between British and Tibetan merchants, without incurring the monopoly of local traders, it was necessary to insist upon opening a new trade-mart and upon having a British agent at Gyantse. The Viceroy thought that having a British representative at Lhasa, which would be the best possible security for the future observance of the conditions, would be far preferable; but assuming the unwillingness of His Majesty's Government to press this claim, the proposal for an agent at Gyantse was a suitable alternative. In any case, the fullest facilities should be given to the British representative for direct communication with the Tibetan Government, and if he met with obstruction, it would be necessary to resort to the alternative of moving him forward to Lhasa. Furthermore, it would be necessary to secure for British Indian subjects the same freedom for trade and travel in Tibet as was enjoyed by Kashmiris and Nepalese, and to insist that all British subjects duly authorized by the Government of India should be allowed to proceed by recognized routes to Gyantse, beyond which a pass from the Tibetan Government would be required.

As Commissioner, the Viceroy proposed to appoint Major Younghusband, Resident at Indore. He could confidently rely on his judgment and discretion, and he had great Asiatic experience. With him he would associate as Joint Commissioner Mr. White, Political Officer in Sikkim.

The Secretary of State hesitated to accept at once the proposal regarding Gyantse, and wished before coming to any decision to be informed whether the Viceroy could propose any alternative in place of the extreme course of advancing by force into Tibet; and the Viceroy said the only alternatives were (a) the costly and ineffectual measure of blocking all trade-routes and excluding Tibetans from British India, and (b) an occupation of the Chumbi Valley.

The final decision of the Home Government on the whole matter was telegraphed to the Viceroy on May 28. They approved a procedure by which both the Chinese and Tibetan Governments would be bound by the action