bar by R. Lockwood, one of the best pilots of that port, and brother to the one who commands the Theodora. She came into port with the rebel flag at her peak, but since her arrival has changed owners (a bogus sale, of course), and she is now in port, with the English flag flying.

On the 9th inst. the notorious Theodora, Capt. Lockwood, arrived; she was loaded with six hundred bales of cotton, and escaped from Charleston how or when I am unable to ascertain. She flies the rebel flag and laughs at us.

The arrival of these four vessels suggests the inquiry, what is the matter with our squadron? where are the vessels composing the stone fleet that were to stop all the chances of entrance or exit? Echo answers, what and where?

The effect of their arrival has been very injurious to our cause with all at Nassau; and the report, magnified a thousandfold, will go by the next steamer to England, there to produce the same effect to a greater extent, and render our blockade in the eyes of all Europe ridiculous, and compel them to believe it one of paper only.

On the 9th inst. also arrived the English steamer Gladiator, from England, with a cargo consisting of cannon, small arms, blankets, shoes, clothing, medicines, and a large quantity of gunpowder. She cleared for the coast of Africa, but from her arrival here I should say she was somewhat out of her course. It is said, and I have every reason to believe the report true, that she has full equipments for an army of twenty-five thousand men. It is well known and acknowledged that her cargo is for Jeff. Davis & Co.; and her safe arrival in a Southern port is now, no doubt, anxiously expected, for her cargo must be badly wanted; and the vessel would be a valuable acquisition to the rebel mosquito fleet. How she or the cargo will get there remains to be seen. Their plan is no doubt to transfer the cargo to smaller vessels, and let the steamer remain where she is or return to England. This vessel is the one spoken of particularly in the published letter of Mr. Charles Francis Train, and her arrival at Nassau proves him to have been correct regarding her destination.

On the 11th inst., much to the annoyance of all Nassau, the United States steamer Flambeau, Lieutenant W. G. Temple, United States Navy commanding, arrived off the port, and is now at anchor in the harbor. What her movements are I know not, neither did I consider it proper or appropriate to inquire. It is sufficient to know that she is here, that she is well armed, commanded, officered and manned, and that the interests of our country will be attended to and cared for as far as is in the power of her commander. I visited and found her a pattern of discipline, cleanliness and good order, and reflecting great credit on all attached to her.

It is an established fact that the inhabitants of Nassau, from the Governor down to the lowest contraband, with the exception of three or four, are now not only sympathizing with, but openly aiding and abetting the rebels in their operations against the government of the United States. As an instance of it I will mention one case. Two schooners, with coal for the vessels-of-war of the United States that may call here from time to time, have arrived in this port, consigned to our Consul; he solicited permission to land the cargoes, which was refused, and he was told that no armed vessel of the United States could receive coal in that harbor; and at the same time the Theodora was allowed to coal and undergo repairs without any restraint. What are we to infer from such conduct? The Consul has remonstrated, but all to no purpose.

The neutrality of England has for some time been considered a farce, and the conduct of all the officials at Nassau proves it to be so. They are not only not neutral, but openly give aid and comfort to our enemies. The citizens of Nassau are insulting in the highest degree to all citizens of the United States whenever the opportunity offers. It is impossible to walk the streets, when you are known, without being annoyed by the remarks of those you meet, and the conduct of the negroes is rapidly becoming unbearable. One of the junior officers of the Flambeau and several of our passengers have been stoned by the negroes, and I should not consider it safe to be beyond the limits of the city alone, and have it known that I was a Yankee, which is the term they apply.

All the vessels which have run the blockade and arrived here with cargoes are consigned to the house of H. Adderley & Co. This firm is known to be in league with the rebels; and, as they have an extensive correspondence with New York, it might be well to find out what manner of goods are