

that there are several good reasons for optimism.

The first is that the east Europeans have seized their opportunity with courage and with moderation. As Vaclaw Havel said in his first speech as President of Czechoslovakia, he and others have made politics the art of achieving the impossible.

The second reason for optimism lies in the enormous and welcome changes under President Gorbachev's leadership in the Soviet Union. It is a tribute to him, a tribute to our colleague, Edward Shevardnadze, that they saw so clearly the need for radical economic and political change. They have led a revolution from the top and have encouraged, rather than blocked, reform within eastern Europe.

The third reason for optimism is the steady and positive response of the West. Of course there has been rejoicing, but no crude triumphalism. We want to help forward the process of reform, but we have no desire to exploit for our own advantage the tensions which go with rapid change.

Political change is taking place in a framework of far-reaching, but orderly and negotiated, disarmament. The first step to stability in Europe is to reduce the most threatening categories of military equipment in Europe, and any agreement, an agreement on conventional forces in Europe, will do this dramatically. It will do more; it will regulate where equipment may be deployed and, through the important 30 per cent sufficiency rule, who may deploy it.

The agreement will also establish the climate and the basis for further negotiation.

I see, Mr. Chairman, two main areas here on CFE where we should be able to make useful progress at Ottawa.

First, we are well on the way to agreement on the definition of ground force equipment and on the complex regime of zones and storage. We should confirm that we all accept the ideas which emerged last week in Vienna, and instruct our negotiators to finalize agreement as soon as possible.

Second, on that basis, we can set the framework for solving the still difficult issues of aircraft, helicopters and personnel. Political choices will have to be made. The West has accepted the Eastern proposal that aircraft should be covered in the agreement. I hope that our Eastern partners will be prepared to accept the logic of their own position, that all land-based combat aircraft should be included. These are the aircraft which could pose a threat to the other side.

If this point of principle is agreed, it should be possible