I'm here this evening to talk about how I see the European Union as a global force.

As we celebrate the fact that the European Union has grown to 27 members and will in time be greater than 27, with:

- a modern, democratic Turkey being welcomed into membership of the European Union;
- Croatia becoming a member;
- The continuing evolution, following the collapse of Yugoslavia, of the component parts of the former republic becoming part of the European Union and continuing the expansion of the European Union over time.

As we reflect on the start of a New Year, we often use it as an opportunity to look back and to come up with our own personal resolutions.

The European Union could benefit from a period of generating its own resolution that the period of introspection is over, a period all too long and counter-productive, a period of self-obsession about EU structures, has come to an end.

It should look, much more than it does, outwards beyond the borders of the European Union, rather than at its own architecture, which I believe is now settled.

It should also resolve to challenge poverty and environmental degradation and climate change, not only within its own borders but far beyond, because we all know that the environment, climate change doesn't respect national boundaries.

So it's an empty intellectual argument to say that we can simply build some patriotic front behind ever increasing national borders as a way of protecting us from climate change.

And Europe should, of course, champion free trade within its borders and outside of its borders.

And these things aren't just achievable in the long term. I believe that in this year of all years, as we resolve that the debate about our own structures is now concluded, I believe that we will make substantial progress. The EU this
year will, of course, be led in the Presidency by Slovenia and France which gives us a phenomenal opportunity to see real progress.

And here in the United Kingdom, I think it gives an opportunity as well. For those of us who are pro-European, for those of us who wish to see the European Union prosper, it gives us an opportunity to resolve that we should perhaps see Europe in a different light.

Europe as an opportunity to do good in the world, not as a foreign policy threat to be managed.

I have a passionate belief in the power of the European Union to improve the lives of its own citizens and beyond our borders. So we should have a conversation which is mature, which is informed.

Here in the United Kingdom, the frustration in the past has often been that the debate about Europe’s future and the United Kingdom has often really been a debate about Britain’s past.

And that's not a prism through which we can see and carry out an informed conversation about the future role and shape of the European Union. It would also help if those who are detractors of the European Union and perhaps specifically on the Lisbon Treaty, desist from bestowing the European Union and the Lisbon Treaty with apparently satanical powers.

I've read in recent weeks and months that the Lisbon Treaty is a coup d'etat, that the Lisbon Treaty is similar to the threat from Nazi Germany. It appears almost hysterical. It is almost hysterical in terms of the political debate.

But that has been the terms of debate about the Lisbon Treaty - serious journalists and serious newspapers write these sort of things. This week I received a letter to say it was all part of a papist conspiracy. Now perhaps as a Catholic I should be all for that.

But it is none of these things.

Those of us who are pro-European do have to try to convince others about what Europe has achieved over the past 50 years.

How it has helped to make our continent a more peaceful place, a more prosperous and a better place. But also that it has failed to live up to all our ambitions and expectations quite decisively enough.

Looking at the recent history of the EU, since the 1990s when there was a great debate about how to get aid to Bosnia as it faced the chilling oncoming Balkan winter. By the time European leaders had come to a resolution, had taken decisive action, the snow had melted in Sarajevo.

But that's not the type of indecision that an institution we care so passionately about and believe is a great opportunity for good across the globe should
behave. So we can no longer act at the pace of the slowest when we have 27 members of the European Union within our ranks.

And I believe passionately, unlike many of Parliament, that the United Kingdom's position must remain at the heart of Europe, and we should say so loudly and clearly, not just in words but in our deeds.

It means not adopting policies which would inevitably mean, if put into practice, detaching Britain from the mainstream of Europe. Europe will figure large in the early months of 2008 in Parliament and overall political debate.

Some people in the UK feel more European than others. There’s nothing odd in that, it’s true across Europe. It makes for interesting debate.

Like many people in the UK, I recognise that there is a strong philosophical case for European cooperation as a means to permanent peace and rising prosperity.

Ultimately, it doesn't matter if you believe in this intellectual case for Europe.

If you’re a doubter, think about the practical case. Ask yourself how can we achieve our aims, whether it’s climate security, finding a settlement for Kosovo or simply trading goods and services across Europe?

Think about what the world would be like without the EU.

Really think about it.

Without the EU, Britain would be:

Poorer. As a trading nation we rely heavily on membership of the EU Single Market of 480 million consumers. Over 3 million British jobs – in every region of the UK tens of thousands of jobs - and 60% of our trade would be directly affected. And Foreign Direct Investment would also be hit. Nor would we get any regional funding from the EU (which totalled £10 billion between 2000-2006).

Less influential in the world. As a medium sized country with a successful economy and professional military forces we would still have influence. But we’d be throwing away the added clout we get from co-ordinating with our European Partners on international policy priorities such as international development, Kosovo and Burma.

Less safe. The EU’s work on fighting international crime and terrorism makes Britain’s citizens safer. Safety standards in our workplaces, on our roads and in imported goods have been raised thanks to the EU. And working with the EU on climate change offers the best chance of safeguarding all of our futures.
As one of my predecessors put it, the UK would become a sort of “Norway with Nukes”. There are many anti Europeans, including the Opposition, who think this is a good option for the UK. But Britain’s national interest is secured through Europe. Walking away from the EU would be against Britain’s national interest.

18% of students here at the London School of Economics come from other EU countries. Students have almost total freedom to go and study anywhere in the EU. Opportunities to live in a new culture and learn a new language. When you graduate, you can work in every EU country, free from restrictions.

Wherever in Europe you did your Christmas shopping, you know that the toys you bought for children this Christmas meet certain standards. As you start that seasonal diet regime on the 1st of January, you can be sure, thanks to EU labelling regulations, regardless of where your food is from, of exactly what your food contains. And when you go on your holidays, you can thank the EU for cheaper flights and cheaper mobile phone calls home.

So it isn't just the great big political challenges of the day, the nature of international diplomacy and the threats to our world and national security, it is also a quality of life, which the EU continues to deliver for its citizens.

And I'm acutely conscious that it's important for us not just to reflect on the past, about the prosperity, security and peace that has been brought in previous years and previous decades, because we continually need to find ways to retain contemporary consent for Europe.

It's the nature of politics and public life. People are more interested in what you want to do next than what you've already done. That's a lesson for every political party all over the world. It's a part of the dynamic of the US election, which so many of us are currently so fascinated by. What are you going to do next?

And that's what fuels contemporary consent for any project, including Europe. and that's where we are now in terms of the Lisbon Treaty. It hasn't been surprising that over the past few months we have debated the architecture and structures of Europe.

The EU's architecture was designed for 6, and then adjusted for 9, or 12 or 15 members. We now have 27 members, with more to come. That shift needed some practical housekeeping to keep the EU functioning.

Debates on majority voting, or the role of the Presidency, or Commission size turn people off. For a start, they're boring. But a more dangerous perception that some people hold, is that these administrative reforms are somehow about making the EU more powerful, at our national expense.

It's not true.
The Lisbon Treaty is one in a long line of EU treaties. It’s true to say that the EU has gradually built up its strength and purpose over the last 50 years. In post war Europe, Monnet and Schuman mulled over what was needed to stop Europe’s endless warfare. Their recipe was to bind France and Germany together in the Coal and Steel agreement, arguing that, if these two countries pooled the raw resources needed for warfare, it would be materially impossible to fight each other.

Today's European Union has largely kept the peace in Europe, and it has grown from an Economic Community into a European Union.

And to achieve that I don't believe that it is necessary that we should have further institutional reform beyond this Lisbon Treaty. My sense is that the period of building structures is coming to an end. That the dream of some - of which I'm not one - that believe in a federalist Europe, a federalist super-state, has ended. There never will be a federal Europe. Not in our lifetime. Not even in the lifetime of the youngest person here this evening.

The zenith of this institution building took place throughout the 80's and 90s. Subsequent treaties over that period became less ambitious in their scope, not more ambitious.

Parliaments across the EU will have an opportunity to debate the finer points of the Lisbon Treaty, particularly here in the United Kingdom.

Committees in Westminster will scrutinise, line by line, the detail of the bill. Just as they did for Maastricht, or Amsterdam, or the Single European Act.

How does this Treaty affect our lives and our institutions?

The new treaty reinforces this model of European co-operation. For example, it gives national parliaments, for the first time, a direct say in EU legislation. It strengthens national leaders’ control of the EU’s strategic direction, by putting the President of the European Council on a full-time basis. And it creates a new ‘High Representative’ – tasked by the Member States – to bring more coherence to the EU’s action around the world.

Now those of you that have studied this will surely come to the same conclusion that European leaders have now come to; that it is ludicrous to have a rotating Presidency of such an organisation, every 26 weeks.

I'm sure that there's not an organisation that you're involved in as a student or as an academic that rotates its leadership every 26 weeks.

So how can such an organisation, of such potential power for good, the largest market ever created; an organisation for which we have great aspirations on climate change and so many other challenges, rotate its leadership every 26 weeks. That must come to an end.

In my parliamentary constituency just outside Glasgow, there isn't a bowling club or a bingo club that would run its organisation with a rotating leadership
every 26 weeks. And the EU should cease to do so and the Lisbon Treaty will bring that into effect.

The Lisbon Treaty also reflects, and reminds us of our shared heritage of European values.

Liberal values of tolerance, respect, free movement, solidarity and social justice.

These don't threaten the UK. Because these are our values. We helped forge them. And we continue to live by them today.

Far from being the European black sheep, the UK represents, possibly more than most European states, values of social justice combined with economic liberalism.

Over the centuries, Europe has learnt to appreciate that educated, empowered, dynamic, citizens help states grow and prosper.

Europe understands that a nation must work to make its people its assets, by giving them freedom, choice and opportunity.

We have a shared European heritage of free thought, free exchange and free trade.

These beliefs put Europe into the privileged position it now enjoys.

And we must not abandon them now, for some antiquated and backward looking protectionism.

Liberal thought and liberal trade go together.

Throughout its long history, Europe has not just considered its own development, it has influenced the world.

Imagine a world without European nations.

How many of you are thinking about the past?

How many of you are thinking of colonies and Empires?

This is wrong. The European Union plays an important role in today’s world. A world without the European Union would be a less prosperous and a less fair place.

Look at central and eastern Europe. The end of the cold war created conditions for a new outbreak of European nationalism. Ancient states found themselves newly free and ancient nations saw an opportunity to create new states.
Throughout most of Europe, this process of nationalism, traditionally accompanied with dangerous risks, was managed without bloodshed and conflict. Partly because of an enlightened policy of EU enlargement.

The exception of course was in the former Yugoslavia.

Without a doubt, the most powerful tool to achieve rich and stable states in the Western Balkans is the prospect of EU membership itself.

Alongside this, we need a highly skilled European contribution, both in terms of administrators and peacekeepers, in Kosovo. And we need to remind people in the Balkans, of the European values that we all share. Most of all, that national pride and neighbourliness can co-exist. Indeed, they do co-exist, everywhere else in Europe.

Our national pride lies in our tolerance, respect and humanity to others. Not a dark, brutal nationalism of the nineteenth century, of conquest and fear.

The EU must work with the UN and US on Iran. Iran has a choice. If it changes its approach, and stops its illegal nuclear programme, the EU will help the country develop its great potential to play a powerful role in the Middle East.

But if it continues to confront the international community, the EU will tighten sanctions, whether or not the Security Council reaches agreement on measures.

Further east, we stand ready to help the Burmese people in their struggle towards democracy, prosperity and stability. But we are also ready to review or reinforce restrictive measures against the Burmese government, depending on the choices they make.

The EU should use its power to overcome religious and regional divides, especially in the Islamic world. Pakistan is in transition and the EU, with partners such as the UN, must help to ensure the re-emergence of democracy, justice and the rule of law.

The EU is the world’s biggest development donor. In 2008, it will spend almost 370 million EURO on humanitarian action across the world. And we will give serious thought to how we can accelerate progress in meeting the targets set for real progress against poverty by 2015.

On climate change, Europe must increase funding to help poorer regions reach high levels of development with low levels of carbon. It must also play a leading role in negotiating a new international agreement on climate security.

All of these are challenges that we face in the year ahead.

Britain can't achieve them by ourselves. No European nation can achieve this by itself. No European people, no European institution can achieve all or indeed any of these grand ambitions in 2008 by themselves.
In 2008, perhaps more than for many years, the European Union has the opportunity to make a real and lasting difference for our planet, for our security, for our prosperity. Not just because of the dozen strategic challenges that we face but because we have now finally come to the end of a period of introspection around which we have been obsessed for far too long.

We're in a continent where 92 million people are economically inactive. 92 million people - yet we continue to debate double majority voting. 92 million people is the combined population of Scandinavia and the 10 new member states together. And when people talk about liberal economies and free trade, for me, that's the prize - supporting an ever-increasing number of those 92 million people with the opportunity to get into work, which so many of us have taken for granted for so long.

And that's the way we drive out poverty in so many European families, in so many European regions. For skills to become a national asset, to allow a person to get an opportunity to get a job, to get a career. And we need to do this, to create generational change. In too many parts of the EU, too many families inherit nothing more from their fathers or grandmothers than a poverty of ambition. And that's all too true amongst those families included in that number of 92 million.

That's a great challenge for Europe that we rarely speak of.

It's a great challenge that reflects our European values. About everyone having an opportunity in life to make the most of their talents, and again, that cannot be achieved by one country acting alone.

It is by pooling our resources, pooling our sovereignty and working for the benefit of all our citizens.

Thank you very much.