

THE AGREEMENT WITH SPAIN

FINAL SETTLEMENT OF ITS TERMS.

THE AGREEMENT CONCLUDED AT MADRID—CHRISTMAS DAY FIXED AS THE TIME FOR SURRENDERING THE VIRGINIAS.

We are informed by a special despatch from Washington that the protocol signed by Secretary Fish and Señor Polo has received the formal sanction of the Spanish Cabinet...

APFARS AT MADRID.

FINAL SETTLEMENT OF THE TERMS OF AGREEMENT—CHRISTMAS DAY ARRIVED FOR THE SURRENDER OF THE VIRGINIAS—OFFERS SENT TO HAVANA.

WASHINGTON, Dec. 9.—The official relations between the United States and Spain are now favorable for peace to-day than they have been at any time since the capture of the Virginias...

OPINIONS AT WASHINGTON.

GEN. BARCELONA'S RESIGNATION—ALLEGING IN A FAIR WAY OF ACCOMMODATION.

WASHINGTON, Dec. 9.—The friends of Gen. Sickles say that he will, on his return to Washington, formally tender his resignation as Minister to Madrid...

THE LATE EXCITEMENT AT HAVANA.

WHEN IT WAS AT FEVER HEAT—MELTING OF THE CASINO—EFFORTS TO MAINTAIN SPANISH HONOR—THE LATE VICTORY OUBLES FOR THE RELEASE OF THE VIRGINIAS.

HAVANA, Dec. 9.—Popular opinion excited by the Spanish success from the United States at one time reached a fever heat, but has now begun to subside...

In the Casino, however, the popular rage reached its height and exaration was the feature of the debate. The great light of the club, Zulueta, the Tercel of Cuba, called a meeting of its members to consider the situation...

This despatch, signed by Zulueta, was answered by every Casino on the island. That of Cienfuegos stated that a great meeting of its members had been held, at which a protest against the demands had been adopted...

On the streets and among the Volunteers and lower order of Spaniards there were threats of violence, and at one point the mob had actually concluded to destroy the Virginias...

Desire to die for their country they also advocated obedience to the authorities. There is no question, however, but that all the Spaniards on the island are averse to relinquishing the Virginias, and would rather die than see them surrendered to the English.

Matters are now growing quieter, and while the dogged intention of the Spaniards still exists, and there may be some trouble at the time of the surrender, the Government will take such precautions as it can to lessen the danger...

The fund for a testimonial to the officers of the Tornado has reached \$2,200, and is receiving only very slight additions. The Minister of Ultramar is endeavoring to place the finances of the island on a sound basis...

The very latest intelligence which can be obtained from the closing of the mail to the effect that the Madrid Government has ordered the Virginias to be delivered up immediately...

FIRST IMPRESSIONS OF HAVANA.

THE ENTRANCE TO THE CITY—APPEARANCE OF MORRO CASTLE—PERSONAL APPEARANCE OF GEN. BARRIEL—MERCURIAL CHARACTER OF THE INHABITANTS.

HAVANA, Dec. 2.—As I was standing by the gangway of the Morro Castle, just then in the last throes of departure from the wharf, my attention was drawn to two Cubans taking leave of each other with all the effusive embracing and kissing of the Latin race...

We went ashore opposite the very ship which has met the anxiety of this morning, the Tornado. There before us, peacefully drying her sails, was the Tornado, which captured the Virginias, and not far from her lay the immense frigate Gerona...

At my hotel I have had the honor of several interviews with Gen. Barriel—interviews, that is, at one remove, having dined and breakfasted at a table quite near to him. He is a man of medium size, and not apparently over 35 years old...

rulers here have resigned. I can see two American vessels coming in as I write to swell the number of our countrymen here. Of these there are already a goodly number.

THE NAVAL APPROPRIATION.

SECRETARY ROBESON BEFORE THE HOUSE COMMITTEE—HIS VIEWS RESPECTING THE NECESSITY FOR COMPLETING THE NAVAL PREPARATIONS.

WASHINGTON, Dec. 9.—The Secretary of the Navy was before the House Appropriation Committee yesterday, and in a long and able speech, gave an additional appropriation of \$5,000,000 to continue the work of putting the navy on a war footing...

KEY WEST.

THE NAVAL DEPOT—ACTIVE PREPARATIONS—A COLONY OF REFUGEES—THE FUTURE OF KEY WEST.

KEY WEST, Fla., Dec. 1.—An island four miles long and over one mile wide, looking out on one side upon the Atlantic Ocean, on another upon the Straits of Florida, and on another upon the Gulf of Mexico...

At present, attention is attracted to the place solely because of its being the rendezvous of the American Navy in prospect of war with Spain...

The superior advantages of the position in a war with Spain are too obvious to require mention in detail. After what I have already said a glance at the map will be sufficient to make them apparent...

It will surprise many who think they know something about the Florida reefs to learn that a plan to make Key West accessible by an all-rail route is under serious consideration...

There are now three vessels of war and a revenue cutter in the Key West harbor, and several are on their way here from Northern navy-yards.

The iron-clad Saugus and the wooden sailing vessel Pawnee have been here for months. Both are well officered, Commander A. E. K. Benham commanding the Saugus, and Lieutenant John K. Wien the Pawnee.

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arrival of some if not all will be telegraphed to New-York before this letter is published.

Chief Engineer J. Q. A. Zoigler, one of the oldest and most trusted officers of the Naval Engineer Corps, arrived by the last New-York steamer with instructions to overhaul and rehabilitate the machine and repair shops at this point. He found the shops, huilt and occupied during the war, going to wreck from disuse and neglect, while everything movable had disappeared. With the limited force at his command, consisting of a dozen or more mechanics from the Philadelphia Navy-Yard, he went right to work, and by a liberal use of energy and money will soon have the shops and appointments ready for the considerable amount of work which they must have to do. Once renovated, these shops ought not to be allowed to go down with the subsidence of the war fever. Even if not occupied, they ought to be preserved from destruction and thievery.

The Pay Department is under the charge of Paymaster Ambrose J. Clarke, a capable officer who came out from New-York last week and has since been busy night and day. Large quantities of naval stores are arriving by every steamer, and are being stored away as rapidly as possible. The large storehouse is nearly full and the Government wharf is crowded with high piles of barrels and boxes. Paymaster Clarke is assisted by Past Assistant Paymaster Bissell and a competent clerical force.

So much for naval matters. The army is represented up to this time by but a single company of 60 men of the 1st Artillery, under Col. C. L. Best. These troops are in barracks. Fort Taylor, which is located on the south-western extremity of the island and commands the harbor, has not yet been garrisoned, but has 160 guns mounted and dismounted, and can soon be placed on a war basis. It is thought that the island can accommodate at least 10,000 troops, while an indefinite number can be provided for on transports in the harbor. Supplies of all kinds may be readily and expeditiously brought from Galveston, Mobile, Savannah, and New-Orleans, and vegetables and fruits, if nothing else, may be brought with dispatch from the Florida mainland. Key West itself could not support many regiments for a week.

The town of Key West is larger and more prosperous than one would suppose from reading gazetteers and geographies. For years its growth was slow. Settled in 1822, in 1850 its population did not exceed 2,832; nor was it much larger in 1860. For a long period the inhabitants derived subsistence from salvages and other perquisites of the wrecking business, and also drove a tolerable trade in sponges. But with the lighting up of the Florida coast and the scattering of beacons along the reefs, the wrecking business happily declined; and following the troubles in Cuba, there came a tide of immigration which gave Key West a new population, and led to the establishment of more important industrial and commercial interests. Now the Cuban refugees constitute a very large proportion if not a majority of the inhabitants. Most of them are the victims of political persecution, or left their native isle through fear of it, while others came to join friends or were tempted to emigration by higher wages than they received in Cuba. Their new home seems in all respects congenial; and the Key Westers give them welcome. If not as thrifty or as tidy as the German or Scotch immigrant, the Cuban has proved peaceable, not idle, easy to satisfy, and withal he has observed the scriptural injunction to "increase and multiply." The numerous white cottages, not all as neat in exterior or interior as they might be, which have been built during the past few years, show that the newcomers have prospered to some extent; and the fact that many have been legally naturalized is evidence that they are satisfied. One hears more Spanish than English spoken on the streets, and West Indian manners and scenes combine with West Indian climate to tempt the visitor to believe that, despite the few bustling Americans now and then met, he is no longer in the United States. The Cuban refugees are nearly all engaged in the manufacture of cigars from Havana tobacco. There are about 15 factories, large and small (mostly small), and they employ about 1,200 hands. The wages vary from \$18 to \$45 a week, and as not only men but women and children are employed, many families have a respectable income. The cigar made may well be mistaken for a genuine Havana, and is intended to compete with it. No pains are spared to make it first class and Havana-like. The Havana tobacco is used, Havana hands manipulate it, and in some cases even the water used in the manufacture of the cigar is imported from Havana. The result is an article which proves a most acceptable substitute, and would deceive 99 smokers out of a 100. It is sold at 33 per cent less than the best Havana brands, and then proves remunerative. The average monthly product of the factories is about 1,000,000 cigars.

The Cubans in Key West are unanimous for Free Cuba, and always excitable, are now more than ever ready to flare up with enthusiasm or sink in despondence, according to the nature of the current rumors. A letter from Havana is eagerly conned, read aloud in the factories, and its contents discussed in the family and on the street; a Cuban or New-York paper is well thumbed and passed from hand to hand, and the arrival of a ship causes a general rush of loungers to the wharf. As far as I have been able to gather from conversation, these people regard a free Cuban Republic as the sum of all good, but would prefer anything to the continued subjection of their beloved isle to the domination of Spain. In case of the annexation of Cuba to the United States most of them would pluck up stakes without delay and return to their old homes; and of course the cigar manufacturing interest of Key West would receive a severe if not fatal blow.

The most prominent person on the island is Mr. John Jay Philbrick, a man full of public spirit and energy, and capable of conceiving and carrying out the most important enterprises for the welfare and improvement of the city and State. He is the Vice-Consul of Great Britain and also the consular agent of several other European nations. The officers of the fleet and garrison find in him a most valuable adviser and coadjutor, and every visitor to Key West finds him a useful friend. Col. Wicker, the Collector of Customs, and Mr. Merrill, the Deputy Collector of Internal Revenue, are also public-spirited gentlemen and have a useful store of information as to the town and the island. The prospect of war has already induced not a few Northern gentlemen to visit Key West in search of opportunities to turn an honest penny. The Leland of New-York have organized a company for building and conducting a grand hotel for winter resort; a New-York and Key West Express Company is in operation, and other important enterprises for facilitating communication with the outside world, for making visitors more comfortable and withal for making money, are under consideration. Speculators of course are on the ground, and their voice is always for war.

During the last few days Government agents at Cedar Keys have been making inquiries with a view to buying the railroad running between Fernandina and that point, and it is stated that the purchase has already been effected. If so, the time between New-York and Key West may be considerably shortened, and if proper steamboat connections are made the advantages of this place for war purposes will be incalculably increased.