

all the terms except that regarding the payment of an indemnity, and except in regard to opening further marts in future. They expressed a wish to make the settlement directly with me, and when we had agreed upon it, then they would communicate the result to the Resident. I said that I should be ready to receive them whenever they wished to discuss matters with me. What I should tell them and what I should tell the Amban would be exactly the same, but if they liked to hear my views from me direct I would gladly receive them.

They then again announced that they were ready to agree to all our terms but one. The indemnity they could not pay. Tibet was a poor country, and the Tibetans had already suffered heavily during the war; many had been killed, their houses had been burnt, jongs and monasteries had been destroyed; and, in addition to all this evil, it was impossible for them to pay an indemnity as well. The little money they had was spent in religious services in support of the monasteries, in buying vessels for the temples and butter to burn before the gods. The peasants had to supply transport for officials, in addition, and there were no means whatever for paying the heavy indemnity we were demanding.

I replied that the war in Sikkim had cost us a million sterling, and the present war would cost another million. After the Sikkim War the Tibetans had repudiated the treaty which the Resident then made, and we might very justifiably now ask for an indemnity for the Sikkim War, as well as for this. We were, however, making no such demand, and we were only asking from Tibet half the cost of the present war. I knew, of course, that Tibet had suffered from the present war, but no such suffering need have occurred if they had negotiated with me at Khamba Jong in the previous year. And, while they had suffered, we also had not escaped without trouble. Captain O'Connor had himself been wounded, and what we looked upon as extremely serious in this matter was that the representative of the British Government should have been attacked. If they attacked the Resident here, they knew well how angry the Emperor of China would