I said I would be very much obliged to him if he would at the earliest opportunity try to persuade the National Assembly that I was not here to bargain over terms. I was here, by direction of the Viceroy, to carry out the commands of the British Government in making a settlement. The terms of that settlement were drawn up with an especial regard for their religion. We were annexing no part of Tibet; we were not asking for an agent here at Lhasa itself; but we had to ask for an indemnity, because the military operations which had been forced on us in 1888 and in the present year had cost a very great deal of money. The Tibetans had caused the trouble. We had, therefore, to ask them to pay at least a part of the expense. We knew, however, that Tibet was too poor a country to pay the whole. We were, therefore, asking scarcely half of the real cost, and we expected that the Tibetans would give us, who had to suffer by having to pay the remainder of the cost, the advantage of being able to come to Tibet to buy wool and other things which were produced more cheaply here than in India, and of selling to the Tibetans the surplus of articles produced more cheaply in India.

The Regent said he thought this quite reasonable, and he would explain my view to the National Assembly. As to the Dalai Lama, I said I was quite prepared to give him the most positive assurance that he would be safe from us if he returned here. I did not wish to discuss personally with him the details of the settlement, but wished him to affix his seal in my presence; and it would certainly be more convenient if he were nearer Lhasa for reference during the negotiations. The Regent said he would send two messengers to him to-morrow, advising him to return. The trouble was, though, that he had nobody about him to advise him properly. At the close of the interview I told the Ti Rimpoche that I should be glad to see him again. He was an old man, and was, I knew, very busy just now, but whenever he liked to come and talk with me I should be most pleased to receive him.

The first sign of yielding came on August 15, when the Resident intimated to me that he had pressed the