

Peking had been inspiring a policy in Tibetan affairs which was hostile to the Treaty and to British interests.

In any case, whether the cause lay in Peking, or with Mr. Chang, or with the Tibetans, the fact was clear that the Treaty had not been carried out; and the Government of India thought it necessary to bring the matter formally to the notice of the Secretary of State in a despatch dated July 18, 1907. Considering what had taken place at Gyantse, it was impossible to admit, they said, that the Gyantse trade-mart had been effectively open during the last few months. Our Agent had been cut off from intercourse with the Tibetan authorities, and no adequate provision had been made for British traders having resort to the mart. The agents whom the Lhasa Government had nominated for the marts had not been allowed freedom of communication with the British Trade Agent. And various minor difficulties had arisen in connection with the opening of the Gartok trade-mart. The Government of India, therefore, suggested that the Chinese and Tibetan Governments should be formally reminded of these various breaches of the Convention which had occurred, and more particularly of the failure to open the marts, which was a matter which struck at the root of the whole Convention.

Mr. Morley thought\* the situation at Gyantse constituted undoubtedly a serious cause of complaint, but, in view of the reply of the Chinese Government to the representations recently made to them, he doubted the expediency of making any further reference to the subject at the moment. If, when the negotiations with Mr. Chang regarding the Trade Regulations commenced, the attitude of the Chinese and Tibetan representative should prove obstructive, the question would arise whether the British representative should not be authorized to warn them that our evacuation of the Chumbi Valley depended on a satisfactory settlement of the matters connected with the trade-marts being arrived at, the Chinese and Tibetan Governments being simultaneously warned to the same effect.

\* Blue-book, IV., p. 126.