

The Prince points out the need to reinforce business 'fair play' to tackle the crisis

The Prince of Asturias has encouraged businesses to tackle this financial crisis reinforcing key values such as honesty, truthfulness, humility, respect for others, personal responsibility and loyalty to promises; he summed up these principles in defence of 'fair play'.

During the awards ceremony of the III Jaime Fernández de Aroz Corporate Finance Award, Prince Philip pointed out the need to boost all the abilities of those men and women working in the business world, "whatever their position in the company may be", something "basic" for securing the future of society and the progress of Spain.

In the current international financial crisis, firms require some virtues such as hard work and knowledge but that is not enough to guarantee an appropriate progress since current economic "tough circumstances" also require "personal and social values", such as honesty, responsibility and respect for others. "In short, fair play is not only advisable but vital for everyday life and so its absence will be lethal sooner or later", said the Crown Prince of Spain.

The Prince chaired the awards ceremony of the III Jaime Fernández de Aroz Corporate Finance Award granted to the economists Viral V. Acharya, Stewart C. Myers and Raghuram G. Rajan for their paper "The Internal Governance of Firms". The ceremony was also attended by Ms. Esperanza Aguirre, President of the Community of Madrid, and Mr. Miguel Sebastián, Spanish Minister of Industry, who announced the Government will boost a new legislation and a new fund for fostering the sustainable economy in Spain.

Mr. Sebastián said "the worst" of the crisis has been overcome and so he pointed out that "some evidence" allow us to be "more optimistic", such as the latest industrial output data, the reduction of trade deficit and the first positive data on investment portfolio for one year. On the other hand, Ms. Aguirre highlighted that the research economic paper awarded in this edition shows that the thesis of limited governance and division of powers "are key for a liberal government" and could be also applied to business organizations. Luis de Guindos, former Spanish Secretary of State, also participated in this ceremony as jury president, and pointed out that we can only avoid the world economy collapse globally and "surpassing protectionist temptations". The business research paper awarded with the Jaime Fernández de Aroz Award, chosen among 67 papers from 19 countries, reveals the importance of internal governance and control mechanisms of firms in order to top managers and subordinates become key to value creation.

This award carries a cash prize of Euro 10.000 plus a Martín Chirino sculpture and was established to the memory of the economist Jaime Fernández de Aroz who died in 2003 when he was 37 years old. He devoted his career to corporate banking areas such as analysis, performance and closing of mergers and acquisitions deals.

