

projected along the Amo Chu Valley would lead into the foot of the Chumbi Valley, and it was obviously desirable that it should continue under our control up to the point where it debouches on to the open plateau of Tibet beyond the Tang-la. The opening up of such a route into Tibet proper must evidently be the precursor of any real development of trade, and, what was of far greater importance, it would provide one of the surest guarantees for the predominance of our influence and the safety of our Agents in the country.

It had been estimated that, if our forces had all left Tibet by October, the cost of the expedition would not be less than £648,000. The contingency of such an early withdrawal was remote, and it seemed probable that the operations necessary to assert our treaty rights and to exact reparation from the Tibetans would cost us not less than a million sterling.

The Indian Government were, therefore, of opinion that, as a guarantee for the fulfilment of the Convention, and as a security for the payment of the indemnity, that they proposed to require, as well as in the interests of the people of the valley themselves, the occupation of the Chumbi Valley for such period as might be necessary for the due protection of our treaty rights, and international interests would become inevitable.

The next point to be considered was this question of demanding an indemnity.

Now that it had become necessary to send a regular military expedition to Lhasa, Government submitted that they had a good claim to be recouped the expense to which they had been put. It was obvious that the retention of the Chumbi Valley would not, from a monetary point of view, be an adequate return for the outlay in which they had been involved, and Government thought it well to put forward a claim to compensation against the Tibetans. Further, they considered that, having regard to the recent attacks upon their Mission at Gyantse, and as a measure calculated to increase the security of their representative in Tibet, they should follow the precedent of the demands presented by the allied Powers to the Chinese