

THE VULNERABILITY OF SMALL BUSINESSES IN TIMES OF CRISIS

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Small and medium-sized enterprises have a key role in the functioning of local, regional and national economies. SMEs are the backbone of the economy and before the pandemic they generated more than half of the European Union's Gross Domestic Product. But, to the same extent, SMEs are the most vulnerable to shocks. The paper aims to analyze at the level of the European Union the behavior of small businesses in the face of the COVID-19 pandemic, as a global shock. The pandemic has had a major impact on SMEs, leading to the closure or drastic reduction of the activity of many small family businesses. The collapse of SMEs in many vulnerable sectors (tourism, HoReCa, entertainment, gyms and others) has a major impact on the economy and the standard of living of their employees.