

The Decline of Walker's Rule in Nicaragua.

The news brought by the *Tennessee* from Nicaragua is very conflicting, and we find it almost impossible to obtain reliable information concerning the movements of WALKER or his plans for future operations. It seems, however, to be pretty well established that his reign in Nicaragua is drawing to a close.

For some time past the forces of the Central American allies have been increasing in numbers, and, with prudence, acquired by previous defeats, they have gradually and cautiously surrounded their foe, until they have even reached his capital, and now threaten his complete destruction. With the consciousness of this fate staring him in the face, WALKER, according to present accounts, has been forced to assume the offensive, and has made several desperate efforts to retrieve his fortunes. On the 9th of November, a portion of the army, under General HORNSBY, attacked and drove the Costa Ricans from their barricades in the vicinity of San Juan del Sud, but fearing an assault on Virgin Bay, they were unable to follow up their success, and were compelled to return to the latter place. On the 12th, Gen. WALKER, in person, at the head of two hundred and fifty men, arrived at the scene of action, and engaged the same enemy, routing them completely, and driving them from San Juan del Sud. On the 15th, WALKER made another attempt to dislodge the enemy from Massaya, but failed after two and a half days' severe fighting. He then retired upon Granada, but departed again, on the 19th, for Virgin Bay, which seems to be the chief point threatened by the allies, and the most important one for WALKER to defend. Previous to his departure, he determined to burn Granada, and left a sufficient force in the city to accomplish this purpose. Several reasons are given for the destruction of Granada, but the one that appears most probable is, that the enemy had effected a lodgment in portions of the town, and had turned the houses into fortresses, and WALKER, being compelled in consequence to evacuate it, ordered its destruction, so that it might not again be fortified. We therefore leave General WALKER at the present time at Virgin Bay—the only important point he really holds in the Republic of Nicaragua. Here he will doubtless make a final and most determined resistance. But ultimate success must be beyond even his hopes. The allies, composed of Guatemalians, Costa Ricans, Salvadoreans and Nicaraguans, are daily increasing in numbers, and have so completely surrounded him, that the transit route may at any moment fall into their hands, and thus all chance of reinforcement will be cut off. They are already five times more numerous than the Americans, and are better equipped and better provisioned. We learn, from reliable authority, that WALKER's men are in the most deplorable condition—half-starved, half-clothed, and dying off rapidly from sickness. The General himself, it is said, is anxiously looking for reinforcements, but reinforcements at the present crisis of his fortunes will not arrive. The only qualifications of an army that now belong to WALKER's adherents are enduring courage and continued devotion to their chief; but with diminished numbers, and suffering from sickness, exposure and hunger, even these qualities will be of little avail. By some unforeseen chance, there is a bare possibility that the tide of fortune may once more turn in WALKER's favor, but judging from the events now taking place, we can come to no other conclusion than that the days of his rule in Nicaragua are numbered.

The *Tennessee* further reports that on the 23d of November a fierce naval engagement took place between the Nicaraguan schooner *Granada* and a Costa Rican brig-of-war of superior metal. After a contest of two hours, a shot struck the brig's magazine, causing an instant explosion. About sixty men were killed. The Costa Rican brig had on board a large amount of war *matériel* and \$25,000 in specie. The loss will be no trifling one to the Costa Ricans; but we do not see that this fact, or the temporary successes of WALKER at San Juan del Sud, will in any way affect the grand result of the struggle now inevitably approaching.