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The long-run social impact of economic crisis

The economic crisis started to spread out in 2008 has affected economies, societies and regions in a different way in Europe. The direct economic effects of the fiscal aspect of crisis manifested in a very short run: breakdowns in economic performance, business restructuring and lay-offs resulted in a quick rise of unemployment rates etc. After the shock of the first crisis years, most of the European economies find a way back to a more favourable but moderate path of development, due to the improvement of global economic and financial environment and the (different degree of) resilience of countries and regions.

Beside these economic effects, the crisis had/has a severe social impact as well by directly or indirectly affecting the continuously changing social conditions. Crisis related cut-backs, institutional changes and other austerity measures might had an instant impact on the access to different services, while worsening perspectives of earning a living launched many unfavourable processes in social environment too. But contrary to the most direct economic, financial and labour market-related symptoms, several crisis-related effects on social conditions take longer to materialize.

Several years after the beginning of the economic crisis its social effects might be recorded more reliably. In this way, the paper attempts to introduce various fields of social life and processes where the social impact of economic crisis still operates or can be recognized (e.g. changes of health perspectives, redirection of migration patterns caused by economic motives, labour market and demographic changes, housing anomalies etc.). The paper attempts to have a stronger focus on social impact of crisis in the field of education by analysing the case of Hungary. Beside the illustration of potential crisis effects related to education, regional dimensions of the phenomena are also analyzed (with an outlook to East Central European countries).

The paper also takes into consideration the following questions in order to achieve a better understanding on the nature of impact of economic crisis on education and qualification conditions and services. How effects of crisis can be recognized in processes in the field of education, and how they can be separated from more general processes of social environment? How institutional changes or cut-backs affecting education materialize in long-run social consequences? And what are the potential future risks related to the phenomena which are hardly or only indirectly visible in current social processes?