Your Majesty, Your Excellency the Minister, Vice-Chancellor, honourable guests, dear friends:

The French philosopher and moralist, Jean de La Bruyère, stated that there is no excess in the world so commendable as excessive gratitude. Please believe me when I tell you that this Award continues to be given, and we are here today, thanks to the affection of so many people, thanks to the support of many institutions, and thanks to the fact that so many friends continue to join us here. And this gratitude that we feel towards you all is not excessive; it still falls short ... 

Thank you Your Majesty for honouring us once again with your presence. Your Majesty, I should like to take this opportunity to tell you, on behalf of my entire family, and I believe it is a feeling that is shared by many of those of us who are here today, that at these difficult times that Spain is currently experiencing, we feel immensely proud and imbued with great tranquillity when we see the serenity, the aplomb, the steadiness and the commitment with which you perform the difficult duties of Head of State. Thank you and congratulations!
Thank you Minister of State for being with us today.

Very special thanks to Deutsche Bank and its Chairman in Spain, Antonio Rodriguez Pina, for your sponsorship and enthusiastic support for this initiative.

Thank you to CUNEF, and especially to Alvaro Cuervo and Pablo Vázquez Vega, for supporting this project and allowing us the use of these magnificent facilities.

Thank you to each and every one of the members of the Jury, for giving so generously of your time, for your wise judgement and for your invaluable advice. Very special thanks to our Chairman, Eduardo Serra, to the members of our Technical Committee, and to our Secretary, Elena López-Henares, for your extraordinary dedication and the enthusiasm you have shown.

Thank you to all the research teams who submitted papers.

Thank you to everyone who assisted us so professionally in preparing this ceremony, thank you to all the friends who have joined us today and to all those who are not able to be here but have called to wish us well, something that means so much to us. You will always be with us as we organise this award.

I will not talk here about the excellent work carried out by the researchers we are honouring today; Eduardo Serra will talk about that later with much more authority and rigour than I ever could. Professors Paravisini and González-Uribe, we offer you our warmest and most sincere congratulations on behalf of the entire Jury.
But going beyond the contents of the paper itself, this year’s Award has led me to a number of reflections that I would like to share with you.

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YOUNG PEOPLE AND ENTREPRENEURSHIP

The paper we are honouring here dwells on the creation of a suitable framework of incentives that will lead to the creation of new businesses, which in turn are crucial for increasing employment and generating economic growth.

Barely a month ago, a study carried out by the OECD reminded us that 35% of young people aged between 25 and 34 living in Spain had not managed to complete their Baccalaureate or an equivalent professional qualification. With the exception of a few brilliant business people who emerge without academic qualifications or training, it would not seem likely that many businesses are going to be created by this segment of the population.

This low level of qualification is matched by a second problem; over-qualification, that is to say, people who have too high a level of training for the job that they are doing. According to Eurostat data published in 2016, levels of over-qualification in Spain greatly exceed those found in the European Union as a whole, and 68% of workers under the age of 25 in Spain have more qualifications that they need for the job that they are doing. In short, after they have studied for so many years to obtain qualifications,
the labour market offers no opportunities for recent graduates or offers them low-level jobs that are not suited to their level of training. What is worse: Spain has devoted large amounts of public funding to train these university graduates, and yet these excellent doctors, engineers and economists are having to go abroad to look for work because they can’t find jobs here.

However, the young people of today are rapidly changing their way of thinking: a spirit of entrepreneurship is beginning to emerge, not only in response to the levels of unemployment but also as an exciting and real alternative. What is currently “cool”, if I can use that expression, is not going to work in a shirt and tie at a foreign bank, or working as a civil servant or a lawyer, like me. It is working at a technology start-up, where you can dress in chinos and trainers, where you can play table football next to the conference room, and where there is an enormous fridge full of all kinds of organic biscuits and quinoa salads. And some surveys have shown that young people in Spain are now naming leading business people alongside great sportsmen and women as their heroes.

The public and private universities have led this change, not only by offering “entrepreneurship” courses but also by providing programmes that offer advice to students on how to set up their own companies. And given that we are here today at CUNEF, I have to mention the “CUNEF Emprende” programme, which offers a course aimed at completing student training in the area of entrepreneurship and helping them through the process of setting up a business. For its part, the Complutense University has launched
the “Start UCM” programme, its entrepreneurship centre that acts as a project accelerator, along with its “CompluEmprende” programme. I could mention many other institutions around Spain, like Instituto de Empresa or Deusto University, all of which seek to develop the entrepreneurial spirit of their university students, teaching them how to resolve the different situations that may arise and to assess both risk and opportunity.

The Administration plays a fundamental role in respect of innovation policies and the promotion of entrepreneurship. Fortunately, the government has taken action in this regard. The most recent initiative launched by the Spanish government, entitled “Entrepreneurship and youth employment strategy 2013/2016” was aimed at combating youth unemployment through the stimulation of the entrepreneurial spirit among young people, as just one of many activities. 678 million euros was invested in a crash program designed to “convince young people” to launch their own businesses, using a whole range of highly interesting measures.

In short, the lessons learned are very clear: (i) we can and we must teach young people to be alert to new opportunities through the teaching of entrepreneurial skills, given that we will in any case be improving their opportunities in the jobs market; and (ii) policies for the promotion of entrepreneurship will have a clearly positive impact on the levels of innovation found in our economy.
One of the standard topics for debate when talking about the Spanish economy involves the need for a gradual change to our production model so that the country can reduce its dependence on bricks and mortar and tourism. However, if we are to lay the foundations that will allow some of the world’s leading entrepreneurial ecosystems like Silicon Valley, Tel-Aviv and Berlin to be replicated here, we must implement the appropriate public policies that will incentivise private investment in these young businesses that begin with good ideas and an excited young workforce but little or no capital.

The paper we are honouring today analyses the positive effects of a tax incentive programme launched in the United Kingdom to promote private investment in young SMEs. The results of this programme, which the winning paper analyses, are highly encouraging.

In Spain, since the enactment of legislation to regulate Venture Capital Institutions in 1999, the government has been clearly focused on the need to reduce the degree to which businesses depend on banking credit and to promote the private financing of small and medium-sized enterprises during their early phases of development and expansion.
However, these initiatives, which were and remain positive, have now proved insufficient because, among other things, they do not extend to the seed capital segment, nor do they provide cover for business angels. We are convinced that many things can still be done in Spain to boost the financing of R&D&I projects and the development of technology-based companies in order to consolidate innovation and the modernisation of Spanish industry.

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I will end with this.

Once again, with the presentation of this Award, we wish to pay tribute to all those people who devote their lives to applied research in the area of Financing. We are convinced that without proper research in this field it would not be possible to design suitable and effective economic policies.

But we also want to do more.

In 1913, in a speech entitled “In Defence of Unamuno”, given by José Ortega y Gasset when he was replaced for the first time as Vice Chancellor of the University of Salamanca, Ortega stated the following:

“... There are two Spains, ladies and gentlemen, that are engaged in an endless struggle: a dead, hollow, rotten Spain, and a new, industrious, aspirational Spain that looks forward in life, and everything is arranged so that the former (the Spain that has expired) can triumph over the latter ...

..."
Many years have passed since Ortega spoke these words, and they are fortunately no longer true. Today, those of us who modestly support this Award continue to believe in a dynamic Spain, that is growing and progressive and more modern with each day that passes; we believe in the generous Spain of Lorena Enebral, the humanitarian worker who gave her life helping others in Afghanistan, of Ignacio Echevarría, who died standing up to terrorists in London, and of the more than 14,000 Spanish missionaries working around the world; we believe in a caring Spain, that once again has smashed the annual record for transplants and organ donations; we believe in a Spain that exhibits excellence, as demonstrated by our prominent researchers in numerous scientific fields or by our leading businesses, which continue to conquer international markets and provide jobs for thousands of people, some of whom are with us today. Finally, we continue to believe in this free and democratic Spain, in which we all have a place and which offers freedoms and opportunities to the immense majority of us who think that working for a better future and building a better country are tasks that will always be possible and only depend on the hope and effort that we put in.

Thank you to you all. We shall meet again at the 8th Edition in 2019.

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