APPENDIX-B.

TEXT OF UNITED STATES REPLY TO AUSTRIA.

On the 18th of September, 1918, the Secretary of State made public the official text of the letter he sent to Mr. W. A. F. Ekengren, the Swedish Minister, in charge of Austro-Hungarian affairs, conveying President Wilson's rejection of the Austrian peace proposals. It reads as follows:—

"Sir,—I have the honor to acknowledge the receipt of your note, dated September 16, communicating to me a note from the Imperial Government of Austria-Hungary, containing a proposal to the Government of all the belligerent States to send delegates to a confidential and unbinding discussion on the basic principles for the conclusion of peace. Furthermore, it is proposed that the delegates would be charged to make known to one another the conception of their Governments regarding these principles, and to receive analogous communications, as well as to request and give frank and candid explanations on all those points which need to be precisely defined.

"In reply, I beg to say that the substance of your communication has been submitted to the President, who now directs me to inform you that the Government of the United States feels that there is only one reply which