

SOCIAL ECONOMIC OUTCOMES OF REMITTANCES FROM THE DIASPORA AND THEIR ROLE IN MANAGING THE COVID-19 PANDEMIC IN THE EMERGING ECONOMY

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Abstract

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Migration and remittances in Kosovo are promoters of local economic development and have an important role in the economic well-being of citizens, as well as other aspects in financing and developing the economy through stimulation. This article will evaluate and assess using subjective research methodologies the impact of diaspora during the pandemic period time. Anytime was crucial for many citizens that depend on the remittances, according to this statement, we mention that diaspora has a major role also in economic development in general. So, the purpose of this paper is to define and deeply explain the socio-economic outcomes of diaspora during the pandemic of COVID-19. In this way, we have used two types of data, primary and secondary for further analysis where we have used different techniques such as descriptive, crosstab, and Chi-square, which we have analyzed and shown by using SPSS software. Also, our paper is based on Hamdi Hoti and Hoxha's (2018) and Jusufi and Ukaj's (2020) findings and suggests that remittances have always been one of the most important and stable sources of external financing for the country. This is very important for states such as the Republic of Kosovo.

Keywords: Socio-Economic, Remittances Diaspora, SPSS, Chi-Square, COVID-19, Republic of Kosovo

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1. INTRODUCTION

It is a known fact that Kosovo's economy depends on remittances sent by migrants who live abroad. Remittances are private income transfers that are countercyclical, that is, they flow from migrants into their source country when that country is experiencing a macroeconomic shock (Sayeh & Chami, 2020).

So, our research aims to show how it has impacted the diaspora funds during the spreading virus infection. This, as we know, has impacted very well because of closing everything, even free movement of citizens. We know that even at the time of the COVID-19 infection, the pandemic spread all over the world and it has had a negative impact on the economies of the most powerful countries in the world. It has touched and Kosovo, but that was not the only reason why the Kosovar

diaspora contribute to their birthplace. Also, such topics are treated on some different researches (Merovci & Sekiraqa, 2021; Jushi, Hysa, Cela, Panait, & Voica, 2021; Shah, Khan, & Reayat, 2021; Collaku & Merovci, 2021). The Kosovar diaspora works and influences to a great extent that the majority of them were not able to come for holidays in Kosovo, they have supported even more their families in their home country. Thus, according to the report of the Central Bank of the Republic of Kosovo (CBK), the diaspora is continuing to support families even in this difficult period, regardless of the economic crises that have spread all over the world. Remittances from emigration play an important role and contribute to the growth of the economy and the livelihood of people with a lower economic level, thus transfers of emigrants are of particular significance for Kosovo. Citizens of Kosovo are dependent on remittances coming from emigration and which also have an impact on Kosovo's economic development. Although as a result of the spread of the COVID-19 pandemic, remittances were expected to decline. According to the data of the Kosovo Agency of Statistics, the number of Kosovo citizens living abroad by the end of 2020 is estimated to be over 900 thousand.

According to data of the Kosovo Agency of Statistics, economic activity slowed to 1.3% in the first quarter of 2020, from 4.2% in the first quarter of 2019.

This slowdown in economic activity was mainly attributed to restrictive measures on the movement of citizens and the closure of certain economic activities, with the announcement of the COVID-19 pandemic, in the last two weeks of the first quarter of 2020 and during the second quarter of the year 2020. Official statistics of the Kosovo Agency of Statistics for the gross domestic product (GDP) in the third quarter of 2020 suggest a decline of economic activity for 9.3%.

The investment component is estimated to have contributed to the decline in economic activity, which is estimated to have contributed negatively by -14.3% points.

On the other hand, the economic activity was supported by the positive contribution of consumption and net exports with 4.1% respectively 1.0% points (Central Bank of the Republic of Kosovo [CBK], 2020b).

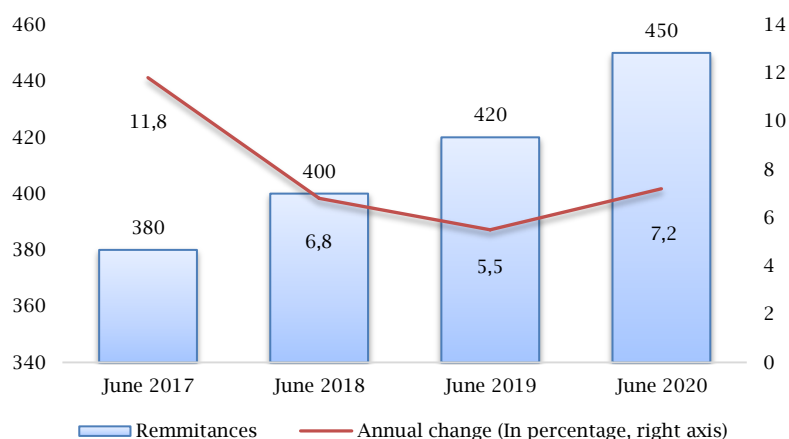
The Kosovo diaspora always played an important role by bringing transactions to Kosovo, throughout history and particularly after the war these transfers from migrants helped to a great extent Kosovo economy in general and citizens in particular.

Therefore, as a result of the spread of the COVID-19 pandemic, 2020 is expected to see a decline in remittances from the diaspora. This happened because the emigrants themselves and all the countries where they work and operate are affected too. The CBK has made a preliminary assessment of the value of remittances for the first quarter of 2020.

According to these assessments, the total remittances in the first quarter of 2020 is 190 million (185 was in Q1 2019). This value represents an increase of 3% compared to the same period of the previous year. During January and February, there was an increase of about 11% compared to the same months last year but in March it was about 10%.

Remittances estimated for March 2020 are 64 million (72 million were in March 2019). Remittances received in Kosovo amounted to 434.9 million Euro until June 2020, which represents an increase of 7.2% compared to the same period in 2019 (CBK, 2020b). This is shown in Figure 1 compared in different years from 2017 to 2020 in percentage.

Figure 1. Remittances in million Euro



Source: CBK (2020b, p. 11).

Remittances received in Kosovo continue to come mainly from Germany and Switzerland, from where 43.1% and 24.3% of total remittances were sent in the second quarter of 2020, respectively. A significant part of remittances was also received from the US, respectively 5.4% of the total remittances received in Kosovo. Although the countries where

the Kosovo diaspora is concentrated have been hit hard by the pandemic crisis, remittances have marked an increasing trend. The increase in remittances has been in double digits throughout the period, except for March and April when they decreased (CBK, 2020b). The transfer of remittances through money transfer operators increased by

46.3% for June, while remittances transferred through banks increased by 19.0%. On the other hand, due to the fact of closure of the border and other restriction measures, remittances coming through “informal channel” have decreased by 52.3% by June 2020. This trend of increasing remittances is expected to continue in the coming months (only in July the increase in remittances was 23.9%) (CBK, 2020b). The data show that the majority of incoming transfers were in May 2020, in the amount of 104 million Euro. According to the CBK, the majority of funds were transferred through money transfer agencies, while the rest were transferred through commercial banks. These transfers to Kosovo are among the main sources of financing the economy and represent a source that enables a better social situation by reducing the burden on the state budget.

The amount of remittances from the diaspora within a year is considered to be even higher, as it is believed that a part of funds is entering Kosovo through other forms, which may not be included in the official data of the CBK. Also, in this paper, we have used different techniques which have resulted in achieving a state of the art of implementation by using SPSS software.

This paper is organized as follows. In Section 1, we have shown our aims and research gap. In Section 2, we discuss the papers related to our research. In Section 3, we discuss the used research methodology. In Section 4, we discuss the statement of the Republic of Kosovo as part of Balkan states. The results and discussions of the paper are presented in Section 5. The paper finishes with the conclusion in Section 6.

2. LITERATURE BACKGROUND

Understanding the determinants of migration remains crucial (Naiditch, Tomini, & Ben Lakhdar, 2015). Remittances in Kosovo until now have played a special role and continue to do it, due to the financial situation that may affect the country's economy.

Taking into account that many citizens of Kosovo have migrated abroad and the trend of leaving the country continues to a great extent and this proves a vision through the increase of the role of remittances in the country making it a strong point for national incoming transfers.

Likewise, Hoti and Hoxha (2018) have discussed their research for the impact of diaspora and the contribution they did even in human capacity development, education, and several activities when they are in Kosovo.

Williams (2020) in his paper aims to investigate the role of economic reform in encouraging diasporas to invest in their native countries. The paper focuses on in-depth interviews with various interested parties in Bosnia and Herzegovina, Kosovo, and Montenegro, which are all post-conflict businesses with substantial outmigration. The author demonstrates that despite the significance placed on the immigrant community in policy debates, it is a source of information that is underutilized in social and economic development.

The COVID-19 pandemic at this time has shown the situation not to be as same as in the past due to the non-functioning of businesses, movements, entrances, and exits of citizens from other countries

in Kosovo and vice versa. At this point of reference, revenues have increased in Kosovo even though the migrants have not come for vacations or visits or direct investments in Kosovo. According to Mustafi and Karemani (2020), it is important that the economy is stimulated and the funds that are provided are well managed responsibly and transparently, in order to go directly in favor of the ones in need, the unemployed and the entrepreneurs facing difficulties, to ease the costs. Also, they highlight that it is very important keeping the pandemic under control in order to get back to normal and resume production.

Jusufi and Ukaj (2020) have identified the importance of the Western Balkans diaspora on economic development perspective in the focus of the Republic of Kosovo.

People on the move are among the highly vulnerable groups to the COVID-19 crisis, the disproportionate impact on this group, which includes immigrants and those still crossing borders, shows in the unprecedented, multiple challenges they face in health, livelihood, and additionally for those fleeing war and persecution, in access to protection according (Coming out stronger from COVID-19, 2020). According to Paul (2020), before the pandemic, many Eastern Europeans worked as temporary or seasonal workers in other EU countries.

Svrtinov, Trajkovska, Miteva-Kacarski, and Koleva (2020) explain the statement of the Balkans during the pandemic and its impact on the economy of these countries. Authors suggest that it is very important to treat remittances of these countries because it increases the stability and helps to return to normality routines.

Between 3–5 million Romanians and 3–4 million Poles worked abroad, most of them in Italy, Spain, Germany, Austria, and the United Kingdom. When COVID-19 struck destination countries, migrant-sending governments in Central and Eastern Europe (CEE) reacted quickly.

When Western European governments assessed their economic situation at the peak of the pandemic in March 2020, they realized that the exodus of Eastern European essential migrant workers had left huge labor force shortages in key economic sectors including agriculture, construction, care-giving and services (Paul, 2020). Also, according to The Federal Government (2020), on epidemiological as well as strategic grounds, support for the countries of the Western Balkans and in the Eastern Partnership will have priority within the EU, especially in the short term.

Topxhiu and Krasniqi (2017) consider the impact of remittances and other factors on productivity expansion in the six Western Balkan countries, including export markets, capital investment, foreign investment, and working population.

According to Coming out stronger from COVID-19 (2020), The World Bank estimates that remittances will drop by 20% because of the pandemic causing hardship to more than 800 million people depending on remittances for much of their subsistence. Remittances have steadily increased over the past few decades and have become the main financial inflow in developing countries, surpassing foreign aid, private capital flows, and foreign direct investment (Economic

Commission for Africa, 2020). The global economy is going through its worst economic fallout and remittances are more important than ever for some of the poorest and most vulnerable people without access to economic and social safety nets (Economic Commission for Africa, 2020).

In addition, according to Newland (2020), migrants' loss of work translates directly into loss of remittance income for their families, communities, and countries, an estimated 800 million people depend on remittances for all or part of their income, and remittances are predicted to fall by at least 20% in 2020 compared to 2019, amounting to a loss of \$109 billion.

According to Mehedintu, Soava, and Sterpu (2019), another difference with other countries is that the amount of remittances entered in Romania both from the global level and the level of the EU states was in a permanent increase until the global crisis started, when the value of the remittances decreased dramatically by over 40%, a decline also recorded in other EU emerging countries.

So according to the state-of-the-art, we increase hypotheses to prove if they are accepted or declined according to results obtained on the research, which are:

H1: The pandemic has not had a direct effect on family well-being;

H1: The pandemic has had a direct effect on family well-being;

H2₀: Revenues from the diaspora (remittances) have no effect on businesses;

H2: Revenues from the diaspora (remittances) have an effect on businesses.

3. METHODOLOGY

The significance that appears in the part of investments and remittance incomes in Kosovo plays a special role, not to mention the reference point of income for families living in Kosovo.

This is due to the considerable number of citizens who have migrated to foreign countries and now support financially their families in Kosovo.

We have used two types of data divided into primary data and secondary data.

Data obtained and interpreted below are taken from the questionnaire/survey conducted with Kosovo citizens in virtual form. The questionnaire was divided into two parts, demographic and professional or substantive, which aims to highlight the importance of remittances and migration during the COVID-19 pandemic in Kosovo, which we also called primary data. To prove the gained result of the increased hypotheses we have analyzed our dataset/survey with techniques such as Chi-square, crosstab by using SPSS software. Also, the secondary data are data which are presented from the literature review where the focus was on the part of the Balkan countries, taking into account that Kosovo is also part of the geographical extent of this part. Then some valuable examples are taken from developed countries which have managed to successfully manage this difficult situation.

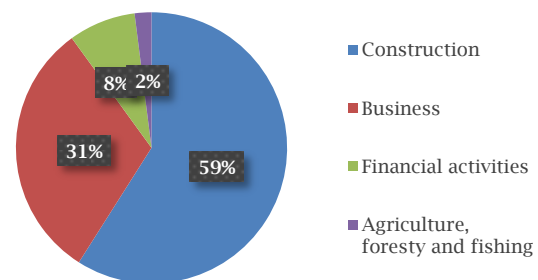
Thus, the data sources are papers that are indexed in the Scopus platforms, which we had as the main focus, and then the works that are in the Scopus, Web of Science, EBSCO, Google Scholar, etc. inclusion years of the paper are from 2017-2021.

The keywords that are used to extract the most relevant works are "remittance", "pandemic in Kosovo", "remittance management in the time of the pandemic", etc.

3.1. The decline in gross domestic product in the second quarter of 2020

Gross domestic product (GDP) in the second quarter of 2020 marks an actual decline of -9.28% compared to the same quarter of the previous year. Economic activities that marked a decline in this quarter are construction -47.08%; trade, transport, accommodation, and food services -24.4%; professional and administrative activities -16.39%; financial and insurance activities -6.71%; agriculture, forestry and fisheries -1.74% (Ministry of Economy and Environment & Kosovo Environmental Protection Agency, 2020). Economic activities that had growth in this quarter are electricity, information and communication 29.6%, water supply 19.8%, real estate activities 4.29%, arts, entertainment and recreation, other service activities 4.64%, education and health 4.73%, public administration. The components of GDP according to the method of expenditures that had a decrease are gross capital formation -41.09%; exports of services -62.93%; and imports of goods and services -19.77%. Growth in this quarter was exports of goods 12.18%; household final consumption expenditures 3.47%; and government final consumption expenditures 8.58% (Ministry of Economy and Environment & Kosovo Environmental Protection Agency, 2020). According to the Kosovo Agency of Statistics and the analysis made by the Chamber of Doing Business in Kosovo (CDBK), it turns out that the sectors that are most affected during this quarter compared to the same period of last year are construction, trade, accommodation and food services, financial activities as well as agriculture and forestry.

Figure 2. Economic activities in Kosovo that marked a decline



Source: Chamber of Doing Business in Kosovo (CDBK, 2020).

Whereas, regarding the expenditures, as noted, they have increased. Thus, revenues have been reduced in a relatively high percentage while expenditures have risen sharply (CBK, 2020a).

4. KOSOVO AS A PART OF THE BALKANS

With the suspension of economic activity and the drastic decline in remittances as a result of COVID-19, the effects on poverty in Kosovo are likely to be significant.

A large number of workers are expected to lose their jobs, especially those with fixed-term contracts, seasonal workers and employees in the informal sector. Risks to the financial sector in the country have increased significantly as a result of the COVID-19 pandemic outbreak. The economic crisis triggered by the pandemic and the measures taken to prevent it are expected to be reflected in significant economic decline globally and an increase of uncertainty about the financial system. Eurozone economy is expected to mark a higher shrinking of economic activity in comparison with the recent global financial crisis (CBK, 2020b). The crisis caused by COVID-19 as well as the increased political uncertainties in the Balkan countries will significantly affect the economies of these countries.

Kosovo's economy is expected to have the most significant economic downturn, as a result of its dependence on external finance sources, respectively tourism and export of services, as well as limited fiscal space to support domestic demand as a result of the non-function of monetary policy (CBK, 2020b). The Kosovo diaspora is mainly located in the most developed countries of the world and this makes the remittances stable over the years. The Kosovo diaspora is seen as a great asset by the citizens of Kosovo and its potential users. The great power of the Kosovo diaspora should be channeled into usability that can invest in Kosovo and participate in the growth of foreign direct investments. This presents the possibility for the diaspora to be an integral part of Kosovo's development policy in the upcoming years.

5. RESULTS AND DISCUSSION

5.1. Empirical results

To prove our increased hypotheses we have implemented several statistical techniques by using SPSS software. In our survey, we did eleven questions where seven of them tried to extract professional results and four of them — demographic viewpoint.

Also, in total, we have 104 respondents where 21 are female and 83 of them are male. This survey was fulfilled electronically, so the number we did is from the businesses and their responsible head family and it is done in all of the territories of the Republic of Kosovo. So, the audience fulfilled our survey are mainly families which have been affected by pandemic period time on their work. Below the crosstab and Chi-square test of the questions we did are presented in order to get answers from respondents. In this way, we decide to choose the variable business and impact of the economy on their operation. So this research is based on Hoti and Hoxha (2018), Jusufi and Ukaj (2020), and Topxhiu and Krasniqi (2017).

As we can see from a total number of 56 of them are family heads and 48 are family members. On the other side, in the *family head* category, 3 of them are female and 53 of them are male family responsibility. And from 48 in total, 30 of them are male and 18 are female in the *family member* category.

Table 1. Crosstab explanation of respondents

		Your family responsibility		Total
		Family head	Family member	
Gender	Female	3	18	21
	Male	53	30	83
	Total	56	48	104

In this survey, 104 respondents participated in total. From the total number, 20.2% of respondents belong to the female gender and 79.8% to the male gender.

Table 2. Frequency of participation respondents divided by gender

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Female	21	20.2	20.2	20.2
	Male	83	79.8	79.8	100.0
	Total	104	100.0	100.0	

Forty-seven and one (47.1) percent of respondents are in the age group of 18-35, then 26.9% are at the age of 36-50, and over 50 is 26.0% of respondents.

Table 3. Age respondents

		Frequency	Percent	Valid percent	Cumulative percent
Valid	18-35	49	47.1	47.1	47.1
	36-50	28	26.9	26.9	74.0
	Over 50	27	26.0	26.0	100.0
	Total	104	100.0	100.0	

Most of the participants (51%) in this research think that the Government of the Republic of Kosovo could have better come to the aid of families during the pandemic where 39.4% of respondents think that the Government has failed to help families during the pandemic and only 9.6% of respondents in this survey think the Government has achieved enough to help families during the pandemic in Kosovo. Also, in Table 4, we ask respondents about the impact of the financial side of families during the pandemic.

Table 4. How much do you think the Government of the Republic of Kosovo was able to help families during the pandemic?

		Frequency	Percent	Valid percent	Cumulative percent
Valid	It has achieved enough	10	9.6	9.6	9.6
	It could better	53	51.0	51.0	60.6
	It has failed in this way	41	39.4	39.4	100.0
	Total	104	100.0	100.0	

Most of the respondents or over 70.2% think that there was a negative impact from the financial side during the lockdown.

Table 5. How much did the closure time due to the pandemic affect your family finances?

		Frequency	Percent	Valid percent	Cumulative percent
Valid	It has positive effect	8	7.7	7.7	7.7
	It has not effect	23	22.1	22.1	29.8
	It has negative effect	73	70.2	70.2	100.0
	Total	104	100.0	100.0	

Table 6 shows respondents' answers to the question about the effects that pandemic has had on business. A large percentage of participants (53.8%) think that employees were fired from work, 24.0%

staff reduction and 14.4% raising the unemployment rate and economic crisis. A small percentage (3.8%) think that there was a reduction of salaries too.

Table 6. What are the effects that pandemic has had on business according to the below order (more than one option)?

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Employment termination	56	53.8	53.8	53.8
	Reduction of staff for a long time	25	24.0	24.0	77.9
	Reduction of salaries	4	3.8	3.8	81.7
	Bankruptcy of sustainable businesses	2	1.9	1.9	83.7
	Rising unemployment and economic crisis	15	14.4	14.4	98.1
	The possibility of increasing thefts and crimes in the country, as a cause of unemployment and economic crisis, etc.	2	1.9	1.9	100.0
	Total	104	100.0	100.0	

In Table 7, we collect respondents' thoughts about the economic recovery package. Most of the respondents (51.0%) think that it will have a positive impact on the economic recovery package to businesses. Only 3.8% of respondents think that it will not have an impact recovery package.

Table 7. Do you think that the economic recovery could affect the growth of the level of businesses?

		Frequency	Percent	Valid percent	Cumulative percent
Valid	Yes	53	51.0	51.0	51.0
	Maybe	47	45.2	45.2	96.2
	No	4	3.8	3.8	100.0
	Total	104	100.0	100.0	

In that manner to give a concrete answer and prove the hypotheses, we have implemented statistical methods such as crosstab and Chi-square. Increased hypotheses are as below and shown in Tables 8a, 8b, and 8c including the finished analysis.

$H1_0$ (null hypothesis): The pandemic has not had a direct effect on family well-being;

$H1$: The pandemic has had a direct effect on family well-being.

In Tables 8a, 8b, and 8c the crosstab and Chi-square analysis are done to confirm the first hypothesis ($H1$): The pandemic has had a direct effect on family well-being. It seems that 88.5% of respondents in the survey think that the pandemic has had a direct effect on family well-being, 8.7% of respondents have no idea or do not know if the pandemic has affected family well-being, while only 2.9% of participants think that the pandemic has not affected family well-being.

By gender, 91.6% of men think that the pandemic has had a positive effect, whereas only 76.25% of women think that the pandemic has had a positive effect. According to respondents' age, 42.35% of participants that belong to the age group of 18-35 think that the pandemic has had its effect, 23.1% in the age group of 36-50 and over 50 also think that the pandemic has had its effect, 4.8% in the age group of 18-35 do not have any idea about the effect of the pandemic whereas only 3 respondents think that the pandemic has not any effect while 49% of respondents think that it has affected mainly on family heads' responsibilities, whereas 39.4% are family members.

Table 8a. Crosstab analysis: The pandemic has had a direct effect on family well-being (gender criterion)

			Gender		Total
			Female	Male	
1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	Yes	Count	16	76	92
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	17.4%	82.6%	100.0%
		% within gender	76.2%	91.6%	88.5%
		% of total	15.4%	73.1%	88.5%
	I don't know	Count	5	4	9
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	55.6%	44.4%	100.0%
		% within gender	23.8%	4.8%	8.7%
		% of total	4.8%	3.8%	8.7%
	No	Count	0	3	3
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	0.0%	100.0%	100.0%
		% within gender	0.0%	3.6%	2.9%
		% of total	0.0%	2.9%	2.9%
Total	Count	21	83	104	
	% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	20.2%	79.8%	100.0%	
	% within gender?	100.0%	100.0%	100.0%	
	% of total	20.2%	79.8%	100.0%	

Table 8b. Crosstab analysis: The pandemic has had a direct effect on family well-being (age criterion)

			Age			Total
			18-35	36-50	Over 50	
1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	Yes	Count	44	24	24	92
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	47.8%	26.1%	26.1%	100.0%
		% within age	89.8%	85.7%	88.9%	88.5%
		% of total	42.3%	23.1%	23.1%	88.5%
	I don't know	Count	5	2	2	9
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	55.6%	22.2%	22.2%	100.0%
		% within age	10.2%	7.1%	7.4%	8.7%
		% of total	4.8%	1.9%	1.9%	8.7%
	No	Count	0	2	1	3
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	0.0%	66.7%	33.3%	100.0%
		% within age	0.0%	7.1%	3.7%	2.9%
		% of total	0.0%	1.9%	1.0%	2.9%
Total	Count	49	28	27	104	
	% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	47.1%	26.9%	26.0%	100.0%	
	% within age	100.0%	100.0%	100.0%	100.0%	
	% of total	47.1%	26.9%	26.0%	100.0%	

Table 8c. Crosstab analysis: The pandemic has had a direct effect on family well-being (marital status criterion)

			Your family responsibility		Total
			Family head	Family member	
1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	Yes	Count	51	41	92
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	55.4%	44.6%	100.0%
		% within your family responsibility	91.1%	85.4%	88.5%
		% of total	49.0%	39.4%	88.5%
	I don't know	Count	2	7	9
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	22.2%	77.8%	100.0%
		% within your family responsibility	3.6%	14.6%	8.7%
		% of total	1.9%	6.7%	8.7%
	No	Count	3	0	3
		% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	100.0%	0.0%	100.0%
		% within your family responsibility	5.4%	0.0%	2.9%
		% of total	2.9%	0.0%	2.9%
Total	Count	56	48	104	
	% within 1. Do you think that the pandemic has had a direct effect on family well-being in the Republic of Kosovo?	53.8%	46.2%	100.0%	
	% within your family responsibility	100.0%	100.0%	100.0%	
	% of total	53.8%	46.2%	100.0%	

In Table 9, we have analyzed with Chi-square to prove the hypotheses and relation of variables. As is seen above, the calculated value of X^2 from SPSS (Pearson Chi-square) is $X^2 = 8.191$ and the asymptotic significance value (2-sided) is important ($0,017 < 0,05$), we interpret that and the relation between gender, age, family responsibility, and a dependent variable (the effect of the pandemic on well-being) exists. So, $H1_0$ is rejected and $H1$ accepted, and clearly, we can see that the pandemic has had effects on family well-being.

Table 9. Chi-square test

	Value	df	Asym. Sig. (2-sided)
Pearson Chi-square	8.191 ^a	2	0.017
Likelihood ratio	7.256	2	0.027
Linear-by-linear association	1.268	1	0.260
No. of valid cases	104		

Notes: a. 3 cells (50.0%) have an expected count of less than 5. The minimum expected count is 0.61.

$H2_0$ (null hypothesis): Revenues from the diaspora (remittances) have no effect on businesses;
 $H2$: Revenues from the diaspora (remittances) have an effect on businesses.

In Table 11, we analyzed to prove the second hypothesis (H2): *Revenues from the diaspora (remittances) have an effect on businesses.* In Tables 10a, 10b, and 10c, we see that 51.0% of respondents think that revenues from the diaspora have an effect on businesses, and from all respondents, 83.05% of males think that it has an effect and only 8.7% of females think it has its effect. Twenty-three and one (23.1) percent of respondents think it has a medium effect, 14.4% of respondents think that businesses do not depend on the incomes of diaspora.

Only 11.5% of respondents think that it has no effect on incomes from the diaspora on Kosovar businesses. According to age, the most of respondents of 26-50 years old think that revenues from the diaspora (remittances) have a great effect on businesses.

Only 40.55% of respondents in this survey have a business, 26.0% have a familiar business, 14.56% LLC and 67.6% do not have a business. Of those who have a family business, 14.4% think that it has a great effect on remittances, 4.8% think it has a medium effect and 2.9% think they do not depend on incomes from the diaspora and 1.9% think that remittances have no effect.

Of those who have an LLC business, only 1.9% thinks that remittances have a great effect, 8.7% think they have a medium effect and 2.9 % think they are do not depend on diaspora incomes. Whereas those who do not have a business (34.6%) think that it has a great effect on incomes from the diaspora, 9.6% think it has medium impact, 8.7% think they are not dependent on diaspora incomes and 9.6% think that it has any impact incomes from the diaspora.

Table 10a. Crosstab analysis: Revenues from the diaspora (remittances) have an effect on businesses (gender criterion)

		Gender		Total	
		Female	Male		
4. Has the significant decline in diaspora's revenues affected your business?	Yes, a lot of	Count	9	44	53
		% within 4. Has the significant decline in diaspora's revenues affected your business?	17.0%	83.0%	100.0%
		% within gender	42.9%	53.0%	51.0%
		% of total	8.7%	42.3%	51.0%
	It has a medium effect	Count	6	18	24
		% within 4. Has the significant decline in diaspora's revenues affected your business?	25.0%	75.0%	100.0%
		% within gender	28.6%	21.7%	23.1%
		% of total	5.8%	17.3%	23.1%
	My business does not depend on the diaspora's revenues	Count	2	13	15
		% within 4. Has the significant decline in diaspora's revenues affected your business?	13.3%	86.7%	100.0%
		% within gender	9.5%	15.7%	14.4%
		% of total	1.9%	12.5%	14.4%
	No, it has no effect	Count	4	8	12
		% within 4. Has the significant decline in diaspora's revenues affected your business?	33.3%	66.7%	100.0%
		% within gender	19.0%	9.6%	11.5%
	% of total	3.8%	7.7%	11.5%	
Total	Count	21	83	104	
	% within 4. Has the significant decline in diaspora's revenues affected your business?	20.2%	79.8%	100.0%	
	% within gender	100.0%	100.0%	100.0%	
	% of total	20.2%	79.8%	100.0%	

Table 10b. Crosstab analysis: Revenues from the diaspora (remittances) have an effect on businesses (age criterion)

		Age			Total	
		18-35	36-50	Over 50		
4. Has the significant decline in diaspora's revenues affected your business?	Yes, a lot of	Count	30	13	10	53
		% within 4. Has the significant decline in diaspora's revenues affected your business?	56.6%	24.5%	18.9%	100.0%
		% within age	61.2%	46.4%	37.0%	51.0%
		% of total	28.8%	12.5%	9.6%	51.0%
	It has a medium effect	Count	9	7	8	24
		% within 4. Has the significant decline in diaspora's revenues affected your business?	37.5%	29.2%	33.3%	100.0%
		% within age	18.4%	25.0%	29.6%	23.1%
		% of total	8.7%	6.7%	7.7%	23.1%
	My business does not depend on the diaspora's revenues	Count	5	3	7	15
		% within 4. Has the significant decline in diaspora's revenues affected your business?	33.3%	20.0%	46.7%	100.0%
		% within age	10.2%	10.7%	25.9%	14.4%
		% of total	4.8%	2.9%	6.7%	14.4%
	No, it has no effect	Count	5	5	2	12
		% within 4. Has the significant decline in diaspora's revenues affected your business?	41.7%	41.7%	16.7%	100.0%
		% within age	10.2%	17.9%	7.4%	11.5%
	% of total	4.8%	4.8%	1.9%	11.5%	
Total	Count	49	28	27	104	
	% within 4. Has the significant decline in diaspora's revenues affected your business?	47.1%	26.9%	26.0%	100.0%	
	% within age	100.0%	100.0%	100.0%	100.0%	
	% of total	47.1%	26.9%	26.0%	100.0%	

Table 10c. Crosstab analysis: Revenues from the diaspora (remittances) have an effect on businesses (business criterion)

			What kind of business do you have (if you have)?			Total
			Family business	LLC	I don't have business	
4. Has the significant decline in diaspora's revenues affected your business?	Yes, a lot of	Count	15	2	36	53
		% within 4. Has the significant decline in diaspora's revenues affected your business?	28.3%	3.8%	67.9%	100.0%
		% within What kind of business do you have (if you have)?	60.0%	14.3%	55.4%	51.0%
		% of total	14.4%	1.9%	34.6%	51.0%
	It has a medium effect	Count	5	9	10	24
		% within 4. Has the significant decline in diaspora's revenues affected your business?	20.8%	37.5%	41.7%	100.0%
		% within What kind of business do you have (if you have)?	20.0%	64.3%	15.4%	23.1%
		% of total	4.8%	8.7%	9.6%	23.1%
	My business does not depend on the diaspora's revenues	Count	3	3	9	15
		% within 4. Has the significant decline in diaspora's revenues affected your business?	20.0%	20.0%	60.0%	100.0%
		% within What kind of business do you have (if you have)?	12.0%	21.4%	13.8%	14.4%
		% of total	2.9%	2.9%	8.7%	14.4%
	No, it has no effect	Count	2	0	10	12
		% within 4. Has the significant decline in diaspora's revenues affected your business?	16.7%	0.0%	83.3%	100.0%
		% within What kind of business do you have (if you have)?	8.0%	0.0%	15.4%	11.5%
	% of total	1.9%	0.0%	9.6%	11.5%	
Total	Count	25	14	65	104	
	% within 4. Has the significant decline in diaspora's revenues affected your business?	24.0%	13.5%	62.5%	100.0%	
	% within What kind of business do you have (if you have)?	100.0%	100.0%	100.0%	100.0%	
	% of total	24.0%	13.5%	62.5%	100.0%	

From this analysis, we may conclude that most of our respondents think that the diaspora's revenues (remittances) have a great effect on Kosovar businesses during the pandemic time.

And with the Chi-square test (Table 11), the relation between variables and the proving hypothesis is proved with the result analysis of Pearson Chi-square. As it seems, the calculated value of X^2 from SPSS (Pearson Chi-square) is $X^2 = 19.730$ and the asymptotic significance value (2-sided) is important ($0,003 < 0,01$) where we say that the relation between independent and dependent variables exists. For this reason, $H2_0$ is rejected and $H2$ is accepted.

Table 11. Chi-square test

	Value	df	Asym. Sig. (2-sided)
Pearson Chi-square	19.730 ^a	6	0.003
Likelihood ratio	19.530	6	0.003
Linear-by-linear association	0.493	1	0.483
No. of valid cases	104		

Notes: a. 5 cells (41.7%) have an expected count of less than 5. The minimum expected count is 1.62.

6. CONCLUSION

Emigration has always been a phenomenon present in the history of mankind, which affected people of all countries in various historical stages, and of our country Kosovo as well, particularly in recent years. Thus, valuable economic assistance not only for their families but also for the stabilization and economic development of the country as a whole, over the years and especially in recent years we have had an increase in remittances of emigrants. So, according to the findings, our contribution will be

valuable for gender, age, the family responsible for having support from diaspora through remittances and the other side of the contribution of this research is the content of literature for all of those who want to analyze and research this field, especially for the Republic of Kosovo case.

Kosovar work migrants in most cases in sectors that are not preferred by locals where the vast majority of them have undefined wages and serve as a regulatory mechanism in the labor market and contribute to increasing the domestic production of the country they work and operate.

Therefore, remittances sent from the diaspora are important promoters for the development of the Kosovo economy and have even greater importance for the country because, in these times of the spreading of the COVID-19 pandemic with the reduction of jobs in Kosovo, they have a stronger and positive impact in terms of economic development in Kosovo.

According to the competent institutions that monitor remittances coming from the diaspora, there is encouraging information despite the difficult situation that has gripped the whole world, as Kosovo migrants in this difficult period have brought remittances to the country more than in comparison to the same period last year. It is a known fact that migrants in order to send their funds use different ways that are generally divided into two main groups: formal and informal ways of sending money. Also, this is proved by the results of Chi-square shown in Table 11 where Pearson Chi-square is 19.73 and the asymptotic significance value is $0.003 < 0.01$ and this shows the relation between independent and dependent variables we take for further analysis. In conclusion, we say that

remittances from migration are important promoters of economic development in Kosovo and that the effects of these remittances affect economic development, poverty reduction, improving social welfare, opening new businesses, and overall development in the country.

Also, the paper has its limitations which we have a serious problem to achieve the data and fulfilling our target number of questionnaires. Likewise, our limitations were to the database

sources especially on those who have the payment or membership form on certain web services/journals.

As for our future research, we plan to propose a study to determine which economic data impacted remittances and what people did with the money they got as a reference for further research. Did they spend, focus on saving, or participate, and how has this affected the economy? Moreover, the research could be spread all over the world.

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