Address by His Majesty the King on the occasion of the sixth edition of the Jaime Fernández Araoz Corporate Finance Award
Madrid, 10 September 2015

Good evening everyone.

Blanca, how impressed and delighted I am to see you directing this ceremony that is so special for us all. I don’t wish to disconcert you, and I realise that your role is not to play a leading part but merely to make introductions and to help everything run smoothly; however, forgive me for shining the spotlight on you a little. I am a father, and cannot help but think that if only your father could see you … I am sure he would feel very proud and emotional, just as your mother Luisa and all your family are feeling right now. They are a wonderful example to you, Blanca, and here I of course include your brother and sister, Jaime and Inés.

It is truly a pleasure to see you all again at this now firmly established event celebrating academic achievement in research.

I confess that I am very pleased to be here at the presentation of this Award in memory of Jaime Fernández de Araoz, which, now in its sixth edition, has unquestionably achieved the brilliant standing that it deserves as a result of the huge affection with which you organise and care for every detail, the unselfish effort that you all display in supporting, sponsoring, taking part … and the quality demonstrated by the candidates from which such magnificent winners have been chosen. You have done all this without lowering the bar, maintaining and still further enhancing the level of quality and rigour in the twelve years that this award has been presented.

I am pleased to be here because, since the last time this Award was presented, as you all know, many things have happened which I don’t need to explain here but which have had an effect on my life, my schedule and my presence at many events. I am, therefore, very happy to be able to attend this event, though you will understand that, however much I would like to, I cannot guarantee that I will always be able to make it in the future.

I offer my heartfelt thanks to all those of you who have made, and continue to make, this award possible, to the entire Fernandez de Araoz family, who with your perseverance, enthusiasm and method have succeeded in establishing and consolidating this event in the area of corporate finance, a specific and complex economic discipline that is becoming increasingly important both in Spain and around the world.

Thank you also to CUNEF and to Madrid Complutense University for your hospitality and, above all, for supporting this award, which covers an important area in the field of academic knowledge and research.
And of course, my congratulations to the winners, Samuel Bentolila, Gabriel Jiménez, Sonia Ruano and Marcel Jansen. You are the protagonists in this ceremony as a result of your excellent work, in which you analyse the different implications of the restructuring of Spain’s financial system over recent years and the ways in which the credit system has affected employment during the recession. We also congratulate and thank the members of the Jury for carrying out the difficult task of choosing the work they felt was most worthy of this award from among the many high-quality contributions submitted.

As on previous occasions, I should like to take this opportunity to share some brief ideas on matters relating to the area covered by this award, particularly with regard to business and research.

It is important to recognise and emphasise that the pairing of business and research is becoming increasingly necessary. The operation of a business both merits and requires the greatest possible refinement as a driving force for employment, wealth and public well-being. Businesses play a key role in the economy and are important vehicles for the advancement of society. We must therefore take an integrated approach to businesses, from their essential socioeconomic dimension and the values by which they must be governed, to the more technical aspects of their operation, management, duties, growth and sustainability.

The economic crisis of recent years has damaged our production fabric and had a particularly severe effect on small and medium-sized enterprises and the self-employed: we should remember that it is they who generate and sustain the largest number of jobs in Spain. Nevertheless, many businesses, not only large companies but also SMEs, have succeeded in withstanding and overcoming these difficulties by adopting modernising measures, opening up to the outside and internationalising their businesses in the world’s markets.

Thus, as I mentioned, not only have they been able to endure, they have in many cases also succeeded in growing, creating both wealth and jobs. This is something for which they must really be congratulated. In this regard, we must pay attention, “scientifically”, to how they have achieved these objectives, what their approach has been and, especially, which specific procedures and actions have allowed them to overcome all these challenges successfully.

It is here where research, based on rigorous scientific and academic principles, becomes extremely important. While businesses must naturally be subject to a comprehensive analysis from a political or social point of view, they must also be studied from an academic perspective that looks at each and every one of their individual aspects and elements. I therefore believe, and it pleases me to say this, that the Jaime Fernández de Araoz corporate finance award is not only relevant but also necessary, since it helps to extend the spectrum of research in the business sector to a discipline that deserves great attention, not only from a theoretical point of view but also for entirely practical reasons.
By studying and gaining a more in-depth knowledge of all of these aspects, we have also discovered that the idea of a company has gradually shifted and changed over the years. New perceptions and rules have been incorporated that were not widely known or accepted just a few years ago.

I refer to issues such as good corporate governance, social responsibility, and involvement, in general, in social issues that extend beyond the natural social impact of a company’s own business activities. I refer also to concern for environmental issues, to the acceptance of transparency in the broadest sense, in respect of both organisational and production aspects, and to relations between businesses and their consumers and workers.

The entrepreneurial spirit has established itself as a driver for business, and an increasing number of young people feel guided by this spirit. Both society and businesses themselves have internalised the self-evident fact that businesses not only form part of society but ultimately owe it their existence.

In finishing, I would like once again to express my appreciation for the Fernandez de Araoz family and the institutions that have given their support for this important Award. I would also particularly like to offer my warmest congratulations to the winners.

Thank you.