Mr. Gorbachev, need it be said, is no liberal democrat. He does not want to remake the Soviet Union in our image. His driving goal is to restructure the Soviet economy to make it more modern and efficient.

Mr. Gorbachev faces a monumental task in implementing a top-down reform of the economy. He is asking the Communist Party to cut back its own powers and privileges and the population at large to accept dislocation and unemployment.

Mr. Gorbachev could also face serious tests in dealing with the nationalities question in the Soviet Union, as we are already seeing in the Baltic Republics and Armenia. What is even more important, we cannot know how he will respond to eventual dissent in Eastern Europe. What he said about relations with other Communist countries during his visit to Yugoslavia last week is, however, a positive sign.

There is then no guarantee that Mr. Gorbachev will succeed with his program of reform. Even if he does, the Soviet Union at the end of his tenure would still be a formidable if less threatening military power. It would be a less totalitarian but still authoritarian state. Its yoke on Eastern Europe would perhaps chafe a little less but would still not allow full self-determination.

What does this mean for the West? Mr. Gorbachev's changes open up new opportunities for us to solve regional conflicts such as Afghanistan and the Gulf War, to improve the working of international institutions, to promote human rights, and to reach arms control agreements.

The INF Treaty is the first of what we hope will be many agreements. There is now a real possibility for a START Agreement reducing strategic nuclear forces by half. This would be a major achievement of the post-war era. But there will still be a long way to go.

NATO is working hard to arrive at a mandate for negotiations on conventional force reductions in Europe. It will not be easy to remove the Soviet Bloc's clear advantages in troops and arms. Nor will it be easy to change the posture of Soviet forces from one of potential offence to defence.

NATO's goal of totally eliminating chemical weapons, the horrors of which we are again seeing in the Iran/Iraq war, will also not be easy. The Eastern Bloc maintains a massive superiority in these weapons.