

oly thus created would as landlord appropriate all the "unearned increment" of the diamonds, thereby making it an "unearned increment" of land. The history of Kimberley tells that story eloquently.

Analyze the "unearned increments" of other things than land, and they prove at last to be "unearned increments" of land. All instances to the contrary (such as the finding of a stray diamond without an owner) which the most laborious student can discover or the most imaginative professor invent, will prove upon investigation to be to the mean level of economic phenomena what rolling waves are to the mean level of the ocean—mere transitory undulations.

Very much of the polite quarreling among political economists would cease, were the fact more clearly recognized that economic phenomena have a mean level toward which all undulations tend. If it were better understood, that is, that political economy is a science, and that it is a science of tendencies. In a way this is recognized. But the recognition is quite perfunctory. It is, indeed, only verbal, as a glance through almost any book on the subject will show. The professors seem to lose all consciousness of the mean level in their painful efforts to measure the height and depth of particular waves. Modern text books in political economy are given over largely to erecting sectional views of economic undulations. And this is not so much for the purpose of coming at the mean level in that needlessly difficult way, as to show that there is no mean level but only a vast confusion of tossing waves and tumbling billows.

NEWS

The advance of the allies in China from Tientsin to the relief of the Peking legations, reported last week (page 264) as having begun on the 1st, turns out to have been merely a reconnoissance on the part of some Japanese troops. The advance did not really begin until the night of the 4th. It was made by contingents of Russian, Japanese, English and American troops, aggregating 16,000 men, the Russians and the Japanese

predominating. After a forced march of several hours these troops encountered and attacked a force of Chinese estimated at 30,000, strongly entrenched at Peitsang, 11 miles from Tientsin, up the Peiho river. The attack was begun early on the morning of the 5th. The Chinese, who had flooded the country on their left flank and were equipped with artillery, subjected the allies to a heavy, accurate and destructive fire. After a desperate battle of seven hours duration the allies succeeded in taking the Chinese trenches. Though defeated, the Chinese retreated in good order up the river toward Yangtsun. The loss of the allied forces was more than 1,000 killed and wounded; while the Chinese loss, though not definitely known, is supposed to have exceeded 4,000. Further news of the advance movements is lacking. It is expected, however, that the allies will be delayed by the severity of their losses for a few days, and that the next battle will occur at Yangtsun, farther up the river.

The safety of the foreign ministers at Peking, which by our last week's report was assured down to the 24th, is now positively assured to as late a date as the 3d. This assurance comes from the American Minister Conger and the British Minister Macdonald. Mr. Conger's dispatch was received at Washington on the 8th. It was sent from Tsi-Nan, in the province of Shantung, on the 7th, and is as follows:

Still besieged. Situation more precarious. Chinese government insisting upon our leaving Peking, which would be certain death. Rifle firing upon us daily by imperial troops. Have abundant courage, but little ammunition or provisions. Two progressive Yamen ministers beheaded. All connected with legation of the United States well at the present moment. This message practically confirms the Chinese reports, and it is believed to have been sent from Peking not earlier than the 2d or 3d.

On the 8th a message from the British minister, Sir Claude Macdonald, was received in London in response to a cipher message from his home government. It was dated at Peking on the 3d, and is also in cipher. It is as follows:

I have to-day received your cipher telegram forwarded to me by the Chinese minister. The shell and cannon fire ceased on July 16, but the rifle fire has continued from the Chinese posi-

tions held by government troops and Boxers, intermittently ever since. The casualties since then have been slight. Except one private of marines, all the wounded are doing well. The rest of the British in the legation are well, including the whole garrison. The total of killed is 60 and of wounded 110. We have strengthened our fortifications. We have over 200 women and children refugees in the legation. The Chinese government has refused transmission to telegrams in cipher until now.

The efforts of the Chinese government to force the ministers to leave Peking, as indicated in Mr. Conger's message, is explained from Chinese sources by the text of an imperial edict of the 2d, which was received by the Chinese minister at Washington on the 7th. It is as follows:

Throughout the disturbances recently caused by our subjects on account of Christian missions, which have resulted in a conflict of forces, it has been found necessary to afford protection to all the foreign ministers in Peking. On repeated occasions the tsung-li-yamen sent notes inquiring after their welfare. And as Peking has not yet been restored to order and precautionary measures may not secure absolute safety, the foreign ministers are being consulted as to the proposed plan of detailing troops to escort them safely to Tientsin for temporary shelter, so that they may be free from apprehensive anxiety or fear. We hereby command Jung Lu to appoint as a preliminary step, trustworthy high civil and military officials, who, together with reliable and efficient troops, shall at such time as the foreign ministers may agree upon for leaving Peking escort and protect them throughout their journey. Should lawless characters manifest evil designs upon the ministers, or attempt to rob them or in any way create trouble, they (the high officials) shall at once repress them without fail. If the foreign ministers, before leaving Peking, should desire to communicate with their respective governments, and if their telegraphic messages should be in plain language, the tsung-li-yamen shall at once attend to them without the least delay, thus manifesting the utmost friendliness of the imperial government.

Supplementing the news of military operations in China there come reports of further fighting in the Philippines. A skirmish occurred near San Isidro, about 50 miles north of Manila, which Gen. MacArthur reported officially on the 4th. He said that "First Lieut. Alstaetter, corps of Engineers, United States army,