

Subsection - 7.2. Finance, accounting and economic analysis

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ANALYSIS OF NATIONAL AND INTERNATIONAL CORPORATE BANKRUPTCYS DYNAMICS

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Business bankruptcy is a complex economic, social, and legal process. It represents a macroeconomic problem and has a lot of negative effects, not only at the level of the company and its employees, but also at the level of the country and society. Analysing several meanings regarding bankruptcy the authors concluded that most studies use a purely legislative definition of bankruptcy. Although in developed countries the first studies on the evolution and prevention of bankruptcy date back to the beginning of the 20th century, in Eastern Europe, due to several factors, including the geopolitical situation and the introduced economic system, the interest in this direction of research emerged in the early 1990^s. More than it, the interest to the bankruptcy's dynamics increased especially during the COVID 19 pandemic period, when a big number of firms were forced to cease their economic activities. Therefore, the ability to analyse the dynamics of number of corporate bankruptcies of a country is a benefit for all type of external and internal users. The main objective of the article is to analyse the dynamics of business bankruptcy at national and international level, as well as to make a comparative analysis of business bankruptcies at national level according to types of economic activity and legal forms of enterprises. The study was conducted on a sample of 40 countries over the period 2013-2022. The data was collected from Euler Hermes, Allianz Research and Reports published by state institutions of the Republic of Moldova. The phenomenon of corporate bankruptcies must be treated as a relevant phenomenon, but not a chaotic one, and the analysis of corporate bankruptcy dynamics is relevant because it aims to identify future trends in the number of bankruptcies. The research methods used in this paper are data collection, data processing, comparison, index calculation and descriptive analysis. Examining trends allows the identification and analysis of the main trends that appear within the analysed phenomenon. As a result, almost all national governments tried to support and provide extensive aid to firms and affected branches. That is why; the number of corporate bankruptcies in Europe does not reflect the reality.

Bankruptcies are not a mass phenomenon, they take place often enough, therefore their dynamic analysis is relevant. The bankruptcies statistics performed in this research paper on the base of the economies of European countries represent a strong confirmation of this fact. More than it, this paper may provide relevant information for another research on this topic.

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