

of the negotiations for the Trade Regulations, the attitude of the Chinese and Tibetan representatives proved obstructive, the question of warning the Chinese and Tibetan representatives that our evacuation would depend on matters connected with trade-marts being satisfactorily settled, should be considered.

It was shown by the history of the negotiations that, in regard to important points at issue, the Chinese had been, and still were, most obstructive. Sir John Jordan's requests regarding points which he was pressing had not yet been acceded to by the Wai-wu Pu; while, in a letter to Sir Louis Dane, which had just been received, Mr. Chang refused to yield other contested points, and forwarded further draft regulations. The transfer of the administration of the valley should, therefore, the Indian Government submitted, be deferred until some guarantee that the marts would be effectively opened, and that they would remain so, was afforded us by the new Trade Regulations. The chief lever which we possessed for securing China's real compliance with the terms of the Lhasa Convention would be lost if the transfer was permitted before the signature of the Regulations. The possibility, in the event of non-fulfilment of conditions, of temporary postponement of evacuation was apparently contemplated by the annexure to the Anglo-Russian arrangement concerning Tibet. And the sincerity of our intention to leave the valley would perhaps be sufficiently guaranteed by the fact that discussion of the Trade Regulations was in progress, and that their settlement was to be followed by evacuation.

Mr. Morley, in reviewing these contentions of the Indian Government, said that it must be remembered that when the Government of India, in July, 1907, raised the question of the failure of the Tibetans to fulfil the conditions on which evacuation was to take place, it was decided by His Majesty's Government that it was "not necessary at present formally to remind the Chinese and Tibetan Governments of such breaches of the Lhasa Convention as have occurred." Nor had the incidents since reported by the Government of India been con-