

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 quarrel 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,

with an escort of 15 men, was attacked on August 1 on the road between San Miguel de Mayuma and San Isidro by an armed band of insurgents reported to be 350 strong. The entire party was killed, wounded or captured. The wounded were sent to San Isidro with a note from Lacuna Maraimo announcing that the prisoners would be well treated." To this information is added an Associated Press dispatch of July 13 from Manila, which, coming through the mails, was not published here until the 8th. It describes the Filipinos as troublesome in the vicinity of Cayagan, on the island of Mindanao. They were so troublesome, indeed, at the time of the dispatch that the necessity of strengthening the American force at that point was feared.

American casualties in the Philippines since July 1, 1898, inclusive of all current official reports, given out in detail at Washington on August 9, 1900, are as follows:

Deaths to May 16, 1900 (see page 91) .....	1,847..
Killed reported since May 16, 1900. 42	
Deaths from wounds, disease and accidents reported since May 16, 1900 .....	305
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Total Deaths since July 1, 1898..	2,194
Wounded .....	2,202
Captured .....	10
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Total casualties since July 1, 1898..	4,406
Total casualties reported last week .....	4,333
Total deaths reported last week....	2,134

A further step looking to civil government in the midst of this fighting is promised for September 1. It is announced that on that day the president's commission, headed by Judge Taft, will turn itself into the legislative body of the Philippines, assuming control of the financial, judicial, educational and other legislative affairs of the islands, and making appointments of judges and other officials. Gen. MacArthur is to be the executive head of the system, to enforce the laws of the commission.

In South Africa, the other seat of war, there are reports through British channels of the complete disintegration of the Boer forces. These reports lack confirmation. But it appears that 750 more Boers surrendered on the 2d in addition to the 986 and the 1,200 reported last week; and it seemed that on the 5th Chris-

tian de Wet, the Boer general, was so completely surrounded near Reitz, in the Orange Free State, that escape was impossible, but on the 6th he did escape and at latest accounts had crossed the Vaal river to the north and was being pursued by Methuen. Lord Roberts reported on the 6th that Harrismith, to the southeast of Reitz, had surrendered to the British on the 4th; and on the 7th he reported his fear that the British garrison at Elands river had been captured.

On the 7th mail advices from Cape Town were published here, giving extended accounts of the first Afrikaner people's congress, held on the 31st of May, at Graaf Reinet, in Cape Colony. The resolutions adopted were as follows in their important particulars:

That a settlement of the South African situation on the following basis would prove a blessing to South Africa and the empire—namely, that the two republics should have their unqualified independence; that the colonies should have the right to enter into treaties of obligatory arbitration with the republics for the settlement of all disputes affecting the internal affairs of the South African continent; that the colony, and any other colony so desiring it, should have a voice in the selection of its governor. . . . That a settlement on the above basis would make the majority of the people who have made South Africa their home the warm friends and staunch allies of the British empire, and that in no other way known to us can that end now be attained. . . . That such a settlement would make it as unnecessary for the republics as for the empire to maintain standing military forces in South Africa, seeing that the independence of the republics would no longer be threatened, and that, in the event of a foreign invasion of British South African territory, the citizens of the republics as well as the colonists would be prepared to repel the attack. . . .

That it is the opinion of the majority of Cape Colonists that the chief and most immediate cause of this war was the unwarrantable and intolerable interference by the British ministry at London in the internal affairs of the South African republic. . . . Were the two South African republics now to be definitely annexed after the repeated declarations by her majesty's ministers, both before and during the early part of the war, that their policy in no way threatened the independence of the republics, nothing but the restoration of independence could restore the confidence of the majority of Cape Colonists in British good gov-

ernment and in British justice and honor. . . . Were the republics annexed, the majority of Cape Colonists would feel themselves bound morally to work unceasingly by every right and lawful means for the restoration of independence to the republics, and to make that end their first political object. . . . We, on behalf of the majority of Cape Colonists, do hereby declare our solemn and profound conviction that the annexation of the two South African republics would be disastrous to the peace and welfare of South Africa and of the empire as a whole.

The attitude of the British ministry towards this question of annexation was indicated in the house of commons on the 7th by Secretary Chamberlain. In reply to a question he said he had already made himself acquainted with the views of Canada and Australia in regard to the main points of the South African settlement, and added that they were completely in accord with the British ministry as to the necessity for the annexation of the Orange Free State and the Transvaal to the British empire and the establishment of a government supported by a military force, with the ultimate purpose of establishing representative self-government. And on the 8th in the speech from the throne proroguing parliament, the queen was made to formally confirm Chamberlain's policy. She said:

Believing the continued independence of the republics to be a constant danger to the peace of South Africa, I authorized the annexation of the Free State as a first step to the union of the races under an institution which may in time be developed so as to secure equal rights and privileges in South Africa.

In American politics the supreme event of the week's news was the formal notification by the democratic party to Bryan and Stevenson of their nomination for president and vice president respectively. The notification was made at Indianapolis on the 8th. The candidates had met the day before at Chicago, where they received an informal popular welcome, and proceeded to Indianapolis, arriving there the same evening. Upon receiving on the 8th the tender of the nomination made in behalf of the party by Congressman Richardson, of Tennessee, Mr. Bryan accepted in a carefully prepared, eloquent and statesmanlike speech, which he de-