SOUTH AMERICA.

Inactivity of the Allied Forces in Paraguay.

Dom Pedro's Son-in-Law Appointed Commander-in-Chief.

LOPEZ RECRUITING IN THE MOUNTAINS.

Peace Negotiations Between Spain and Chile.

The steamships South America, Captain Tinklepaugh, from Rio de Janeiro March 26, and the Arizona, Captain Jeff Maury, seven and a half days from Aspinwall, arrived at this port yesterday. The Arizona brings $532,086 in treasure.

The latest news by these arrivals will be found in detail in the following correspondence.

THE PARAGUAYAN WAR.

Inactivity of the Allies—Lopez Actively Recruiting—Prospect of the War Ending—The Change of Commanders—Strength of the Allied Forces.

BUENOS AYRES, March 14, 1869.

Two months have elapsed since the decisive battles at and near Villeta, resulting in an utter defeat of President Lopez and the escape of a handful of his army as fugitives. Less than 100 men went with him. A few cavalrymen could have arrested them, and so might have ended the whole affair. No pursuit has yet been made. After long months of inactivity General Caxias, chief of the allied forces, was removed by his imperial master and a substitute was sent to relieve him. While the new general was on his way all General Caxias' successes occurred, and after a series of brilliant battles, each one a victory, and when his stubborn opponent in a four years' war was a fugitive only a few miles distant, an order recalls General Caxias and replaces him with an untried man. General Guilermo de Souza having, like his predecessor, everything to learn has been occupied in learning it. Meanwhile Lopez is accumulating a force in Pirabebé, where he now has over 7,000 men and forty guns.

Lopez's place of retreat is about thirty leagues from Asuncion, and nearly up to that city do his troops venture to sweep away supplies, to reconnoitre or to bring away families to swell the crowds at Pirabebé. The story is confirmed of an outrage by these troopers that was hardly credible at first. It was that they fell in with sixty families, who were disposed to seek protection with the allies and give up their allegiance to Lopez, and they were murdered on the spot.

An expedition to attack Lopez has been talked of for over two months, but it has not been ready to start. Guides offer to show the way, horses are bought, mules are shod, and all the time Lopez's forces are accumulating; but the expedition, for reasons known at headquarters, does not set out. The number of men reported by the allies as ready for operations is now 26,000, about three times the force of the discomfited but recruiting Paraguayans. Probably the disparity has been as great frequently in the course of the war, and, as it is, no one knows the result.

The latest reports of the condition of the allied forces at Asuncion are very discouraging. Caxias, whose recent successes made him a great favorite, has gone home (removed), and his staff, a very long list of good officers, has gone with him. Admiral Ignacio has recently died, the new commander-in-chief is low with consumption, General Osorio is still suffering from his wounds received in December, and the Rio Grande cavalry is afoot. In the midst of this, the orders have come to the allied army to prepare for a movement. Active preparations are made for an expedition. Purchases of horses and other preparations are made for a movement, supposed to be towards the retreat of Lopez.

The progress towards a provisional government in Paraguay is very slow. The Paraguayans themselves do not seem to desire a provisional government, and if one is organized it will have to depend greatly on the efforts made outside. Without a government on the spot the purpose of the triple alliance cannot be carried out, and it is feared by the allies themselves it will be simply the occupation of the conquered territory by the conquerors pushing the lines of their governments over it.

It is now about three months since any word has been heard from General McMahon, United States Minister to Paraguay. It seems incredible but that despatches have been sent, but they have not come to hand. The United States gunboat Kansas was sent to that region to be near him and to serve United States interests as might be convenient, but she got aground, and after a great many weeks of delay she got off the bank and has come down. She is now at Montevideo, and the United States gunboat Wasp has gone up to take her place. Captain Kirkland, of the Wasp, asked of the allies a few troops with a flag of truce to go to Lopez's camp to find General McMahon; but it was declined, on the ground that there was no certainty but the officer bearing the flag of truce would be shot.

The very latest letter from the army is from the best correspondent there, who writes that the numbers of the allies are reduced as follows:—Brazilians, 22,000; Argentines, 5,000; Orientals, 600. Total, 27,600.

The financial condition at Montevideo is very shaky. The free banking system, or virtually free, has nearly ruined the country. A new minister has just been chosen, whose character gives greater confidence.

There are three or four cases of cholera every day, both in Buenos Ayres and in Montevideo.

Latest from the Seat of War—Refugees Returning to Asuncion—Better Aspect of Affairs—The Proposed Provisional Government—Remnant of the Paraguayan Fleet.

BUENOS AYRES, March 14—Evening.

The steamer from Paraguay arrived bringing the agreeable news that many of the families ordered by Lopez to the mountains of Ascurro have escaped and returned to Asuncion, but the country from Luque out is unsafe, being scoured by Lopez's troops, gathering arms and forces.

Since the arrival of Ministro Paranhos at Asuncion affairs there have assumed a better aspect. The town is orderly and property of every description is respected. General Mena Barretto, with his expeditionary troops, has moved out of Asuncion, and, according to the most reliable advices, it was arranged on the 15th inst. the Brazilians would march to Trinidad, there to incorporate with the Argentine division, and then strike out for the mountains. It appears that the town of Pirebe is completely deserted, and all the Paraguayan troops, hospitals, &c., have been moved up some fifteen leagues farther into the mountains; but the allies are well supplied with guides and it is generally supposed the expedition in question will bring the war to a final close.

The river Paraguay continues rising and has already flooded its banks in every direction. Cerrito, the place at the mouth of the Paraguay river formerly used as an arsenal by the Brazilians, is completely covered by water and hardly the tops of houses visible. The remnant of the Paraguayan fleet is anchored in a small river, at the mouth of which the Paraguayans have sunk a large steamer to preclude the possibility of pursuit. The Brazilians expect to pass at flood tide. Large shipments of every description of merchandise have been made from Asuncion to Matta Grossa. Business at Asuncion continues dull. The country is rich with supplies, and the bulk of Indian corn sent to Asuncion has been sent back to Humaita, and Corrientes. Ministro Paranho, is shortly expected at Baires, where a conference will be held to discuss the possibility of a provisional Paraguayan government.

The fine American built steamer Zi took fire at about eleven o'clock P. M., while at anchor in the Inner Roads, and burned to the water's edge. Nothing whatever was saved, and four of the crew are missing. The Port Captain and men put off to render assistance, but it was useless, no gunboat being near to fire into and sink her and no hands being on board to scuttle her. The population of the town remained up all night, gazing at the awful spectacle, and such was the crowd on the mole head that at one time it was feared the mole would give way. The Zi was built in the United States last year, and belonged to a company of about thirty shareholders in this port and Montevideo. She cost £31,000. Believed fully insured.

Comte d'Eu Appointed Commander-in-Chief of the Allied Army—Position of Lopez and Prospects of Another Campaign.

RIO JANEIRO, March 26, 1869.

The only special news in regard to the state of "peace in war" in which the campaign still remains is the appointment of the Emperor's son-in-law, the Comte d'Eu, to the chief command of the Brazilian forces now in Paraguay. The decree appeared upon the 24th, nominating "my beloved and much prized son-in-law to the command-in-chief of all the forces operating against the government of Paraguay." It is, however, officially stated that "his commission being purely military, his Higness will have nothing to do with the diplomatic arrangements that may possibly be made among the belligerent Powers." He leaves Rio on the 30th.

The official explanation in regard to the changes in the command is:—That the Marquis de Caxias having obtained the relief he asked from the command-in-chief of all the forces in Paraguay, and it being feared that Marshal Guilherme Xavier de Souza's state of health would not permit him to continue in the provisional command, and, also, other distinguished generals being likewise impeded, the government resolved to appoint Army Marshal the Comte d'Eu to the said command.

People are well pleased at the new appointment, as it gives reason to hope that some vigor will be infused into the stagnant military operations, which have already given Lopez three invaluable months to recruit and prepare new fortifications and munitions. The last accounts from Paraguay show that Lopez has posted himself on the railroad to Villa Rica, and has his advanced fortification about fifteen miles east of the town of Paraguay, between it and the strong position of Cerro Leon, which is generally considered the bulwark against an army marching by the railroad on Villa Rica. The particular place which he has thus fortified is the defile of Escurra and his main camp is in Cerro Leon, while his advanced posts occupy Paraguari. The official Brazilian accounts give his forces at 3,000 to 5,000 infantry and cavalry, and sixteen to twenty pieces of cannon, stationed at Escurra, Cerro Leon and at commanding points along the road to the mountains. Other accounts raise his force to 7,000 men and forty cannons, and Paraguayans now here say that he has still some thirty-two and sixty-eight pounders for his defences.

The distance from Asuncion to Ascura is about sixty miles. From Asuncion to Pirabebui, Lopez's seat of government, is something further, but the railroad is the best road to follow, and Marshal Guilherme de Souza writes that the rails were perfect as far as Luque (fifteen or sixteen miles from Asuncion), that he had some locomotives and cars, and that he had men at work repairing the track, relaying the rails and rebuilding two bridges destroyed. His idea was to organize two strong columns, and while one would occupy and defend the railroad, the other would advance against Cerro Leon and Pirabebui. Of course, at least half the railroad to Villa Rica is in the hands of the Paraguayans, and they possess nearly all the rolling stock, it having been removed before the allies occupied Asuncion.

It is improbable that Marshal Guilherme will do anything; but he will leave his successor to form his own plans and carry them out; so we need not count on anything being done before May, if even so soon. The Paraguay had, however, risen so high that it was said the new admiral was about to send the small monitor up the Manduvira again, to make an attempt at destroying the six Paraguayan steamboats chased up it in January last. From what deserters say, it would appear that the steamers are disarmed, but it is scarcely to be doubted that advantage has been taken to make them tolerably inaccessible to the Brazilian vessels. In January some perseverance on the part of the chasers might have effected their destruction, but the want of zeal at headquarters infected all the forces then, and when the Paraguayans sank a vessel across the river the squadron turned back at the first check.

THE WEST COAST.

Interesting from Peru—Montero's Conspiracy—Political Troubles—Horrible Robbery—Peace with Spain—Yellow Fever in the South.

LIMA, March 28, 1869.

The name of Commander Lizardo Montero is considered in Peru as inseparably connected with the idea of sedition and revolution. An account has already been given to the readers of the HERALD of the recent conspiracy headed by this officer, and of the ignominious failure of the plan, owing to the hastiness of the plotters and the total want of reason on their side. Commander Montero was pursued to Chorrillos, but, aided by some friends, made his escape, and for several weeks his whereabouts was unknown. A day or two since two Peruvian men-of-war, the Union and Huascar, were suddenly sent to sea, and the quidnuncs of Callao were sorely exercised as to their destination. The secret has leaked out. A little schooner sailing from Callao to the Chincha islands was suspected of having the redoubted Montero on board, and the war vessels were despatched to overhaul the seditious craft, and bag, if possible, the dreaded conspirator. The ships were absent three or four days and returned to Callao without having met with the object of their search. Twelve hours afterwards the schooner appeared in the bay, and was instantly seized by the captain of the port and placed for security under the guns of the frigate Apurimac, while the captain and crew were brought on shore and examined by the species of admiralty established in Callao. The result of the examination was so damaging to the captain of the schooner that he was ordered to be closely confined, and several naval officers suspected of being implicated were also placed under arrest. This little incident, unimportant in itself, is merely cited to give an idea of the intense anxiety always experienced by those in power in Peru, and the want of confidence invariably felt in those governed. Montero is somewhere at liberty, but from the reports that come in from all portions of the country concerning his whereabouts it would be as easy to establish his position as to mark out the exact resting place of the Wandering Jew. The discontent in the republic is mainly confined to the north, Balta's own section. It appears that after the battle of Chiclayo, where Balta gained the decisive victory over Prado's forces, he made most flattering promises to the people who aided his cause, and, since his accession to the supreme power, has either been unable to carry these promises into effect from want of money, or has forgotten them. This naturally exasperates the north, but no danger of revolution is expected from this dissatisfaction. The public treasury is too poor to warrant any revolt.

The suburbs of Lima have, from time immemorial, been infested by a most disagreeably ferocious band of robbers and assassins, who, upon every available occasion, rob and maltreat the unfortunate travellers or excursionists who may fall into their hands. A couple of gentlemen were some few days past riding out in the evening, when they were suddenly assaulted by these freebooters and forced to return to Lima in a costume not quite so elaborate as a bathing dress, and in consequence created more mirth than sympathy in their predicament. But a more serious affair recently occurred on an estate situated about twelve miles from the city and belonging to the Ayulos, one of the principal families of Lima. The estate was at the time under the charge of one of the younger members of the family, and he had invited several friends from the capital to spend the holidays with him on the hacienda. While at dinner the host and his guests were surprised by a band of robbers. Resistance was made—firearms used. The robbers were victorious, and after having killed young Ayulo and another, barbarously mutilated the bodies and committed almost every imaginable act of savagery against the servants and those who had not made good their escape. The principal assassins were recognized by a Chinese laborer and after a few weeks were captured by the police. Now comes the singular part of the story. These robbers were tried and the proofs against them were so clear that only a sentence of death could be pronounced against them. But the death penalty has been abolished in Peru for fifteen years, and the lawyers were at a loss how to proceed. Some ingenious advocate, his mind naturally reverting to the normal political state of the country, suggested that the law in question might have been abrogated by some succeeding government. The archives were examined and a loophole of this description was discovered. Now arose another difficulty. The old law prescribes that two criminals condemned to death for the same crime shall take their chance of escape by drawing lots, he whom fortune favors to live and his companion to suffer death; yet no method of arriving at this pleasant conclusion was mentioned in the code, and although straws, dice, &c., were suggested by the judges, the prisoners' lawyers have made capital out of the doubt, and have delayed the case. The matter, however, will doubtless soon be resolved, and one of the malefactors will be shot. Hanging is unknown in South America.

The weary negotiations for the termination of the so-called war between Spain and the allied republics of the Pacific still drag along. Chile, smarting under the Valparaiso disgrace, and jealous of the Peruvian triumph, has always been the stumbling block in the way of peace, and the Ecuadorian Envoy, Mr. Antonio Flores, lately sent to Santiago for the purpose of endeavoring to induce a change in the Chilean policy, was not entirely successful. He, however, very forcibly represented the condition of Ecuador, the impossibility of exporting cocoa, her principal product, chiefly consumed by Spain, and the ruin which was hanging over his country. He insisted that Spanish merchant vessels sailing to and from Ecuadorian ports should not be molested by Chilean cruisers unless Spain or the allies proceeded to reopen the campaign. This was acceded to by Chile, and now Peru has also consented to the arrangement. Notice has been given to the provisional government of Spain of the fact, and it is hoped that the resumption of commercial activity will aid in raising Ecuador from the painful position she occupies, thanks to her "Americanism," earthquakes and numberless revolutionary aspirants to power.

The reports of the yellow fever from the south are distressing. In Tacna the epidemic still continues its ravages, and although many of the inhabitants have fled to the mountains in the interior, yet those remaining are being decimated by the pestilence. The physicians are inadequate to the extent of labor they are called upon to perform; the very carpenters are so busily occupied in furnishing coffins that many bodies are wrapped in sheets and thus buried, it being impossible at times to procure the coffins. The Prefect and authorities do all that lies in their power to arrest the progress of the plague; but human power is ineffectual before the march of such terrible adversaries.

The south of Peru, probably one of the most fertile and productive regions not only in South America, but in the world, has borne unparalleled sufferings since the beginning of the year 1868. Then her districts were overrun and ravaged by the contending forces of Prado and Canseco; following appeared the yellow fever and smallpox, originating in the hospitals established by the military commanders; then came the fearful earthquake of August, levelling whole cities to the earth and destroying the work of centuries, ruining the fields of grain and vineyards and changing the fertile country to almost a desolated desert, and now again the fever sweeps over the devoted section, carrying consternation and despair to the hearts of those who are bravely endeavoring to rebuild their shattered fortunes.

The railway to Arequipa is now looked upon as the salvation of the South. Once built, the facility of transportation will lend new energy to producers, and the future of that section of the country will appear far more encouraging.

Several cases of yellow fever have terminated fatally in Lima and Callao, but medical men express the opinion that the danger of the appearance of the epidemic has disappeared. Don Luis Montero, a noted Peruvian artist, was one of the latest victims. His picture, the "Funeral of Atahualipa," the last of the Incas, attracted very general admiration in Europe, and was so highly appreciated here that Congress voted him 20,000 soles and a gold medal for the performance.

News from Bogota—The Carthagena Dike Company—Smallpox at Panama.

PANAMA, April 13, 1869.

In my letter dated 1st inst. I said that no mails had been received from the interior lately, and we were consequently without any news from Bogota, the capital. Up to the present no mails have reached here, although two steamers from Carthagena have in the meantime arrived. By private advices from Bogota I learn that the National Congress has annulled the law on confiscation passed by the Legislature of this State, not long ago. The law referred to decreed the confiscation of the property of all persons found engaged in revolution against the government, and that the proceeds of the same should be used in paying the expenses incurred by the government in putting down the revolution.

The company formed a short time since for the establishment of a line of steamers on the Carthagena Canal seems to be making but little progress. Advices from Carthagena to the 3d inst. are to the effect that the directors and shareholders are quarrelling among themselves as to the manner in which the undertaking should be carried out, and from Jamaica I learn that the little American steamer La Estrella, belonging to the same company, had put in there and would be sold for debt. That the company will long hold together is doubtful.

The little steamer Montijo arrived from Chiriqui on the 11th inst. Political matters in that department are for the present quiet. President Correoso has not returned, but remains at David.

That loathsome disease, smallpox, from which the lower classes of our population were suffering severely when I last wrote, seems to be on the decrease, more from the fact that the material for it to feed on is becoming exhausted than from any active measures taken on the part of the authorities to check its ravages. The Governor of this department issued a decree on the 1st inst. appointing a committee of five gentlemen to look into the sanitary condition of the city, and to take such measures for the improvement of the same as their investigations might suggest. Although two weeks have elapsed since the issuing of the decree the committee named seem to have done nothing.

A Jamaica negro, charged with the crime of breaking into and robbing the British consulate in this city, in February last, was brought up for trial on the 7th instant. He confessed his guilt and was sentenced to the chain gang for six years. Nearly all of the money stolen was found in possession of the culprit.

The French frigate L'Astrée, flying the pennant of Admiral Cloué, entered this port on the 5th instant, from Peru, and will remain here a few days, preparatory to sailing north. By invitation of Admiral Cloué the President of the State, commander of the forces, several of the foreign representatives and a large number of ladies and gentlemen visited the L'Astrée on the 11th inst., but for some reason, as yet unexplained, met with a very cold reception. The President was not even honored with the salute customary on such occasions.

I learn from San Francisco that the pest ship Jamestown has been ordered here and is now on her way to this port. For years past the Jamestown, whenever in the tropics, has suffered terribly from yellow fever. When stationed here two years ago the number of deaths which occurred among her officers and crew was something frightful, although at the time there was hardly a case of sickness on shore.

The weather continues extremely warm and sultry and we are suffering very much for want of rain. A few drops have fallen in the past week, but not enough to be of any benefit.

The Panama Railroad Company's steamer Salvador, Captain Bowditch, arrived here on the 5th inst. from Central America. She brought no mails or news of any kind from the Central American republics.

THE NEW STEAMSHIP DACIAN.

Another Addition to the Anchor Line—Her Dimensions, Machinery, Accommodations, Appointments and Officers.

The new steamship Dacian, the latest addition to the large ocean fleet of the Anchor line, hence to Glasgow, arrived at this port yesterday, and is now discharging a valuable cargo at the company's pier, No. 20 North river. This vessel, although not so large as others of the line, is a stanch, handsome craft, of excellent design and elegant appointments. As a naval model she unquestionably reflects great credit upon her builders and finishers. The Dacian is of iron, bark rigged, and built, in both hull and machinery, by the Finnieston Steam Works Company, Glasgow, last year, being launched about the middle of December, 1868. Her length on deck is 252 feet 6 inches, and over all 264 feet 3 inches. She has a breadth of beam of 31 feet, a depth of hold of 21 feet 4 inches, a load draught of 18 feet 3 inches, and is about 1,100 tons gross, British measurement. She has two full decks, each being respectively 7 feet 4 inches between them. Upon each of these are iron plate stringers of very large size and thickness, which tend materially to strengthen them. The hull of this steamship is of wrought iron plates, one and one-eighth inches on her bottom, which decreases but one-fourth of an inch along her side plates. Her floors are of single and double angle iron of more than ordinary thickness for a vessel of her size, and her plates are mostly double riveted. She is fitted with six water-tight compartments, which are of iron, one-half to five-eighths of an inch in thickness. Water tanks are placed in the hold of the vessel, of more than usual size, there being two with a capacity of 3,000 gallons each, and the apparatus for the condensation of this water is capable of supplying thirty-five gallons per hour. The steering gear of the vessel is of the old safe character, and possesses all the fittings necessary to give it great strength. Hanging in appropriate places, and properly rigged, to be used instantly in emergent cases, are five lifeboats, capable of accommodating a very large number of persons.

The machinery of the Dacian, in design and construction, is worthy of praise. It is not fanciful, but massive, and is suggestive of speed, strength and safety. She is fitted with two vertical, direct-acting engines, having cylinders thirty-five inches in diameter, with a stroke of piston of three feet. These engines during this the first voyage worked very nicely, but a perceptible change, as is the case with all new machinery, will be observable for the better when the various working parts shall have been worn smoother. The propeller, of iron, has four blades, a diameter of thirteen feet six inches, and a pitch of sixteen feet nine inches. Her boiler is very large, of the tubular description, and in the generation of steam has given great satisfaction. Besides this machinery proper she is supplied with independent steam fire and bilge pumps of the largest size, steam winches for hoisting purposes and all else that an ocean vessel of her character requires.

The passenger accommodations of the Dacian are not of that extensive character which some of her sister vessels of the Anchor line are fitted with, but they are sufficient, and in a style worthy of commendation. There are state rooms capable of containing fifty-nine cabin and berths for about 280 steerage passengers. The state rooms are very roomy and comfortable. Convenience and comfort can be found in them during a voyage, as they contain berths of large size, sofas of elegant design and finish, while the toilet stands cannot be easily surpassed in their unique arrangement. The cabin is very cosey and has an air of exquisite cheerfulness. The panels of the stateroom doors leading from the saloon are of maple, prettily finished, while above and below them run beads worked in gold, which add much to the elegant effect.

The comfort and safety of the steerage passengers have not been overlooked, as their "home at sea" is one of the finest ever seen, in the matter of room and ventilation, which are the great requisites.

The following is a list of her officers:—Captain, James Laird; first officer, Thomas Watson; second officer, John Massey; chief engineer, Daniel MacGregor.

ESCAPE OF BOYLE, THE BUTCHER CART THIEF, FROM CLINTON PRISON.—It is reported, and upon good authority it is said, that Stephen Boyle, the "butcher cart" thief, who was sentenced to twenty years imprisonment in the State Prison by Recorder Hackett, a few weeks since, has escaped from Clinton Prison and is now at large. It will be remembered that Boyle was arrested in New York while attempting to break into a jewelry establishment, and that while in custody he attempted to shoot the officer who had arrested him. Having committed a murder in that State he was also wanted in Michigan; but his punishment here was considered quite satisfactory by all parties. He was at first sent to Sing Sing, but his jailbreaking proclivities being well known—he having escaped from several prisons—he was sent to Clinton, that being considered a more secure place. No particulars of the manner of his escape from this prison have been received, but the information of his escape is believed to be trustworthy. Boyle must be a veritable Jack Sheppard.—*Albany Argus, April 21.*

CUBA.

Our Relations with Cuba—Dulce Part of the Spanish Government—Consequent Need of a Diplomatic Representative—Naval and Consular Representatives Powerless—The New Consul General.

HAVANA, April 15, 1869.

The principle that a nation cannot have diplomatic relations with a colonial government is, under the ... of political economy, evident, inasmuch as the latter ... not that independent position which enables it to comply with requirements or enforce demands. This truism is, however, based upon the supposition that all powers, as affecting other nations, are vested in and exercised by the home government. The reasons for it cease when the colonial government arrogates to itself—and is sustained by the authority of the nation therein—power to issue and carry into effect decrees materially affecting important interests of such other nations. Of this character is the decree of Dulce, dated March 24, declaring vessels which may be captured in Spanish waters or on the free seas adjacent thereto, under certain circumstances, pirates; also his arrest of citizens merely upon suspicion, and confining them in a dungeon, without any just cause, as is proved in the majority of instances by their speedy release. Of this character, too, is the arbitrary confiscation of the property of foreign holders, as in case of the Kate Ranger affair, and the establishment of duties, differential and otherwise. True, these things are done in the name of the general government, but they are in use of "extraordinary faculties," a convenient term in most Spanish countries, and in this expressive of the powers inherent in the government of the nation itself, and which cannot be delegated without changing the whole theory of international relation and intercourse. It may be said that the Spanish government is responsible for the exercise of these powers; but meanwhile through them irreparable acts are committed, such, for instance, as the execution of an innocent person. Apologies and reparation tendered cannot restore life, and, with that power which may, in arbitrary exercise of its authority, take it away, such diplomatic relation should exist as will enable foreign nations to protect their subjects. The red tape system which pursues its even, well ordered course in despite of scaffolds and graves is not suited to the condition of affairs on this island, which are *sui generis* and not to be judged by ordinary rules. The truth is that the Spanish revolution was the work of a few individuals, rendered easy no matter by what causes, and the provisional government a joint stock concern, in which Serrano, Topete, Prim and Dulce were the principal directors, their authority being equal and co-extensive. True, some of the stockholders and others interested in the institution have, as stockholders occasionally do, with much impudence, presumed to interfere, but again like stockholders they have succeeded in accomplishing nothing. It fell to Dulce's part to look after the interests of the enterprise in Cuba, and he came out with full powers to exercise his judgment and to bind the company. He is, therefore, practically as much a part of the government of Spain as his coadjutors, who are running the thing in Madrid. For the reasons thus embodied the safety of American citizens and the preservation of American interests among others imperatively demand that a representative should be here, holding at least a qualified diplomatic position and with a right to be heard instead of, as now, trusting to a courtesy not always conceded.

It need not be supposed that the preservation of these interests will follow upon a telegram from the Secretary of State to Admiral Hoff, directing him to protect all American citizens. Within the narrow circle of his authority, circumscribed as it is by orders and custom, Admiral Hoff can do nothing or little more; and, again, he is an officer of too much experience and acumen to do anything more than comply with the strict letter of his instructions. He knows very well how United States officers have been treated in the past who have dared to exercise their own judgment in protecting Americans abroad. Well if their action happened to jibe with the popular sentiment and was likely to redound to the credit of the administration, ruthlessly court martialled and dismissed if otherwise; and at his time of life and with his high position he does not care to run any such risk. "Protect all American citizens," coming from the State Department to Admiral Hoff, is balderdash and nonsense; nor did the latter need any general instructions of that character to discharge his duty. Innocencio Casanova, whose fair daughter shed tears before General Grant, is not released, despite this energetic action of the administration, nor is he likely to be, until, as the HERALD once suggested, the Admiral is directed to await answer to his demands off the harbor. As a matter of policy, wise, perhaps, under the circumstances, all representations here—save some few which Mr. La Reintrie endeavored to make, with such unfortunate result to himself—have been of the most honeyed character, and it may well be doubted if they have accelerated the release of our innocent Americans or preserved a dollar's worth of property to an American holder. Something strong and vigorous is demanded here, and this is not only the sentiment of your correspondent but of every American on the island.

In this connection I may again revert to the appointment and confirmation of Edmund Lee Plumb as Consul General here, which affords the most complete satisfaction to all parties. Mr. Plumb's long experience in diplomacy, his knowledge of international law and his energetic and persistent nature, combined with a thorough knowledge of the Spanish character, the last most important of all, leads to the conviction that, as far as possible, American interests will be protected under him, and the only wonder is that he accepts the position at all, circumscribed as he must be by the peculiar circumstances of the case. His coming is anxiously looked for.

The Mary Lowell Affair—The British Consul Protests Against Her Condemnation—The Deposition of the Mariners on Board of Her.

HAVANA, April 17, 1869.

The British Consul General, the Hon. Alexander Graham Dunlop, has addressed to Captain General Dulce an energetic protest against the decision of the Admiralty Court in declaring the Mary Lowell a lawful prize, and has forwarded to his government a full report of the case, together with the deposition of the crew of the vessel, copies of which I attach. The brig was taken to the arsenal on Thursday, and her discharging commenced soon after. She was found to contain from 4,000 to 6,000 stand of arms, of the most improved pattern, and cannons with several bores, concerning which fabulous stories are afloat.

The following are the depositions made before Alexander Graham Dunlop, her Majesty's Consul General in Cuba, by John Reynolds and James Welsh, seamen, taken on board the Mary Lowell:—

On the 15th of March last were on board the Mary Lowell, which weighed from man-of-war anchorage, in charge of Mr. Walter Wilson, British Custom House officer, between nine and ten o'clock in the forenoon, with the intention of working round the southeast point of Little Ragged Island harbor. The ship's hatches were all sealed, and had been sealed previous to our joining the vessel, which was on the 26th of February last. At this time the Spanish war steamer Andaluza was anchored two or three cables from us. The steamer weighed immediately after we did. The wind was light from the eastward, and we made short tacks about every half hour, going about three knots.

The steamer tacked whenever we did, and kept within the distance of half a mile to one mile from us, until about two o'clock in the afternoon, when a vessel hove in sight to southward, which proved to be a monitor, and the Andaluza went out to reconnoitre her and returned to her former position near us—in about an hour—say about three o'clock in the afternoon. We were then standing to the southward. The Andaluza then came within hail and offered to tow us round the southeast point of Little Ragged Island; we declined, as we expected to weather it on the next tack. At the same time she made this offer we were not more than one mile and a half off the shore. We stood off to three miles, passing to windward of the Hobson breaker for the first time, and close to it, only just clearing it. At no time during the day had we gone off shore so far.

Shortly after four P. M. we tacked and stood in shore, with our American colors flying. In the meantime the Andaluza had lowered a cutter full of armed men, besides her crew (upwards of twenty in all), and they endeavored to come alongside, after we tacked towards the shore, but were unable to get alongside. Seeing this, the Andaluza came up on our port beam, and ordered us to lower away our sails, at the same time pointing a gun at us. As soon as we understood the order we obeyed it.

We were then far to the northward of the Hobson breaker and lay well up, so as to weather the southeast point of Little Ragged Island, distant about one mile. After the sails were lowered we drifted so close to the rocks that Mr. Wilson had the ship kept away southwest to prevent her striking. In a few minutes the boat came alongside—the port side. The officer in command of the Spanish boat noticed the flag and asked the permission of Mr. Wilson, who was in command, to come on board. Leave was given to come himself alone. As soon as he was on deck some order was given from the steamer Andaluza, and the officer at once called the armed men on board, out of the boat, and they took charge of the vessel, ordering the crew of the Mary Lowell to go on board the Andaluza, which we did. We had scarcely any clothes, as they were left on shore at Ragged Island, the vessel having only weighed to shift her berth. As soon as we got on board we (four) were all put in irons down; in about half an hour we were released, and on going on deck we found that the Andaluza had the Mary Lowell in tow and was steaming away from the land (Ragged Island) at a rapid rate.

On the 16th of March last we arrived at Nuevitas, and were subsequently examined there before the Spanish authorities. We remained on board the Andaluza prisoners at large till the morning of the 21st, when we were transferred on board the Blasco de Garay, and left Nuevitas in her on the 22d of March, 1869, arriving in Havana harbor on the 24th. We remained about six days in the Blasco de Garay, and on one occasion, while she was coaling, we were put in irons for one night.

On the 30th of March we were placed on board the Gerona, in Havana harbor, and remained prisoners between two guns on her maindeck for about ten days. We were then allowed to go at large until the evening of the 13th of April last, when we were set at liberty, and a boat from the Gerona landed us in the town of Havana. Since we have been in Havana we have each been examined once before a judge on board the Gerona. And we hereby solemnly declare that, both during that examination and also during the previous one at Nuevitas, the evidence we gave went to prove that the Mary Lowell was not taken further than one mile from the shore of Ragged Island, and concurs in every particular with this declaration.

With respect to the Spanish decision on the case of the Mary Lowell, written in the Auditor's report in Spanish and dated the 14th April, 1869, and verbally translated to us by the English Consul, in which we are represented to have said that at the time of seizure of the Mary Lowell by the Andaluza:—"One said that she was one mile and a half from the coast, but he could not affirm it; another between three and four miles, another at three miles, and another at one mile and a half from the island."

We hereby declare that this alleged report of any portion of any evidence of ours is an entire mistake on the part of the Spanish judge or interpreter, we don't know which. And we declare this solemnly, although we may have signed papers placed before us for signature by the Spanish officials, after having had them hastily read to us either in Spanish or English or both. If anything was said to us about three miles or four miles as being our distance off shore we meant to reply to a query respecting Great Ragged Island and not the distance from the shore of Little Ragged Island. Our remembrance of this is perfectly distinct, and we do not acknowledge as true the assertion in the Spanish report respecting any discrepancy in our several testimonies.

Burning of the Hotel de Inglaterra—British Mail Schooner Searched at Sea—Arms Making in Havana—Sequestration of Private Property.

HAVANA, April 17, 1869.

The fire at the Hotel de Inglaterra, facing the Parque promenade, broke out at midnight and commenced in the pantry or office on the ground floor. The flames rose with extraordinary rapidity and soon extended all over the house, devouring all but the stone material. Fortunately, there were very few lodgers in the house, it being now the dull season for hotel keepers, and no loss of life has been reported, the inmates having managed to escape to the neighboring terraces. The Louvre Café, next door, filled with liquors and ardent spirits, escaped by a miracle, although the building's roof suffered slight damage. The aggregate loss sustained is roughly estimated at less than twenty thousand dollars. There are not wanting persons who insist that the fire was the act of some incendiary.

The English mail schooner Ellen, in ballast, from Kingston (Jamaica) to Santiago, carrying the mail of the 9th was boarded by the merchant steamer Barcelona on suspicion, and thoroughly searched. The British Consul is investigating the matter.

A cannon was brought recently to the palace yard, said to have been made at the arsenal of this city by American armorers, and it is further reported that more of these guns are being manufactured there, as the most modern improvements in the cannon referred to have been exhibited to the view of the Captain General.

General Puello arrived on the 12th in Remedios, and was to leave next day for Caibarien.

The Captain General has issued a decree directing that all documents for the transfer of property of every kind, merchandise and produce for exportation shall be submitted to the government for approval; and all the real and personal estate of the persons known to compose the Cuban Junta in New York is declared sequestered.

At Nuevitas on the 11th the insurgent chief, Benjamin Perez, recently made prisioner on the estate Caridad, was under trial by court martial, and in all probability will be shot forthwith.

At Manzanillo a Spanish coast guard was sentenced by a council of war for carrying powder to the enemy.

Government Tariff for Supplies—Arrival of Artillery.

CIENFUEGOS, April 15, 1869.

General Pelaez has ordered that the moment a force arrives at any of the towns a fair tariff of prices for the articles of prime necessity be enforced by the rural police.

The nine insurgents who lately compelled the small garrison of the little Jagua "castle" to surrender, and afterwards abandoned it, have not yet been found.

The steamer Rapido brought a complete battery of mountain artillery of four rifled guns.

Movements of the Troops—a Spanish Trader Shot for Disloyalty—Shooting of a Cuban.

VILLA CLARA, April 14, 1869.

A company of the Tarragona regiment, with a portion of our volunteers, have returned from an excursion, without encountering any enemy. Two companies of Napole's regiment from Sagua arrived from the Santa Rosa estate.

Don Generoso de la Vega, a trader of the town of Santo, was shot for disloyalty by one of the Remedios columns. Don Manuel Acosto y Bencomo, pursued by an armed force for rebellion, was shot while attempting to escape.

Reported Capture and Execution of Justo Aguilera—Refugees Around Gibara.

GIBARA, April 10, 1869.

Many insurgents have been captured. Among these was Justo Aguilera, lawyer, and president of the revolutionary junta of Holguin, who was surprised on the 5th and shot next day. This has "consternated" the rebels. Seventy more have been surprised on various occasions and shot—some were of note and their acts notorious.

Colonel Benegari has now 17,000 souls to protect who have come to seek him out, and he asks for reinforcements.

Arrival of Troops—Twelve Hundred Men to Fill Losses—Arrest of Delfin Aguilera—Fight with the Insurgents—The Peruvian Monitors—Summary Execution.

SANTIAGO DE CUBA, April 12, 1869.

The steamer Cienfuegos has arrived with the Battalion de Leon on board, say 1,000 men, more or less, also 200 artillerymen and thirty horses. Brigadier Buceta also arrived, but, I believe, goes back on Monday, his services not being required here.

A great dinner was given to the officers of the troops which arrived per Moctezuma, at which General Latare presided. Afterwards the General was escorted home by a picket of volunteers and a band, and patriotic shouts were raised and music played till eleven at night. The Moctezuma brought some 250 officers and men of infantry from Havana. They are the first reinforcements received here since the commencement of the insurrection, as 1,000 recruits that were received were to fill up the vacancies in the Cuba and Corona regiments.

A native of Mayari, named Delfin Aguilera, lately arrived here with his family, under safe conduct from the commander at San Luis. It appears that he was tried at Mayari, in his absence, and condemned to be shot, and the Catalans here are clamorous that the sentence should be carried out, asserting that he murdered one of their countrymen in Mayari; on the other hand, it is positively asserted by people who have means of knowing that he was not concerned in that massacre, and, in addition, he has a good character to back him, while the fact of his having voluntarily and openly come to Cuba goes far to show that his conscience is clear on that score.

The rout of the insurgents at the Isabeleta coffee estate, on Saturday last, was complete. The forces under command of Captain Suero had no idea that the insurgents were there, but merely went there to get a guide to pursue their march to Moron. They stumbled against the advanced picket of the insurgents, who fired on them and alarmed the main body, which, however, was taken completely by surprise, and after firing but a few shots fled precipitately, leaving nearly 200 horses, hats, clothing and ammunition, and losing thirty dead. The troops had only two men wounded. One report, which, however, lacks confirmation, says that Donato Marmol was killed, or rather escaped desperately wounded, and died in a neighboring cane piece.

The steamer Barcelona, arrived to-day, reports the safe arrival at St. Thomas of one of the Peruvian monitors. The other was still at Samana.

The Moctezuma saw a steamer yesterday off Cape Marie in company with a brigantine. The steamer showed American colors. Both were standing in to the land. The steam