
This paper aims to establish the theoretical and empirical link between structural change and financial fragility based on the theories of Thirlwall's Law and Minsky's financial instability. In order to do so, a descriptive and econometric panel analysis is carried out for 1846 Colombian companies during the period 1996-2015. A new indicator of financial fragility is created, and from this a relationship is established between the company's balance sheets, structural change, economic growth, the size of the firm, and the Minsky effect that measures the endogeneity of the debt cycle.

**Keywords:** Financial fragility; panel data; post Keynesian theory; structural change.

**JEL:** B26; C23; E12; L16.