

TRAUMA AND PSYCHOLOGICAL FACTORS AS DETERMINANTS OF ENTREPRENEURIAL INTENTIONS AND SOCIAL DISTANCE IN THE POST-CONFLICT SOCIETY OF KOSOVO AND METOHILJA

Tanja Vujović

Faculty of Economics, University of Priština with temporary seat in Kosovska Mitrovica, Serbia
tanja.vujovic@pr.ac.rs
ORCID: 0000-0001-7103-0934

Ivana Aleksić

Faculty of Economics, University of Priština with temporary seat in Kosovska Mitrovica, Serbia
ivana.vucinic@pr.ac.rs
ORCID: 0000-0003-3928-2677

Abstract: *Post-conflict societies, such as Kosovo and Metohija, are characterized by the long-term consequences of armed conflicts which, in addition to economic and institutional challenges, significantly shape the psychological functioning of individuals and the quality of social relations. In this context, traumatic experiences and accompanying psychological factors, such as anxiety, depression, and post-traumatic stress, may influence economic behavior and social attitudes, including entrepreneurship and the level of social distance toward other social groups. The aim of this paper is to examine the impact of trauma and psychological factors on entrepreneurial intentions and motives for starting a business, as well as on social distance in the post-conflict society of Kosovo and Metohija. The research is based on a quantitative approach and was conducted using a survey method on a sample of 105 entrepreneurs from the territory of Kosovo and Metohija. The research instrument included several dimensions of psychological functioning, including symptoms of trauma, anxiety, depression, moral injuries, and psychological resilience, as well as indicators of entrepreneurial behavior and social distance. The research results indicate that trauma and accompanying psychological factors represent statistically significant determinants of entrepreneurship and social distance, while different dimensions of psychological functioning achieve different intensities and directions of influence. The obtained results contribute to a better understanding of the role of psychological factors in shaping economic behavior and social relations in post-conflict conditions, while also indicating the importance of integrating psychological and*

economic perspectives in creating policies aimed at sustainable development and social cohesion

Key words: *Kosovo and Metohija; post-conflict society; trauma; psychological factors; entrepreneurship; social distance.*

JEL classification: *M31, J24, D91, Z13, O12*

1. INTRODUCTION

“Entrepreneurs are not driven exclusively by rational decisions, but also by their emotions.”

– Joseph A. Schumpeter

Post-conflict societies, such as Kosovo and Metohija, are characterized by the long-term consequences of armed conflicts, which are reflected not only in the economic and institutional sphere, but also in the psychological functioning of individuals and the quality of social relations. Traumatic experiences, such as exposure to violence, human and material losses, displacement, and living under conditions of insecurity, often lead to the occurrence of post-traumatic stress, anxiety, and depression, which can significantly affect behavior and decision-making in various domains of life.

In such a context, entrepreneurship represents one of the potential mechanisms of economic recovery and individual adaptation to uncertainty, but at the same time it is conditioned by the psychological state of individuals, their beliefs, and the perception of their own abilities. On the other hand, social distance toward members of other social and ethnic groups may be intensified under the influence of traumatic experiences, impaired

trust, and feelings of insecurity, which additionally complicates the processes of social cohesion and integration.

Starting from the above, this paper aims to examine the impact of trauma and psychological factors on entrepreneurial intentions and social distance in the post-conflict society of Kosovo and Metohija. The research includes an analysis of different dimensions of psychological functioning, including symptoms of trauma, anxiety, depression, and psychological resilience, as well as their connection with the economic and social attitudes of individuals.

2. LITERATURE REVIEW

In the contemporary global economic environment, characterized by rapid technological changes and the development of the digital economy, entrepreneurship is increasingly recognized as a key driver of innovation, economic growth, and the transformation of business models, while its role becomes particularly significant in conditions of uncertainty and constant change (Bogdea et al., 2024). Although there is no single definition of entrepreneurship in the literature, it is most commonly viewed as a process in which individuals take risks, recognize business opportunities, and use their competencies, whereby Joseph Schumpeter (1934) emphasizes that entrepreneurship is based on creating new combinations of production factors that drive economic development (Stojčević et al., 2022). In this sense, entrepreneurial activities significantly contribute to economic growth, increased productivity, and reduced unemployment, which is why entrepreneurship is regarded in many countries as an important instrument for solving developmental and social problems (Ljumović et al., 2019).

However, contemporary literature indicates that entrepreneurship cannot be viewed exclusively from an economic perspective, but is also strongly conditioned by psychological factors. In this context, the importance of characteristics such as self-efficacy, the need for independence, risk propensity, achievement motivation, and internal locus of control is emphasized (Chatterjee & Das, 2015; Wu et al., 2019; Sunarni et al., 2018; Chen, 2019; Shen et al., 2021; Kritikos, 2022; Yurchynska & Serdiuk, 2017). At the same time, exposure to traumatic experiences, especially war-related ones, has significant consequences for mental health and the entrepreneurial potential of individuals, which manifests through depression, anxiety, and other psychological difficulties (Pérez-Sales et al., 2022; Do et al., 2019; Johnson et al., 2022; Küçükertan & Karanci, 2023; Zoughbi, 2024). Precisely for this reason, trauma

is increasingly viewed in contemporary research as a key psychological factor that shapes and limits, but in certain cases also encourages, entrepreneurial activity through processes of resilience and adaptation (Nafari, 2025).

A special place in the literature is occupied by the understanding of trauma in a broader socio-political context, emphasizing the need for individual suffering not to be viewed in isolation, but within the framework of structural power relations and social oppression:

“Trauma must be viewed in its socio-political context, whereby it is necessary to recognize and support forms of resistance and action of individuals exposed to oppression, instead of individualizing or medically pathologizing their suffering.” (Reynolds, 2020, p. 2).

This approach is particularly important in post-conflict societies, where entrepreneurship acquires a broader function – not only an economic one, but also a socio-adaptive and transformative one. The literature emphasizes that in post-conflict environments, characterized by political instability, economic problems, and the consequences of violence, entrepreneurial activity represents an important mechanism of economic recovery and social reconstruction, but also depends on specific institutional and social conditions (Moritz et al., 2024). At the same time, traumatic experiences in childhood additionally shape the psychological functioning of individuals, as they include exposure to adverse conditions that require significant psychological, social, and neurobiological adaptations, while they may have long-term consequences for behavior and decision-making (Nguyen & Tran, 2025).

In a broader economic sense, entrepreneurship is recognized as a transformative force that can contribute to overcoming the consequences of conflict and long-term underdevelopment or even regression of society, especially in conditions of institutional and economic fragility (Aman, 2023). Also, in the contemporary context of the digital economy, entrepreneurship has a key role in the development of innovations and new business models (Tripković & Aleksić, 2024).

Nevertheless, in post-conflict societies the development of entrepreneurship is additionally conditioned by specific historical and institutional limitations. As emphasized in the literature, such environments often contain economic and business structures created during conflicts that continue to function even after the conflict has ended, maintaining informal networks of power and limiting competition (Naudé, 2013). These factors additionally complicate the development of a

stable entrepreneurial environment and increase the level of uncertainty.

It is precisely in this context that the case of Kosovo and Metohija is particularly significant, where socio-economic processes have been shaped by long-term historical tensions, ethnic conflicts, and institutional instability. Such conditions create a pronounced sense of insecurity and long-term psychosocial burden, which directly affects individuals' willingness to take entrepreneurial risks and engage in economic activity. It is especially emphasized that in such circumstances entrepreneurs face numerous administrative, legal, and institutional barriers, including problems of regulatory inconsistency, language barriers, and limited access to financial resources (Stojčetočić et al., 2022).

Additionally, the literature states that political instability and institutional limitations in this region lead to a significant narrowing of the space for economic initiative, whereby entrepreneurship is increasingly viewed as a form of social adaptation and a survival strategy. It is particularly emphasized:

“Constant political instability and repressive measures of the so-called Pristina institutions, as well as the closure or prevention of operation of at least 59 Serbian institutions in the period 2022–2025 (KoSSev, 2025), additionally narrow the space for economic initiative. These actions include local self-governments north and south of the Ibar River, post office branches, tax services, treasury administration, directorates for urbanism, city construction land, residential and business premises, centers for social work, the pension and disability insurance fund, public utility companies, insurance branches, NIS gas stations, numerous retail stores and hospitality facilities. Additionally, the circulation of the dinar has been prohibited, while the ban on the import of Serbian goods lasted for more than one year. In such conditions, entrepreneurship represents not only an economic activity, but also an act of personal and collective resilience, a struggle for survival and a dignified life, in an environment in which the institutional framework often acts hostile toward certain ethnic groups.” (Vujović et al., 2025, p. 140–141)

In accordance with these findings, it can be concluded that in post-conflict societies, and especially in the context of Kosovo and Metohija, entrepreneurship does not represent only an economic category, but a complex psychological-social phenomenon deeply connected with trauma, institutional limitations, and social relations among ethnic groups. Within this framework, the concept of social distance gains particular importance, manifested through the degree of intergroup trust,

acceptance, and social interaction, which may additionally be shaped by previous traumatic experiences and long-term conflicts. In such conditions, social distance is not manifested only as an attitude toward the “others,” but also as a behavioral pattern that determines the willingness for cooperation, participation in joint economic activities, and the development of social capital networks. The literature emphasizes that interethnic relations between Serbs and Albanians can be viewed as distinctly competitive, whereby public discourse is shaped by narratives about two communities that have competing national programs, whose realization is based on a zero-sum game model (Jović, 2019). If social distance is more pronounced, it may lead to a reduced level of mutual trust, limited communication, and weaker economic and social integration, which further affects the possibilities for the development of entrepreneurial initiatives in multiethnic environments. On the other hand, a lower level of social distance may contribute to strengthening social cohesion, a greater degree of cooperation, and the creation of a more favorable environment for economic development and entrepreneurial activity. In this sense, social distance represents a key dimension for understanding the ways in which psychological factors and traumatic experiences are reflected in the broader social and economic context of post-conflict communities.

Based on the presented theoretical framework, the authors defined the following hypotheses:

H₁: Individuals exposed to a greater number and intensity of traumatic experiences have lower entrepreneurial intentions.

H₂: A higher level of psychological resilience is positively associated with entrepreneurial intentions, while anxiety, depression, and symptoms of post-traumatic stress are negatively associated.

H₃: A higher level of exposure to traumatic experiences and negative psychological states (anxiety, depression, negative feelings, experienced loss, moral injuries and suffering) is associated with a higher degree of social distance toward members of other ethnic groups, as well as with lower entrepreneurial intentions, whereby social distance has a negative effect on entrepreneurial intentions.

H₄: Barriers and obstacles statistically significantly influence entrepreneurial intentions, whereby institutional and systemic obstacles have a more pronounced negative impact compared to personal and resource barriers.

H₅: Social distance toward Albanians is most pronounced in the sphere of close family, social,

and institutional relationships, indicating a high level of interethnic distrust in the post-conflict society of Kosovo and Metohija.

3. METHODOLOGY

The research in this paper was conducted in two mutually connected and complementary directions – theoretical and empirical. In the first part, the methods of analysis and synthesis, comparative analysis, historical method, and inductive-deductive approach were applied.

The empirical part of the research was conducted in the period from January to April 2026, in the territory of Kosovo and Metohija, using the method of anonymous surveying on a sample of 105 respondents, consisting of entrepreneurs and owners of agricultural holdings, aged 18 to 56.

The collected data included four thematic units:

1. **Sociodemographic and business characteristics** – gender, age, place and type of settlement, level of education, marital status, family structure, business status, type and duration of registered activity, company activity, and income level;
2. **Exposure to trauma and psychological characteristics – war trauma** (War Trauma Exposure Scale, Küçükertan & Karanci, 2023), moral injuries and distress (Moral Injury and Distress Scale, Norman et al., 2023), symptoms of post-traumatic stress, anxiety, and depression (Harvard Trauma Questionnaire – HTQ), as well as psychological resilience (Connor-Davidson Resilience Scale, Connor & Davidson, 2003);
3. **Entrepreneurial motives and barriers** – Scale to Assess Entrepreneurial Motivation (Vijaya & Kamalanabhan, 1998) and the scale of perceived barriers in entrepreneurship (Iakovleva et al., 2014);
4. **Social distance toward members of other ethnic groups** – measured using an adapted Bogardus social distance scale (Jović, 2019), whereby respondents assessed the degree of acceptance of members of Albanian nationality in different forms of social relations: as a marital partner, family member (son-in-law/daughter-in-law), friend, colleague at work, superior or subordinate, neighbor, resident of the same state, as well as in the context of children's schooling and everyday social interaction.

All responses were presented on a five-point Likert scale (1 – strongly disagree, to 5 – strongly agree). The reliability of all applied scales was tested using Cronbach's alpha coefficient (>0.80), indicating high internal consistency of the instruments.

Data processing was conducted in IBM SPSS Statistics 26 software, using descriptive statistics, cross-tabulations, Pearson correlation coefficient, and multiple regression analysis in order to examine the influence of trauma and psychological factors on entrepreneurial intentions and social distance.

The checking of linear regression assumptions included the analysis of standardized residual plots, where no presence of heteroscedasticity was observed, which indicates that the assumption of homoscedasticity is met and that the results of the regression analysis are valid for interpretation.

4. SAMPLE DESCRIPTION

The gender structure of the sample shows a relatively balanced representation of men and women, with a slight dominance of men (54.3%) compared to women (45.7%). Such distribution indicates a somewhat more pronounced participation of men in entrepreneurial activities, while at the same time showing significant participation of women, which may indicate the gradual strengthening of female entrepreneurship in a post-conflict environment.

When it comes to the age structure, the largest number of respondents belongs to the age group from 28 to 37 years (37.1%), followed by the groups from 38 to 47 years (25.7%) and from 18 to 27 years (23.8%), while respondents older than 48 years are the least represented. These results indicate that entrepreneurial activities are predominantly carried out by the younger and middle working-age population.

The spatial distribution shows the highest representation of respondents from Leposavić (23.8%) and Kosovska Mitrovica (20.0%), followed by Gračanica (13.3%) and Kosovska Kamenica (10.5%), while other areas are less represented. Such a structure indicates the concentration of economic activities in certain local centers. Regarding the type of settlement, the representation is almost equal between urban (50.5%) and rural (49.5%) areas, which enables comparison of different socio-economic contexts.

The level of education of the respondents is relatively high, with the majority having completed university education (51.4%) or holding a master's degree/Magister degree (32.4%). Secondary and lower levels of education are significantly less represented. In terms of income,

the largest proportion of respondents belongs to the middle-income categories (60,000–120,000 dinars), indicating the dominance of the middle economic class.

The results regarding marital status show that the largest number of respondents are single/unmarried (48.6%), while the others are married (39.0%), with a smaller share of divorced respondents and those living in cohabitation. This

structure indicates a relatively high representation of individuals in earlier phases of the family life cycle.

Regarding the number of household members, households with 5 to 6 members (40.0%) and 3 to 4 members (30.5%) are the most represented, indicating relatively larger family households within the sample.

Table 1. Sample structure by business status

Features	N	%
Business status		
I had a registered company/family farm but I closed it down due to unfavorable business conditions	5	4.8
I have neither a registered company nor a farm, but I am engaged in agricultural production	19	18.1
I have no registered company/family farm but I plan to register it in the next year	18	17.1
I do not have a company in my own ownership, but I am in a management position in the company where I am employed	2	1.9
I am the owner of a registered company	30	28.6
I am the owner of a registered family farm	31	29.5
Total:	105	100
Registration system		
I do not have a registered company/agricultural holding	37	35.2
Serbian system	29	27.6
System of the Provisional Institutions of Pristina / Business Registration Agency	19	18.1
Serbian system and the system of the Provisional Institutions of Pristina / Business Registration Agency	20	19.0
Total:	105	100
Company category		
No response / I do not have a company	58	55.2
Micro private enterprise (up to 10 employees)	44	41.9
Small private enterprise (up to 50 employees)	2	1.9
Medium-sized private enterprise (up to 250 employees)	1	1.0
Total:	105	100
Length of existence of the company/farm		
no answer/no company/farm household	13	12.4
less than one year	34	32.4
1–2 years	15	14.3
3–5 years	7	6.7
more than 8 years	36	34.3
Total:	105	100

Family farm activities (multiple choice question)		
crop farming	33	31.4
vegetable farming	27	25.7
fruit growing	35	33.3
livestock farming	12	11.4
beekeeping	11	10.5
forestry	6	5.7
mixed agricultural production	16	15.2

Source: Author's research

The results presented in *Table 1* indicate a highly heterogeneous sample structure in terms of business status, with the most represented categories being owners of registered family farms (29.5%) and owners of registered companies (28.6%).

At the same time, a significant share of respondents consists of individuals who are not formally registered but are engaged in agricultural production (18.1%) or are planning registration in the near future (17.1%), which indicates the existence of potential entrepreneurial capacity that is not fully institutionalized.

A smaller percentage of respondents who closed their business due to unfavorable conditions (4.8%) and those in managerial positions (1.9%) additionally indicates a specific structure of economic activities in the sample.

Regarding the registration system, the results show that 35.2% of respondents do not have a registered company or farm household, while among registered entities there is a dominant representation of entrepreneurs registered in the Serbian system (27.6%), while in the case of the system of provisional institutions (18.1%) and combined use of both systems (19.0%), an approximately equal share is observed. This result indicates the existence of a complex and institutionally divided business reality, which is particularly significant in the context of analyzing entrepreneurship in post-conflict conditions.

The structure according to company size shows that the largest number of respondents provided no formal answer, i.e. have no registered business (55.2%), while among registered entities micro enterprises dominate (41.9%).

Small and medium-sized enterprises are minimally represented (a total of 2.9%), indicating the dominance of small-scale entrepreneurship and the limited scope of business activities in the sample.

Regarding the length of business operations, the results show that a significant share of respondents has been operating for more than 8 years (34.3%), while there is also a high percentage of those in the initial phase of business, i.e. less than one year (32.4%). Previous research (Vujović et al., 2025) shows that a higher level of moral injuries and suffering, as well as psychological problems, is recorded among entrepreneurs whose farms or companies are registered in the system of so-called Pristina institutions, and that companies and farms registered in this system have a shorter duration of existence.

Regarding the duration of existence of companies/farms, it can be observed that, due to political uncertainty and repression by the so-called Pristina institutions, many entrepreneurs were forced to register their businesses within this system as well, although they had previously been operating for a long time within the Serbian system. In the structure of family farms, fruit growing (33.3%) and crop farming (31.4%) dominate, followed by vegetable farming (25.7%), while livestock farming (11.4%), beekeeping (10.5%), and forestry (5.7%) are less represented.

Mixed agricultural production accounts for 15.2% of the sample, indicating a relative diversification of agricultural activities and adaptation to different economic conditions.

5. RESEARCH RESULTS

The reliability of the applied scales was examined using Cronbach's alpha coefficient in order to determine the internal consistency of the constructed variables.

The obtained results indicate a satisfactory level of reliability, given that the values of the coefficient range from 0.79 to 0.84, which confirms that the applied scales are adequate for further statistical analysis.

Table 2. Descriptive statistics of observed variables

Variables	N	Min.	Max.	Mean	Std. Deviation
Negative feelings	105	1	5	3.0095	1.22204
Exposure to violence	105	1	3.90	1.9352	1.03534
Experienced loss	105	1	4.13	2.2976	1.13951
Moral injuries and suffering	105	1	3.56	1.9693	.73420
Trauma	105	1	3.88	2.0298	.86820
Anxiety	105	1	3.80	1.8914	.85080
Depression	105	1	3.69	1.8886	.84736
Resilience to stress and trauma	105	1	5	3.7387	1.08778
Motive - entrepreneurship	105	1	5	3.5867	1.17253
Personal and resource barriers to entrepreneurship	105	1	5	3.1915	1.12486
Institutional and market barriers	105	1	5	3.9105	1.28721
Social distance	105	1	5	4.7848	1.95027

Source: Author's research.

Descriptive statistics indicate a moderate to pronounced level of exposure to different forms of traumatic experiences and psychological states among respondents.

The average values for exposure to violence (M=1.93), experienced loss (M=2.29), and overall trauma (M=2.03) show that respondents to a certain extent have experiences related to conflict, while negative feelings (M=3.00) are relatively pronounced, indicating the presence of emotional consequences of such experiences.

A similar pattern is observed for anxiety (M=1.89) and depression (M=1.88), whose values indicate a moderate level of psychological burden.

On the other hand, a relatively high average value of resilience to stress and trauma (M=3.73) indicates the existence of significant adaptive capacities of the respondents, which may represent an important protective factor in conditions of a post-conflict environment.

This result is particularly significant in the context of entrepreneurship, because resilience and adaptability are crucial for functioning in conditions of uncertainty.

Regarding entrepreneurial motives, the results show that all observed motives are moderately expressed, with the most pronounced being the general entrepreneurial motive (M=3.59) and motives related to the work (M=3.56) and economic basis (M=3.44).

Slightly lower values were recorded for the social (M=3.39) and individual basis (M=3.35), which may indicate that economic and existential reasons play a somewhat greater role in initiating entrepreneurial activity compared to social and personal aspects. In terms of barriers, the results indicate that institutional and market barriers (M=3.91) are more pronounced compared to personal and resource barriers (M=3.19), which confirms the importance of external constraints in the observed context.

This is in line with the specifics of a post-conflict environment, where institutional instability and limited access to markets may represent key challenges for entrepreneurial development.

Finally, the high average value of social distance (M=4.78) indicates a pronounced degree of social distance, i.e. low willingness of respondents to engage in closer social and interactive relations with members of the Albanian ethnic group.

Such a result points to the existence of significant intergroup barriers, which may be the consequence of long-term conflicts, traumatic experiences, and distrust.

At the same time, such a pronounced social distance can be associated with feelings of insecurity, pressures, and pronounced distrust toward the so-called Pristina institutions, which further shapes intergroup relations and limits willingness for cooperation.

Hypothesis Testing: H1 – H3

Table 3. Correlation Analysis of Observed Variables

Variables		V1	V2	V3	V4	V5	V6
Trauma V1	Pearson Correl.	1	.884	.839	.287	.214	-.973
	Sig. (p)	/	.000	.000	.003	.028	.000
Anxiety V2	Pearson Correl.	.884	1	.879	.200	.133	-.580
	Sig. (p)	.000	/	.000	.041	.178	.000
Depression V3	Pearson Correl.	.839	.879	1	.183	.098	-.383
	Sig. (p)	.000	.000	/	.040	.319	.006
Stress and Trauma Resilience V4	Pearson Correl.	.287	.200	.183	1	.875	-.798
	Sig. (p)	.003	.041	.040	/	.000	.000
Entrepreneurial Intentions V5	Pearson Correl.	-.214	.133	.098	.875	1	-.591
	Sig. (p)	.028	.178	.319	.000	/	.000
Social Distancing V6	Pearson Correl.	-.973	-.580	-.383	-.798	-.591	1
	Sig. (p)	.000	.000	.006	.000	.000	/

Source: Author's research

The results of the correlation analysis indicate the existence of statistically significant relationships between most of the observed variables.

First, a strong positive relationship is observed between trauma, anxiety, and depression ($r=0.884$; $r=0.839$; $r=0.879$; $p<0.01$), indicating that individuals exposed to higher levels of traumatic experiences simultaneously exhibit more pronounced symptoms of anxiety and depression.

This relationship is consistent with theoretical assumptions that point to the connection between trauma and negative psychological states. Regarding the relationship between trauma and entrepreneurial intentions, a negative and statistically significant relationship is observed ($r=-0.214$; $p<0.05$), indicating that higher levels of trauma lead to reduced entrepreneurial intentions.

In contrast, psychological resilience shows a strong positive relationship with entrepreneurial intentions ($r=0.875$; $p<0.01$), indicating that more resilient individuals have a greater readiness for entrepreneurial activity.

Furthermore, the results show that anxiety and depression are not statistically significantly related to entrepreneurial intentions ($p>0.05$), indicating that their influence may be indirect or conditioned by other factors.

A particularly significant result refers to social distance, which is strongly negatively related to trauma ($r=-0.973$; $p<0.01$), as well as to psychological resilience ($r=-0.798$; $p<0.01$), while it is also negatively related to entrepreneurial intentions ($r=-0.591$; $p<0.01$).

These results indicate that a higher level of social distance is accompanied by a lower level of trust, cooperation, and economic initiative, which may limit the development of entrepreneurship in multiethnic environments.

Overall, the presented results provide empirical support for the set hypotheses H_1 – H_3 , indicating the significant role of trauma and psychological factors in shaping entrepreneurial intentions and social distance in the post-conflict society of Kosovo and Metohija

Table 4. Regression models for testing the hypotheses

Model I	Entrepreneurial intentions*			
	R=0.886	R²=0.785	F= 38.598	Sig.=0.000
	Sig.	Beta	Tolerance	VIF
Negative feelings**	0.038	0.127	0.618	1.618
Exposure to violence**	0.005	-0.670	0.350	1.856
Experienced loss**	0.290	-0.111	0.208	2.816
Moral injuries and suffering**	0.006	0.268	0.252	1.963
Trauma**	0.000	-0.633	0.204	1.011
Anxiety**	0.014	-0.457	0.198	1.745
Depression**	0.043	-0.218	0.199	2.034
Resilience to stress and trauma**	0.000	0.788	0.776	1.288
Social distance**	0.008	0.255	0.341	1.514
Model II	Social distance*			
	R=0.741	R²=0.511	F= 24.439	Sig.=0.000
Trauma**	0.000	0.309	0.201	1.978
Anxiety**	0.061	0.007	0.355	2.423
Depression**	0.031	0.107	0.410	1.147

*dependent variable

**independent variables

Source: Author's research.

The results of the regression analysis show that psychological and social factors have a significant impact on entrepreneurial intentions and social distance among respondents in the post-conflict social context of Kosovo and Metohija. The first regression model, in which entrepreneurial intentions are observed as the dependent variable, shows a high explanatory power of the model ($R^2=0.785$; $p<0.001$), indicating that the included psychological and social variables largely explain the variations in respondents' entrepreneurial intentions. The results confirm hypothesis H_1 , since trauma is statistically significant and

negatively related to entrepreneurial intentions ($\beta=-0.633$; $p<0.001$), while exposure to violence also shows a negative effect ($\beta=-0.670$; $p<0.01$). These results indicate that long-term exposure to insecurity, conflicts, and various forms of violence reduces individuals' readiness to take risks, plan for the future, and engage in entrepreneurial activities. In the context of Kosovo and Metohija, where Serbs have for decades been exposed to political instability, institutional pressure, and a sense of existential insecurity, such results indicate that trauma has not only psychological but also direct economic consequences.

Hypothesis H₂ is also partially confirmed. Psychological resilience shows a strong positive effect on entrepreneurial intentions ($\beta=0.788$; $p<0.001$), indicating that more resilient individuals more easily maintain motivation, belief in their own abilities, and readiness for economic initiative even in unstable conditions. In contrast, anxiety ($\beta=-0.457$; $p<0.05$) and depression ($\beta=-0.218$; $p<0.05$) negatively affect entrepreneurial intentions, which is consistent with the assumption that negative psychological states reduce the level of self-confidence, initiative, and readiness for long-term planning.

With regard to hypothesis H₃, the research results indicate complex relationships between traumatic experiences, negative psychological states, social distance, and entrepreneurial intentions in the post-conflict society of Kosovo and Metohija. The presented results partially confirm the proposed assumptions, but at the same time point to specific patterns of behavior that deviate from the expected theoretical models. The results of the regression analysis show that trauma has a statistically significant positive effect on social distance toward members of other ethnic groups ($\beta=0.309$; $p<0.001$). This result indicates that more intensive and prolonged exposure to traumatic experiences contributes to strengthening social distancing and reducing intergroup trust. In the context of Kosovo and Metohija, this finding can be interpreted through the historical continuity of ethnic tensions, conflicts, and institutional uncertainty, which have contributed among members of the Serbian community to the formation of an increased sense of caution and social withdrawal in relation to other ethnic groups. Social distance in this context can also be understood as a form of psychological protection, that is, a strategy for preserving security under conditions of perceived instability.

In addition to trauma, depression also proved to be a statistically significant predictor of social distance ($\beta=0.107$; $p<0.05$), indicating that negative affective states further contribute to the

tendency toward social withdrawal and reduced willingness for intergroup interaction. This result is particularly significant in post-conflict societies, where the psychological consequences of prolonged stress and insecurity often intertwine with social and political factors, shaping the perception of the “other” as a potential source of risk. Anxiety did not show a statistically significant effect on social distance ($p=0.061$), indicating that its effect in this sample cannot be reliably confirmed. All of the above may suggest that social distance is formed to a greater extent on the basis of deeper and more enduring psychological experiences, such as trauma and depression, whereas states of anxiety are more situationally conditioned and variable.

Regarding the relationship between social distance and entrepreneurial intentions, the results show a statistically significant positive association ($\beta=0.255$; $p<0.01$), which deviates from the initial hypothesis of a negative effect. Such a result may be interpreted within the specific socio-economic context of Kosovo and Metohija, in which limited interethnic trust and institutional instability may encourage the development of entrepreneurial activities within internal, ethnically homogeneous social and economic networks. Under such conditions, entrepreneurship does not necessarily represent the result of broader social integration, but often functions as a mechanism of adaptation and economic survival in circumstances of limited intergroup interactions. Therefore, it can be concluded that hypothesis H₃ is partially confirmed. The influence of trauma and depression on the increase of social distance has been confirmed, while the assumed negative effect of social distance on entrepreneurial intentions was not empirically supported. These results indicate that in the post-conflict society of Kosovo and Metohija, economic behavior is not exclusively a consequence of economic factors, but is strongly conditioned by the psychological consequences of conflict and the social patterns of intergroup relations

Hypothesis Testing: X4 – X5

Table 5. Regression model of the impact of barriers and obstacles

Model I	Entrepreneurial intentions*			
R=0.757 R²=0.597 F= 38.631	Sig.=0.000			
Personal and resource barriers to entrepreneurship**	0.034	0.188	0.367	2.782
Institutional and market barriers**	0.000	0.601	0.509	1.670

*dependent variable

**independent variables

Source: Author's research.

The results presented in *Table 5* show that barriers and obstacles represent statistically significant predictors of entrepreneurial intentions, thereby confirming H_4 . The regression model is statistically significant ($F=38.631$; $p=0.000$), while the value of the coefficient of determination ($R^2=0.597$) indicates that the observed variables explain 59.7% of the variance in entrepreneurial intentions, which speaks in favor of the high explanatory power of the model.

The results show that personal and resource barriers have a statistically significant effect on entrepreneurial intentions ($\beta=0.188$; $p=0.034$), but their impact is considerably weaker compared to institutional and market barriers ($\beta=0.601$; $p=0.000$), which represent the most significant factor in the model. This indicates that although a lack of capital, knowledge, motivation, or self-confidence may limit entrepreneurial activity, a much greater problem is represented by external and institutional business conditions.

In the context of Kosovo and Metohija, the presented results are of particular importance because they show that entrepreneurial activities are not limited solely by individual resources and abilities, but primarily by institutional instability, administrative uncertainty, and a complex system of functioning. The parallel existence of different institutional systems, insufficient trust in the so-called Pristina institutions, political instability, limited access to markets, and the perception of security insecurity create additional pressure on entrepreneurs and reduce their willingness to initiate or expand business activities.

It is particularly significant that the results confirm that even respondents who possess certain material resources, knowledge, or entrepreneurial skills still perceive the institutional environment as the main obstacle to business development. This confirms that in the post-conflict society of Kosovo and Metohija, the issue of institutional trust and stability is one of the key prerequisites for the development of entrepreneurship, economic security, and the long-term sustainability of local communities.

The results of the multicollinearity diagnostics show that in all regression models the condition of the absence of multicollinearity among independent variables is met. The values of the tolerance coefficient are above the minimum allowed threshold (Tolerance > 0.10), while the VIF values do not exceed critical values (VIF < 5), which indicates that there is no excessive intercorrelation among predictor variables. This confirms the stability of the regression models and the reliability of the obtained results.

Given that social distance has in previous analyses proven to be a statistically significant factor associated with trauma, psychological states, and entrepreneurial intentions, the following part of the research also analyzes the individual segments in which it is most pronounced. Special attention is directed toward different forms of social, family, and business relations with members of the Albanian nationality, in order to examine in more detail the structure of social distance and its connection with the specific socio-political context of Kosovo and Metohija.

Table 6. Social distance segments

Findings	Respondents' answers (%)*				
	1	2	3	4	5
I would accept an Albanian as my spouse/marital partner.	83.9	9.5	4.8	1.0	1.0
I would accept an Albanian as my brother-in-law/sister-in-law.	77.1	16.2	4.8	1.0	1.0
I would accept an Albanian as my friend (with whom I regularly spend time).	61.0	13.3	16.2	7.6	1.9
I would accept an Albanian as my guest in my home.	53.3	17.1	12.4	11.4	5.7
I would accept being a guest in an Albanian's home.	55.2	17.1	11.4	13.3	2.9
I would accept working in the same office with an Albanian.	52.4	21.0	11.4	9.5	5.7
I would accept an Albanian as my superior at work.	62.9	15.2	13.3	6.7	1.9

I would accept an Albanian as my business partner.	56.2	20.0	11.4	7.6	4.8
I would accept an Albanian as a person with whom I have regular but superficial contact.	49.5	17.1	14.3	11.4	7.6
I would accept my children attending school together with Albanian children.	69.5	14.3	9.5	4.8	1.9
I would accept my children socializing and playing with children of Albanian nationality.	56.2	19.0	14.3	8.6	1.9
I would accept an Albanian holding a managerial position in my country.	71.4	17.1	7.6	1.0	2.9
I would accept an Albanian living in my neighborhood.	46.7	21.0	18.1	10.5	3.8
I would accept Albanians living permanently in my country.	45.7	22.9	19.0	7.6	4.8
I would accept Albanians as equal members of the religious or social community to which I belong.	47.6	21.0	17.1	9.5	4.8

**1-I completely disagree, 2-I disagree, 3-I neither agree nor disagree, 4-I partially agree, 5-I completely agree*

Source: Author's research.

The results presented in *Table 6* indicate that negative attitudes of respondents dominate across all observed statements, i.e. responses “strongly disagree” and “disagree,” which confirms a high level of social distance toward Albanians. The most pronounced social distance is observed in segments that imply the highest level of closeness and trust.

Thus, as many as 93.4% of respondents do not accept the possibility of an Albanian being their spouse or marital partner, while 93.3% negatively evaluate the possibility of an Albanian being a brother-in-law or sister-in-law. A high level of distance is also present regarding the schooling of children together with children of Albanian nationality (83.8%), as well as the acceptance of an Albanian in a managerial position in the state (88.5%). Negative attitudes also dominate in the sphere of everyday social and business relations. More than three-quarters of respondents negatively express themselves regarding the possibility of an Albanian being their business partner (76.2%), superior at work (78.1%), or close friend (74.3%). Also, a high degree of distance is present in terms of shared living and social interaction, as 67.7% of respondents do not accept an Albanian living in their neighborhood, while 68.6% negatively evaluate the possibility of Albanians permanently living in their country.

Such results can be interpreted in the context of long-term ethnic tensions, wartime and post-war experiences, as well as continuous institutional and security instability in Kosovo and Metohija. The

pronounced social distance represents a consequence of decades-long distrust, traumatic experiences, feelings of threat, and the perception of an unequal position of the Serbian population. The obtained results are also in line with previous results of this research, which showed that trauma, anxiety, and depression significantly contribute to increased social distance, while institutional instability and lack of trust in the so-called Pristina institutions further deepen interethnic divisions and limit the development of social cohesion and cooperation.

It is particularly significant that the pronounced distance appears even in segments related to institutional and social relations, indicating that distrust is not directed solely toward individual contacts, but also toward the broader socio-political system. Such attitudes may have significant consequences for social cohesion, interethnic cooperation, and economic activities, including entrepreneurship, because limited trust and pronounced ethnic distance reduce opportunities for business networking, market expansion, and the development of a more stable social environment.

The reported response frequencies further confirm the H_5 research hypothesis, given that the most pronounced negative attitudes are present precisely in segments involving close family, social, and institutional relations, which indicates a high level of interethnic distrust and pronounced social distance in the post-conflict context of Kosovo and Metohija

6. DISCUSSION

The results of the research show that trauma and psychological factors have a significant impact on entrepreneurial intentions and social distance in the post-conflict society of Kosovo and Metohija. The presented models confirm that trauma, anxiety, and depression are negatively related to entrepreneurial intentions, while psychological resilience has a pronounced positive effect and acts as a protective factor under conditions of a high level of uncertainty.

Additionally, the results show that social distance is significantly and positively associated with entrepreneurial intentions, indicating that, in the specific context of Kosovo and Metohija, entrepreneurial activity may develop even under conditions of limited intergroup trust. This finding suggests that social distance does not necessarily represent an obstacle to entrepreneurial behavior, but may be associated with the development of economic activities within internal, ethnically homogeneous social and economic networks, which function as a form of adaptation under conditions of institutional and social uncertainty.

Regarding barriers, it was found that institutional and systemic obstacles have a stronger impact on entrepreneurial intentions compared to personal and resource factors, which confirms that limitations are not primarily of an individual nature, but arise from an unstable institutional and political environment.

These results are consistent with previous research indicating the specific position of entrepreneurs from Kosovo and Metohija. As stated by Stojčeto \acute vi \acute c et al. (2022), political and institutional instability, limited access to markets, and complex regulatory frameworks represent significant obstacles to economic activity, especially within the Serbian population. Similarly, Jakšić and Vuković (2022) emphasize that the development of entrepreneurship in unstable conditions depends on a complex interaction of institutional, economic, and social factors, whereby entrepreneurship can also play a role in social reconstruction.

In this sense, it can also be highlighted that a group of authors states that enterprises in such conditions are recognized as an important catalyst of social change, but that their development depends on a combination of socio-political, institutional, and economic conditions (Vujović et al., 2025).

Summarizing the results, it can be stated that trauma and psychological factors significantly influence entrepreneurial intentions and the level of social distance in the post-conflict society of Kosovo and Metohija, given that statistically significant effects of trauma and psychological

factors on entrepreneurial intentions and social distance have been identified. Higher levels of trauma and negative psychological states are associated with reduced entrepreneurial intentions and increased social distance, thereby confirming the initial research assumptions.

CONCLUSION

Despite long-term political, institutional, and security challenges, the results of the research show that the Serbian population in Kosovo and Metohija exhibits a high degree of psychological resilience and adaptability. Although traumatic experiences, anxiety, depression, and social distance are significantly associated with reduced entrepreneurial intentions, for a large number of respondents entrepreneurship represents a mechanism for preserving existence, personal dignity, and social stability. Starting one's own business in such an environment does not represent solely an economic activity, but also a form of resistance, survival, and an attempt to maintain life under conditions of prolonged uncertainty. At the same time, the results also showed an extremely high level of social distance toward Albanians, especially in segments that imply close family, social, and institutional relations, which indicates deeply rooted interethnic distrust as a consequence of wartime and post-war experiences, feelings of insecurity, and long-term socio-political instability.

The results confirm that institutional and systemic barriers have a stronger negative impact on entrepreneurial intentions compared to personal and resource barriers, which indicates that the problem does not lie exclusively in the lack of material resources, but primarily in distrust in institutions, complex administrative procedures, and an unstable socio-political environment. At the same time, psychological resilience stands out as a significant protective factor that mitigates the negative consequences of trauma and contributes to the preservation of motivation for business engagement.

Based on the presented results, the authors recommend the development of programs of psychological and institutional support for entrepreneurs, strengthening of local economic initiatives, as well as the creation of a more stable and predictable business environment. The limitation of the research relates to the size and territorial structure of the sample, as well as the fact that the data collected through the survey method include respondents' self-assessments. One of the limitations of the research also relates to the sample structure, since, in addition to registered entrepreneurs, the sample included owners of agricultural holdings, as well as

individuals who expressed entrepreneurial intentions but did not have a registered business activity. Accordingly, future research should be conducted exclusively on a sample of registered entrepreneurs in order to achieve greater precision and comparability of the results. Future research will be directed toward comparative analyses of different ethnic communities, as well as a deeper examination of the role of social cohesion, institutional trust, and psychological resilience in the development of entrepreneurship in post-conflict societies. Although scales with confirmed psychometric characteristics were used, future research will include exploratory and confirmatory factor analysis in order to further verify the factor structure of the applied instruments within the specific context of Kosovo and Metohija.

Trauma is not what happens to you, but what happens inside you as a result of what happened to you. – Gabor Maté

REFERENCES

- [1] Aman. (2023). Seeds of Renewal: Entrepreneurship's Role in Building Post-Conflict Underdeveloped Economies. *International Journal of Scientific and Research Publications*, 13(10), 352-361. DOI: <https://dx.doi.org/10.29322/IJSRP.13.10.2023.p14246>
- [2] Bogdea, C. F., Rada, E. C., Boglut, G. I., Golosie, G. D., & Samfirescu, M. (2024). The Importance of Entrepreneurship and the Exploration of Future Development Directions. Proceedings of the 18th International Conference: *Business Excellence 2024*. (2516-2525). Sciendo.
- [3] Chatterjee, N., & Das, N. (2015). Key psychological factors as predictors of entrepreneurial success: A conceptual framework. *Acad. Entrep. J.*, 21(1), 102–114.
- [4] Chen, M. (2019). The impact of expatriates' cross-cultural adjustment on work stress and job involvement in the high-tech industry. *Frontiers in Psychology*, 10:2228. DOI: 10.3389/fpsyg.2019.02228
- [5] Connor, K. M., & Davidson, J. R. T. (2003). Development of a Newresilience Scale: The Connor-Davidson Resilience Scale (Cd-Risc). *Depression and Anxiety*, 18, 76–82. DOI: 10.1002/da.10113
- [6] Do, T. T. H., Correa-Velez, I., & Dunne, M. P. (2019). Trauma exposure and mental health problems among adults in Central Vietnam: A randomized cross-sectional survey. *Frontiers in Psychiatry*, 10(31). DOI: 10.3389/fpsyt.2019.00031
- [7] Iakovleva, T. A., Kolvereid, L., Gorgievski, M. J., & Sørhaug, O. (2014). Comparison of perceived barriers to entrepreneurship in Eastern and Western European countries. *Int. J. Entrepreneurship and Innovation Management*, 18(2/3), 115-133.
- [8] Jakšić, K., & Vuković, A. (2021). Entrepreneurship in Serbian Enclaves in Region of Kosovo and Metohia: Post-Conflict Situation and Possible Moderating Function of Small Enterprises Regulation. *Baština*, sv. 55, 203-222. DOI: 10.5937/bastina31-33756
- [9] Johnson, R. J., Antonaccio, O., Botchkovar, E., & Hobfoll, S. E. (2022). War trauma and PTSD in Ukraine's civilian population: comparing urban-dwelling to internally displaced persons. *Soc Psychiatry Psychiatr Epidemiol*, 57, 1807–1816.
- [10] Jović, N. (2019). Etnička distanca u ogledalu Srba i Albanaca. Realizacija normalizacije. Budućnost odnosa Beograda i Prištine. Fondacija Konrad Adenauer Univerzitet u Beogradu – Fakultet političkih nauka Centar za interdisciplinarnu studiju Balkana, 29-32.
- [11] Kritikos, A. (2022). *Personality and Entrepreneurship*. Global Labor Organization – GLO, Discussion Paper No. 1137.
- [12] Küçükertan, N. O., & Karanci, A. N. (2023). A Study for Scale Development: War Trauma Exposure Scale. *AYNA Klinik Psikoloji Dergisi*, 10(2), 265–293. DOI : 10.31682/ayna.1202068
- [13] Ljumovic, I., Jakšić, K., & Lečovski – Milojković, I. (2019). Aspirations towards Entrepreneurship and Self-awareness among Young Female Population in the North Kosovo & Metohija. *Journal of Women's Entrepreneurship and Education*, 3-4, 1-16. DOI: 10.28934/jwee19.34.pp1-16
- [14] Moritz, A., Block, J., & Morina, F. (2024). Entrepreneurship in post-conflict countries: a literature review. *Review of Managerial Science*, 18, 3025–3083. DOI: <https://doi.org/10.1007/s11846-023-00705-1>
- [15] Nafari, J. (2025). *Trauma & Entrepreneurship: Challenges and Opportunities Across Three Contexts*. University PhD Business Administration, Hamilton, Ontario (Business).
- [16] Naudé, W. (2013). *Entrepreneurship and Violent Conflict: An Overview*. Maastricht School of Management and University of Maastricht.
- [17] Nguyen, B., & Tran, H. (2025). Childhood trauma and entrepreneurs' individual entrepreneurial orientation. *Journal of Small Business Management*, 63(1), 170-220, DOI: 10.1080/00472778.2024.2309653
- [18] Norman, S. B., Griffin, B. J., Pietrzak, R. H., McLean, C., Hamblen, J. L., & Maguen, S.

- (2023). Moral Injury and Distress Scale (MIDS). Pristupljeno 12.07.2025. sa <https://www.ptsd.va.gov>.
- [19] Pérez-Sales, P., Vergara-Campos, M., Eiroa-Orosa, F. J., Olivos-Jara, P., Fernández-Liria, A., Barbero-Val, E., & Galán-Santamarina, A. (2022). Traumatology, 28(1), 109–119.
- [20] Reynolds, V. (2020). Trauma and resistance: 'hang time' and other innovative responses to oppression, violence and suffering. *Journal of Family Therapy*. doi:10.1111/1467-6427.12293
- [21] Shen, Z., Li, H., & Zhang, Y. (2021). Exploring the Relationship Between Entrepreneurship and Psychological Characteristics, and Corporate Social Responsibility Under Marketization. *Frontiers in Psychology*, 12:693644. DOI: 10.3389/fpsyg.2021.693644
- [22] Stojčetočić, B., Marković, S., & Arsić, Lj. (2022). Entrepreneurial potential and intentions of students in Kosovo and Metohija. *BizInfo*, 13(1), 81-86. <https://doi.org/10.5937/bizinfo2201081S>
- [23] Sunarni, W. Z., Sunandar, A., & Benty, D. D. N. (2018). Development of self assessment as an instrument to measure entrepreneurial spirit of undergraduate students. *Development*, 2, 19–26.
- [24] Трипковић, А., & Алексић, И. (2024). Дигитално предузетништво кроз призму студентских ставова: изазови и могућности. *Економски погледи*, 26(2), 21-44. DOI: 10.5937/ep26-54895
- [25] Vijaya, V., & Kamalanabhan, T. J. (1998). A Scale to Assess Entrepreneurial Motivation. *Journal of Entrepreneurship*, 7(2), 183-198. DOI: 10.1177/097135579800700204
- [26] Vujović, T., Badulescu, A., & Aleksić, I. (2025). Between Trauma and Initiative: Entrepreneurship Under Conditions of (Post)Conflict Instability in Kosovo and Metohija. *EKOM 2025 – Ekonomski fakultet – Kosovska Mitrovica*, 137-158. DOI: <https://doi.org/10.46793/EKOM2025.137V>
- [27] Wu, W., Wang, H., Zheng, C., & Wu, Y. J. (2019). Effect of narcissism, psychopathy, and Machiavellianism on entrepreneurial intention—the mediating of entrepreneurial self-efficacy. *Frontiers in Psychology*, 10:360. DOI: 10.3389/fpsyg.2019.00360
- [28] Yurchynska, H., & Serdiuk, O. (2017). Psychological Factors of Starting Entrepreneurs' Business Success. *Social Welfare Interdisciplinary Approach*, 7(2), 86-94.
- [29] Zoughbi, Z. (2024). Trauma and Resistance: Wiam Centre in Palestine. *The Canadian Journal of Theology Mental Health and Disability*, 4(1), 16-18



This work is licensed under the Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License