



REPUBLIC OF THE PHILIPPINES

POLYTECHNIC UNIVERSITY OF THE PHILIPPINES

QUEZON CITY CAMPUS

The Contemporary World

Reaction Paper

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Reaction Paper on Economic Crisis into Social Crisis

The lesson from the module offers a timely and powerful understanding of how problems in the economy can deeply affect society as a whole. Economic issues like inflation, recession, or unemployment are often treated as numbers or graphs, but behind those numbers are real people whose lives are affected. A failing economy means fewer jobs, rising prices, and shrinking access to services like healthcare and education. As these conditions worsen, they lead to greater inequality between the rich and the poor. This inequality then becomes a source of anger and frustration, slowly transforming into a larger social issue. One of the most striking ideas in the lesson is that social unrest often follows economic hardship. When people are hungry, jobless, and hopeless, they begin to lose trust in their leaders. Protests, strikes, and even revolutions can be triggered when citizens feel ignored or betrayed by the government. This is especially true when the public sees that the rich and powerful continue to benefit while ordinary citizens suffer. Economic failure, therefore, does not stay in the market; it spills over into the streets and enters the political system.

Furthermore, the module also explains that modern governments are under a lot of pressure to maintain both economic stability and public trust. In a capitalist society, leaders must make sure the market grows while also making people feel that they are being treated fairly. When they fail to balance these responsibilities, the legitimacy of the government begins to break down. People may become politically apathetic, or worse, they may rise in mass protests or even turn to extreme ideologies. This loss of trust in the system is the beginning of a social crisis that can take years to recover from. Jurgen Habermas's theory, discussed in the module, is also very relevant today. He explains that even in democratic and modern capitalist societies, social crises can still emerge if people feel disconnected or unsupported. While past Marxist ideas focused mainly on class struggles and economic collapse, Habermas points out that today's crises are more about losing faith in institutions. Governments now must work harder to gain and keep the support of their citizens. If people believe that leaders are serving only the wealthy or foreign interests, they will withdraw their trust. In the long run, this threatens the very structure of society.

Globalization also plays a major role in how economic crises become social ones. Because countries are more connected through trade, labor, and finance, a crisis in one



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nation can quickly spread to others. The lesson explains how poor nations often suffer more during global economic shocks, especially when they are pressured by international institutions to cut public spending. These cuts usually affect education, healthcare, and other social services, making the poor even poorer. As a result, the sense of injustice and anger grows stronger among people who feel left behind by globalization. For instance, the COVID-19 pandemic is a recent example of how an economic problem can cause widespread social effects. Lockdowns led to job losses, business closures, and food insecurity in many parts of the world, especially in developing countries like the Philippines. Online learning exposed the digital divide, where students from low-income families were unable to keep up due to a lack of devices or internet access. These issues caused stress, anxiety, and emotional exhaustion for millions of people. The health crisis triggered both economic and social crises, showing how closely connected these problems are.

After studying this lesson, I believe that both the government and the citizens share responsibility in addressing these challenges. The government must implement policies that protect the most vulnerable, support small businesses, and improve public services. At the same time, citizens should participate actively in political processes, stay informed, and hold leaders accountable. We must not wait for a crisis to speak out or take action. Preventing a social crisis begins with fair economic practices and inclusive policies.

In conclusion, the module teaches a very important lesson: economic problems are never just about money; they are about people. When the economy fails, society suffers. Poverty, unemployment, and inequality create deeper problems that lead to unrest and distrust. If governments focus only on profit and ignore the needs of the people, they risk losing legitimacy and control. A strong and peaceful society is one where economic systems are built not just for growth, but for justice and dignity for all.