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THE WHITE HOUSE

EXCHANGE OF TOASTS BETWEEN THE PRESIDENT AND HELMUT SCHMIDT CHANCELLOR OF THE FEDERAL REPUBLIC OF GERMANY

THE STATE FLOOR

10:45 P.M. EDT

THE PRESIDENT: Chancellor and Mrs. Schmidt, Mrs. Ford and I are deeply honored to have you and your party with us this evening. As you well know, your visit to America during our Bicentennial reminds all of us of the strong and historic bonds linking our two countries.

General Von Steuben started it with George Washington at Valley Forge, and that is one of the great stories of our Revolutionary history. German-American Statesman Carl Schurz served as a member of President Lincoln's Cabinet and contributed significantly to those decisions, and millions of talented and industrial Americans of German origin have contributed immeasurably to the growth and the achievement of our nation.

Advocates of democracy in both countries have traditionally influenced each other. As we celebrate our German-American friendship tonight, we can take pride in the outstanding foresight and cooperation of the European and North American Statesmen over the past quarter century.

In the next quarter century, our two countries will face new challenges. As reflected in our discussions and talks today, we look forward to building a beneficial relationship with the developing nations of the world.

We must coordinate our efforts on economic, commodity and developmental issues. The cooperation of the industrial democracies of Europe, Japan and North America is crucial to any lasting solution to these problems.

With our extensive resources and skilled populations we possess an unprecedented ability to provide leadership, to contribute economic stability and to foster progress in the world community.

Our recent summit meetings are concrete evidence of our determination, as well as our ability, to work together to regain our prosperity and to manage transition to a sustained economic expansion.

Mr. Chancellor, an essential part of our common strength is our determination to defend what we have achieved and our commitment to the collective defense of NATO under the North Atlantic Treaty Organization.

While in the Federal Republic last summer, as you know, I visited units of the German and American Armed Forces deployed for our collective security. They were excellent units -- proud, well-trained. Through their contribution, they make our collective security a reality.

Now, as then, I commend the Federal Republic for doing its full share in the Atlantic Alliance.

Now, as then, I reaffirm the commitment of the United States of America to the Atlantic Alliance.

America's basic policies toward Western Europe have been consistently reaffirmed by every Administration for the past 25 years.

They enjoy strong bipartisan support in the Congress, both in the House as well as in the Senate. Steadfast support for NATO and cooperation with all of the members of the Atlantic community are a fundamental part of the United States foreign policy.

Cooperation, friendship between the United States and the Federal Republic are extremely central to that policy.

Mr. Chancellor, our peoples will remain true to the ideals of human rights, of liberty and law, of enlightened cooperation among nations.

We will help to provide to the maximum of our capability a better way of live for all mankind.

In this spirit, Mr. Chancellor, I raise my glass to Chancellor Schmidt and to German-American friendship.

To the Chancellor. To our friendship.

CHANCELLOR SCHMIDT: Mr. President, Mrs. Ford, ladies and gentlemen:

I wish to thank you sincerely, Mr. President, also on behalf of Mrs. Schmidt and the distinguished German guests of my delegation, for the kind words of welcome with which you have greeted us and for what you just have said.

This is the third time in the past two years that I have come to the United States for talks with you, Mr. President, and I am not counting the meetings in other places. You, yourself, have made several trips to Europe, one of which was an official visit to the Federal Republic of Germany in July 1975, and I mention this because these frequent visits are manifestation to the outside world of our mutual bonds and the closeness of our relations.

I don't think I am exaggerating when I say that at no time during the past 30 years have the relations between our two countries been closer and has been cooperation between the two governments more trustful and direct than today.

Not only are there no bilateral problems of any substance whatsoever between us, but the shadows of an unfortunate debacle of the more recent past are fading away, and thus give us a clearer view of the common tasks and responsibilities of today and tomorrow.

I want tonight to express our thanks to you, Mr. President, and to the American Nation as a whole. The United States not only helped us Germans preserve our our physical existence after the Second World War, which had been unleashed by a system born of delusion and blindness and devoid of respect for the dignity of man, but millions of Americans, in an unobtrusive and undramatic manner, lent a helping hand to a defeated and destroyed and divided country.

The United States helped us Germans to make a fresh start in freedom and democracy and paved the way for our return to the family of nations and it also -- and here I am thinking of the Berlin airlift -- staunchly defended the cause of freedom when others were trying to undermine it.

The contributions which my country now renders to the Bicentennial birthday of the United States cannot, by any stretch of the imagination, be regarded as an equivalent to what your country, Mr. President, has done for us.

Page 4

Of course, history does not settle accounts down to the last cent, but it does clearly demonstrate what we in the Federal Republic of Germany feel today toward America when I say that we bring with us friendship and that America can trust that friendship and can build on it.

We, in the Federal Republic of Germany, live today in a state based on principles similar to those which in 1776 were embodied in this country's Constitution. With regards to human rights, the fathers of our basic law, our constitution, looked to the Bill of Rights. They created a state with a strong executive, plus a strong parliamentary control, a federal structure with a vigilant Supreme Court and a free local government.

It is only after a long and hard struggle and after unspeakable errors that we have attained the aim of the state resting on these principles. This makes us resolved never again to gamble away freedom and democracy, but to defend them with all our might as well as live worthy of man, and I add, we want to do this together with you Americans.

Freedom and democracy and solidarity are exposed to many threats in the world of today. Against the threats from outside, the North Atlantic Alliance has, in spite of difficulties, proved to be the most effective factor of stability in this century. We, in Germany, on the seam between East and West, feel every day anew that this Alliance is indispensable and that its strength must be maintained in the interests of our common security and of the equilibrium of power throughout the world.

We thank you, Mr. President, for America's willingness to insure an adequate presence of troops in Europe as a central element of the transatlantic link. However, defense preparedness alone is not enough to assure lasting peace. As we see it, there is no alternative to the policy of relaxing tensions that we have developed together. It must remain our endeavor, from the position of firmness and resolve, to extend this policy to new fields of East-West relations.

Our chances of success are good. For the other side, too, there is a need for rel**ax**ation of tensions to ease its military burden and to overcome its economic problems.

Page 5

Strength, I think, is not measured by tanks and aircraft alone. Strength -- inner strength -is also a function of economic stability and strength is a function of social justice. As for that, we make continuous efforts to insure the inner stability of our countries and of our social systems.

It is the spiritual and moral foundations that have made America a great country and which ultimately also carry our alliance. Only if freedom and human dignity are made livable elements of everyday life, only if constitutional law is made a social reality, can we be assured that the citizens will identify themselves with that state which is the prerequisite to our stability.

A great German religious reformer, Martin Luther, once said, "You can preach anything you want, but never preach longer than 40 minutes." It looks as if I have managed to keep below 40 minutes, as you did, Mr. President, tonight, but in concluding, please let me add we are really glad to be here.

America has our respect, has our friendship. America has our gratitude and our good wishes.

May I ask my fellow countrymen to raise their glasses:

To the health of the President of the United States and to a future and happiness for the American Nation.

To the American Nation, sir.

END

(AT 11:04 P.M.)