



GREENBERG QUINLAN ROSNER RESEARCH

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Findings from a National Survey & Focus Groups on Economic Mobility

To: Interested Parties

From: Economic Mobility Project, The Pew Charitable Trusts
Greenberg Quinlan Rosner Research
Public Opinion Strategies

Introduction

Over the last two years, the Pew Economic Mobility Project (EMP) has been researching and aggregating the best available facts, figures and trends on economic mobility in the United States. In collaboration with leaders from across the political spectrum (including representatives from the American Enterprise Institute, the Brookings Institution, the Heritage Foundation, the New America Foundation, the Peterson Foundation, and the Urban Institute) the EMP is expanding the national economic debate by focusing on this critically important issue. Our diverse coalition believes that economic mobility—the ability of American families to move up or down the income ladder within a lifetime or from one generation to the next—is a unifying and core tenet of the American Dream, and that policymakers should dedicate significant attention to promoting policies that enhance economic mobility for all Americans.

In developing the most comprehensive set of research and analyses on economic mobility, the project has introduced a number of provocative findings. These include economic analysis showing that most Americans make more in absolute dollars than their parents did at a similar age, but only a third move up a rung on the income ladder. It also found that children of parents at the very bottom and the very top of the ladder are themselves most likely to remain in those positions. And, strikingly, African Americans are more likely to make less than their parents and are more likely to fall down the income ladder than whites—almost half of children born to middle-income African-American families fall to the bottom of the income ladder as adults. In addition, as the project begins to consider policies that may promote mobility, it has identified a range of factors that influence one's path to economic mobility—education, savings and family background are among the most important drivers of mobility.

The report summary presented here is based on a series of focus groups and a national poll commissioned by the EMP, to provide a more accurate picture of how Americans view their own economic mobility and to better understand how their perceptions square with the reality of the project's data. The poll seeks to answer questions such as: What defines Americans' experience with mobility? What do we believe are the key determinants of our, and others',

mobility? How do our perceptions and perspectives on mobility differ as we look to the near future, as well as over generations, and how has this changed?

As the new administration and Congress confront the current economic crisis, its effects are front and center in the minds of all American families. Despite this, a strong and uniquely American undercurrent of optimism shines through. This report provides clear insights into how the American public views the factors, institutions, circumstances, and values that may aid or impede their path to future economic success. In doing so, it offers valuable perspectives for advocates and policymakers committed to ensuring that the fundamental economic bedrock of the American Dream remains solid for generations to come.

Overview

In the midst of an historic economic crisis, Americans insist that despite the recession it is still possible for people to improve their economic standing, and most believe that they control their economic destiny. Americans believe ambition, hard work and education primarily drive mobility, rather than outside forces like the current state of the economy. And while many believe the government hurts more than helps people move up the economic ladder, a majority say that a number of government policies would be effective at encouraging economic mobility.

People report a considerable amount of upward mobility in their lives, and are optimistic about their ability to experience upward mobility in the near future and in their children's ability to do so in the next generation. However, when presented with a series of facts about mobility in this country—such as the difficulty many people have moving up the economic ladder—most Americans express significant concern.

For many, mobility is more about individual opportunity rather than reducing inequality, more about inherited values than about inherited wealth. It matters less that our society may be growing more stratified than that individuals and their children still have a fair shot at moving up the income ladder.

Main Findings

Despite the current downturn, Americans are optimistic about their opportunities for economic mobility both within and across generations.

- Nearly eight in ten (79 percent) believe it is still possible for people to get ahead in the current economy. This remains true even among lower-income, less-educated and unemployed Americans. Such consensus is striking given that a near-unanimous 94 percent of Americans describe the current economic condition of the country negatively.
- Americans remain optimistic about the future—a 72 percent majority believes their economic circumstances will be better in the next ten years. This optimism crosses party lines and demographic groups. African Americans are the most optimistic (85 percent) compared to whites and Hispanics (71 percent and 77 percent, respectively).
- Most Americans report considerable improvement in their standard of living. A 58 percent majority say they enjoy a higher standard of living than did their parents at a similar age, and 56 percent said it was easier for them to move up the income ladder than it was for their parents.
 - Hispanics (64 percent) are among the most likely to recognize an improved standard of living compared to their parents.
 - Among Americans under 40, those who are married are more likely than those who are single to report a higher standard of living than that of their parents.
- Most parents say their own children will have a better standard of living than they have (62 percent). On the other hand, parents are split overall as to whether their children will have a harder time moving up the income ladder (48 percent say same or easier, 46 percent say harder). The difference reflects the fact that a minority of parents believe that even though their child will have a higher standard of living, it will be harder for them to move up the income ladder. Non-parents are more pessimistic about how today's children will fare.
 - African-American parents are the most likely to say that it will be the same or easier than it was for them for their children to move up the income ladder—65 percent say so, compared to 51 percent of Hispanic parents, and 46 percent of parents under 40. Just 34 percent of white parents, however, believe it will be easier for their children.

Americans believe they largely determine their own economic mobility and opportunity.

- Seventy-four percent of Americans believe they have at least some control over their own economic situation, while only 43 percent think that other people are in control.
- By a 71 to 21 percent margin, Americans believe that personal attributes, like hard work and drive, are more important to economic mobility than external conditions, like the economy and economic circumstances growing up.

- Education also plays a huge role in this discussion; 83 percent rate education as essential or very important to economic mobility.
- Personal attributes such as poor life choices and too much debt were the top explanations given for downward mobility.
- Although previous research by the Economic Mobility Project has found considerable differences in economic mobility by race and gender, respondents ascribed relatively little importance to their impact on mobility (15 percent and 16 percent, respectively). Further, the Economic Mobility Project's research found that there is a strong relationship between parents' income and children's adult income. However, coming from a wealthy family was among the least important factors that respondents cited (28 percent).¹
- Thinking of their own chances of moving down the income ladder, Americans today worry most about the rising cost of living, losing their jobs and taking on too much debt.

Americans care more about opportunity than inequality and are far more concerned about the ability of lower-income Americans to move up the income ladder than about the persistence of upper-income Americans at the top.

- By a 71 to 21 percent margin, Americans believe it is more important to give people a fair chance to succeed than it is to reduce inequality in this country. Each demographic subgroup, including those at the lowest end of the economic spectrum, concurs with the majority on this issue.
- A majority of Americans believe that the lack of upward mobility from the bottom rung of the income ladder is a major problem for this country, while they are relatively unconcerned about how little downward mobility there is from the top. Recently, the Economic Mobility Project found that 42 percent of those who are born to parents on the bottom rung and 39 percent who are born to parents on the top rung remain there a generation later. The “stickiness” at the top is not a major problem for respondents (17 percent), but the “stickiness” at the bottom is (53 percent).²
- A 55 percent majority *disagree* with the statement, “In the United States, a child's chances of achieving financial success is tied to the income of his or her parent.”

Americans believe the government hurts more than it helps people move up the economic ladder, but they believe a range of policies would be effective at encouraging upward mobility.

- By a 46 to 36 percent margin, Americans believe the government does more to hurt than to help people move up the economic ladder, reflecting past research by the Economic

¹ See *Getting Ahead or Losing Ground: Economic Mobility in America* at http://www.economicmobility.org/reports_and_research/mobility_in_america

² Ibid.

Mobility Project that shows that while there is federal investment in mobility-enhancing policies, it more often benefits upper-middle and upper-income households.³

- Large majorities believe the government could adopt mobility-enhancing policies that would be effective, including such efforts as making college more affordable, supporting job training and early childhood education.

While definitions of the American Dream vary, some core themes emerge: freedom to accomplish anything you want with hard work, freedom to say or do what you want, and that one's children will be financially better off.

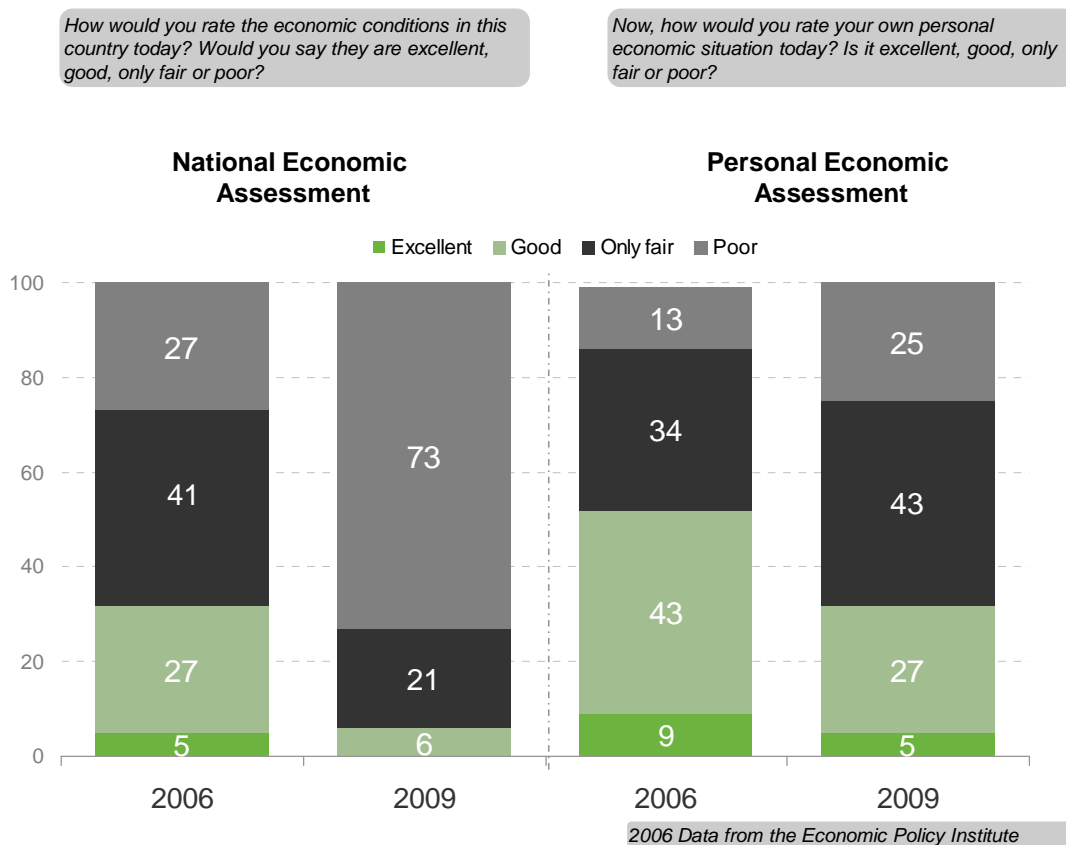
- Importantly, these definitions are not entirely financially driven. In fact, “becoming rich” and “being middle-class” rank the lowest of the given definitions of the American Dream.
- There is some variation in Americans’ definitions of economic status, but African Americans, Hispanics and whites all arrive at virtually the same conclusions when describing the American Dream.

³ See *How Much Does the Federal Government Spend to Promote Economic Mobility and For Whom?* at http://www.economicmobility.org/assets/pdfs/PEW_EMP_FEDERAL_SPENDING.pdf

Assessment of Current Economic Conditions

Americans' assessment of national economic conditions naturally reflects the ongoing economic crisis. As has historically been the case, Americans' ratings of their own financial condition are more sanguine than their ratings of the national economy. A near-unanimous 94 percent of Americans describe the nation's economic condition in negative terms; including 73 percent who describe it as poor (see Figure 1). Their description of their own economic condition stands at 68 percent negative and 25 percent poor. Both of these measures mirror the economic decline of recent years.

Figure 1: Economic Standing of Country and Individual



Personal economic conditions follow predictable patterns. Lower-income (47 percent poor economic condition), self-defined lower class⁴ (65 percent poor economic condition) and respondents with a high school degree or less (32 percent poor economic condition) convey the most economic hardship. African Americans without a college degree (39 percent poor) and self-defined working-class Hispanics (37 percent poor) report having a particularly tough time.

⁴ All class designations in this research are self-ascribed.

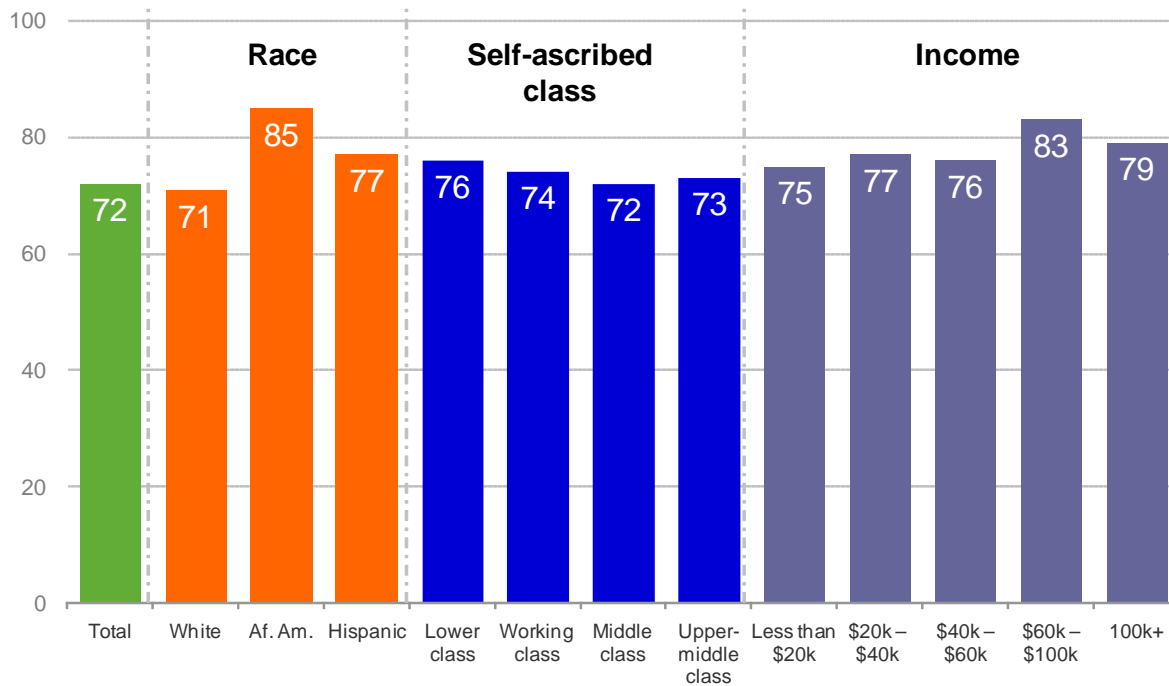
Among middle-income and upper-middle-income Americans, relatively few describe their economic situation as poor (less than 17 percent among households earning \$40,000-\$100,000).

Economic Mobility within Lifetimes

Americans have confidence that current economic conditions are not permanent. An impressive 72 percent believe their own economic circumstances will improve over the next ten years; just 15 percent foresee a decline.⁵ This optimism is shared almost equally by Americans in the lowest income quintile and in the highest, and among race groups African Americans are the most optimistic (see Figure 2). In addition, Americans under 30 are also very confident (89 percent get better).

Figure 2: Confidence in Improved Economic Circumstances in Ten Years

Thinking about ten years from now, do you think your economic circumstances will be much better than they are now, somewhat better, somewhat worse, or much worse? Graph shows percent who responded much better or somewhat better.



⁵ Previous polls have found similar optimism in the short term. Over the last three years, Gallup has tracked respondents' belief their economic situation will improve by "this time next year." A consistent majority has believed it will, ranging from a low of 52 percent (May 2008) to a high of 65 percent (January 2007).

In our focus groups, participants consistently made the case that, despite the current recession, they could prevail in the current economy (see Figure 3). Certainly, they said these difficult times require different choices. They need to avoid luxuries and watch their debt; some need to return for more education and job training. Some may need to relocate. But, they believe, they can adjust. This optimism reflects the sense that with individual effort and hard work, people can succeed, even in tough economic times.

■ **Figure 3: Focus Group Quotes: Making it in Today's Economy**

People manage to pull themselves up from their bootstraps all the time. – Atlanta male parent 35–49

The Apple guys started the computers in the garage; [people] still do that today, if you've got the smarts and the drive. – Chicago non-college male 50+

People will always be determined, I mean, not all people, but there will always be special individuals that have just determination and perseverance, and they will, you know, do what it takes to get it done. – San Diego woman 30–49

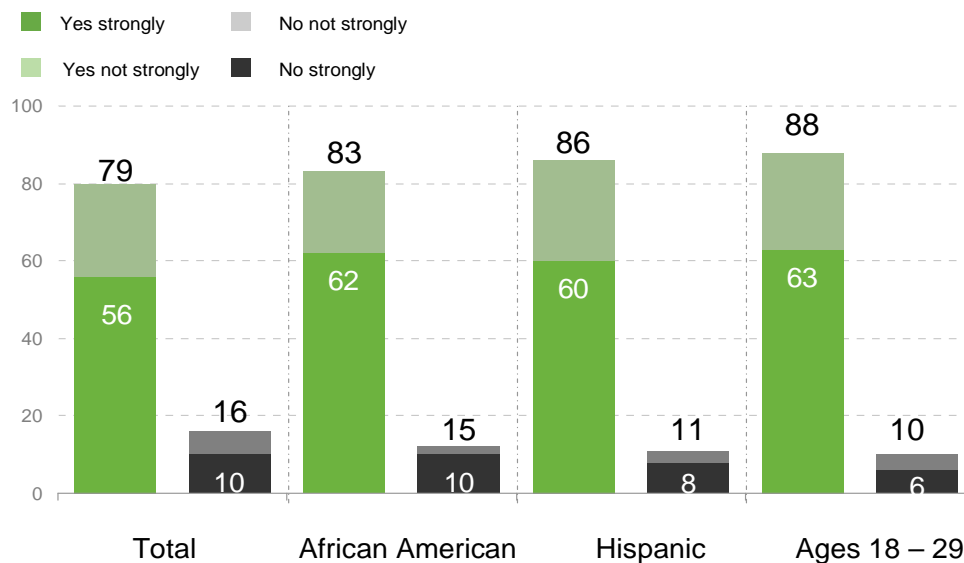
Nearly eight in ten (79 percent) Americans say that, even in this recession, it is still possible for people to improve their economic condition; 56 percent believe so strongly. This optimism includes 80 percent of self-identified working-class respondents, 82 percent of self-identified lower-class respondents, 78 percent of lower-income Americans, 84 percent of people of color and 81 percent of unemployed Americans (see Figure 4). Americans under age 30 seem particularly confident in an individual's ability to prevail despite the economy (88 percent).

A surprising number of people (39 percent) believe that it is common for someone in this country to start out poor, work hard and become rich. This stands in sharp contrast to the Economic Mobility Project's finding that only 6 percent of Americans who were born to parents in the bottom fifth of the income distribution make it to the top fifth in adulthood.⁶

⁶ See *Getting Ahead or Losing Ground: Economic Mobility in America* at http://www.economicmobility.org/reports_and_research/mobility_in_america

■ Figure 4: Possible to Succeed in Today's Economy

Currently the country is in a recession. Do you believe it is still possible for people to improve their economic standing?

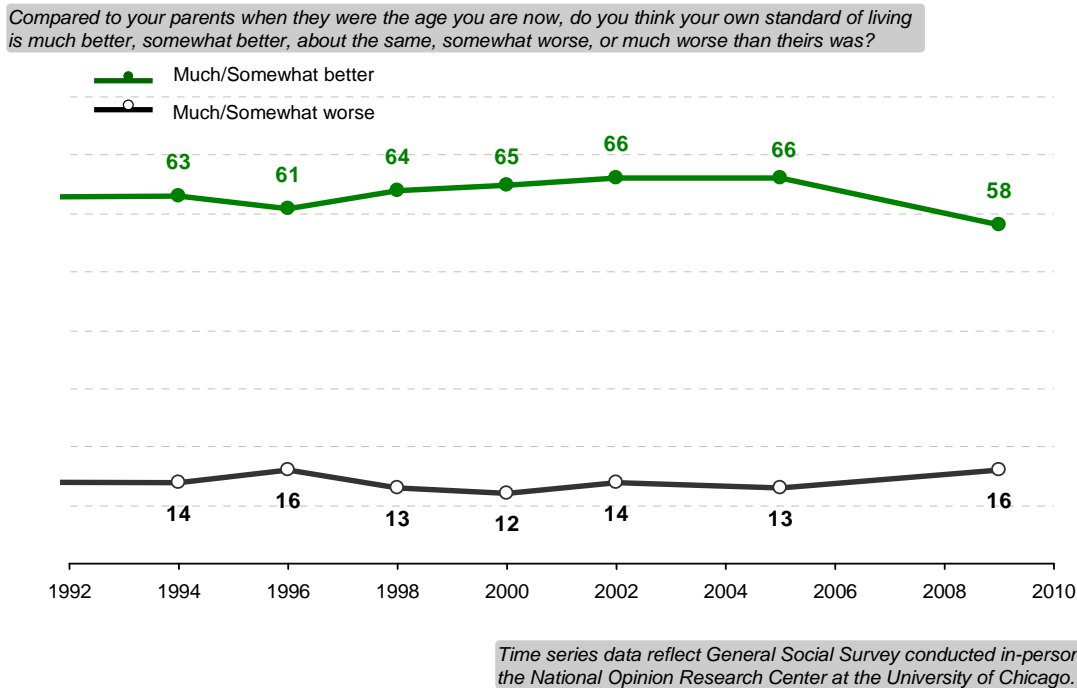


Economic Mobility across Generations

Americans report a high degree of economic mobility in their families' lives. A significant majority of Americans believe they have a better standard of living than their parents did at their age. They are also confident that their children (and the country's children overall) will enjoy a higher standard of living than they currently enjoy. However, parents are split as to whether their children will have a harder time moving up the income ladder and achieving the American Dream, and people without kids in the household believe that children will have a harder time.

A 58 percent majority of Americans report having a better standard of living than their parents did at their age; however, this number dropped appreciably compared to historic data going back to 1994 (see Figure 5).

Figure 5: Better Standard of Living Than Parents

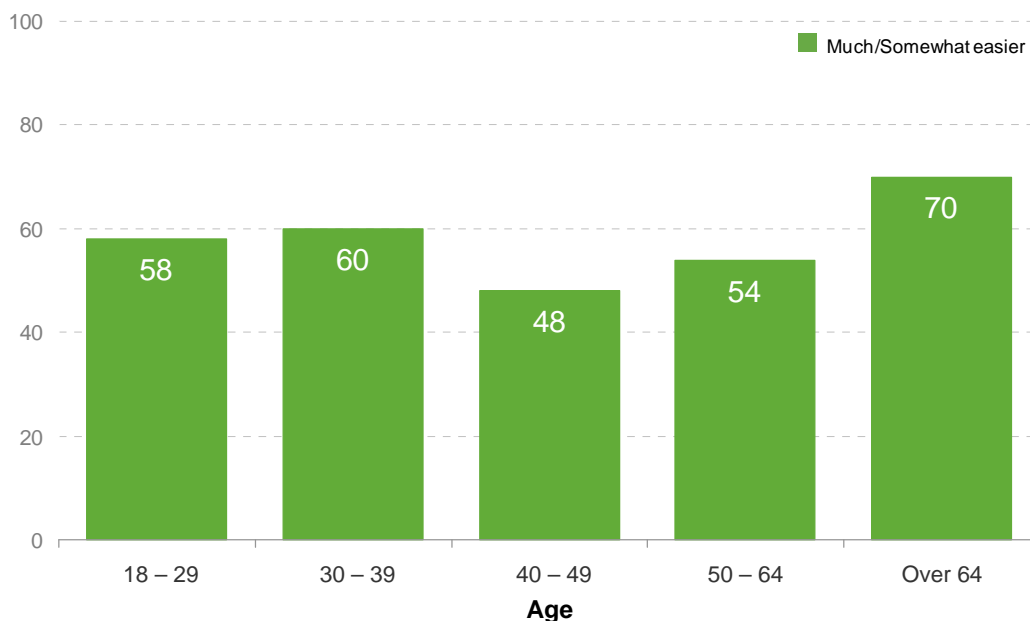


Hispanics (64 percent) are among the most likely to recognize an improved standard of living compared to their parents. Among Americans under 40, those who are married are more likely to report a higher standard of living than that of their parents. In the African-American community, older African Americans (50 and over) are more likely than younger African Americans (under 50) to recognize a better standard of living (68 percent versus 53 percent), possibly reflecting civil rights gains that started 40 years ago. Lower-income Americans also report a better standard of living than their parents (54 percent), though this number is appreciably higher among upper-income Americans (68 percent). Similarly, self-ascribed upper-middle-class, middle-class and working-class respondents report a better standard of living (70 percent, 63 percent and 53 percent, respectively). Those who describe themselves as lower-class Americans are more divided (44 percent better, 43 percent worse).

Different generations have had different historical experiences with economic mobility, as seen in the focus groups and the survey. Americans over age 64 are the most likely to report a better standard of living than their parents, likely reflecting the post-World War II economic boom in this country (see Figure 6).

■ Figure 6: Ability to Move Up Income Ladder Relative to Parents

Compared to your parents, do you think it is easier or harder for you to move up the income ladder?



We see mobility in education as well. Half (49 percent) of all college graduates have parents who did not attend college; this number reaches 53 percent among African-American college graduates and 62 percent among Hispanic college graduates. Sixty-five percent of college graduates whose parents did not graduate from college report an easier time moving up the economic ladder; still, 57 percent of respondents with less education than their parents also report an easier time moving up the economic ladder.

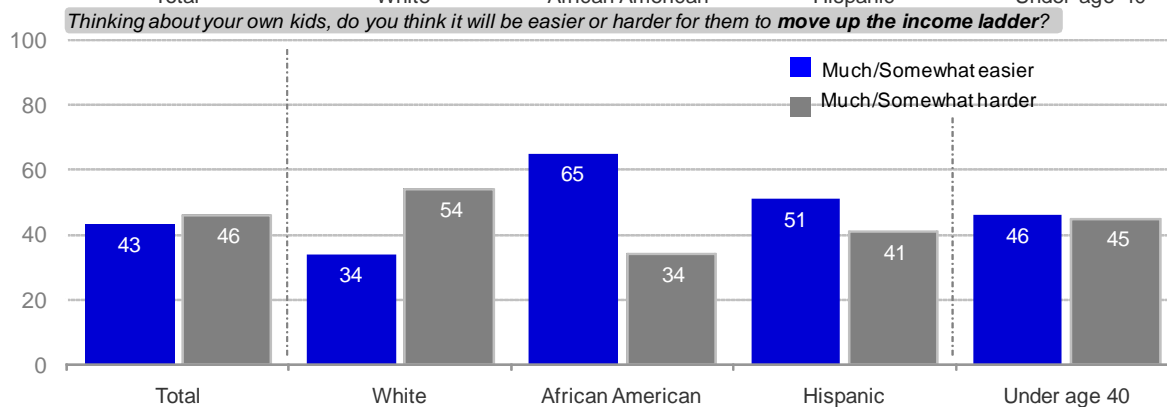
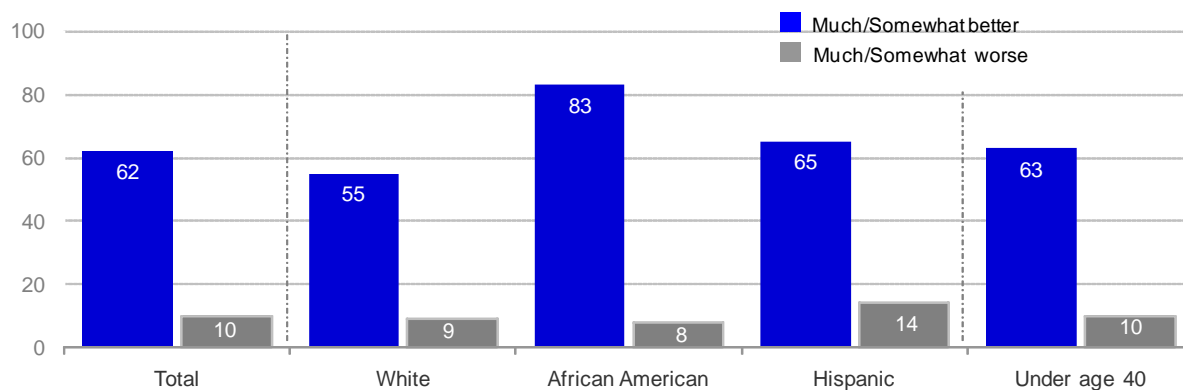
Looking to the next generation, a 62 percent majority of Americans with children under the age of 18 living in their household believe their children will have a better standard of living than they currently enjoy. This is particularly true among lower-income (82 percent) and self-ascribed lower-class (79 percent) parents, less true among upper-income (48 percent) and self-identified upper-middle-class (46 percent) respondents. Respondents *without* children in their household also project a better standard of living for today's children, but with less confidence; 40 percent foresee a better standard of living, 23 percent suggest a worse standard of living.

There are some perceived limits to economic mobility in this country. While a majority of parents predict their children will enjoy a better standard of living and a plurality of Americans without children at home predict today's children will enjoy a better standard of living as well, Americans with no children at home believe kids today will have a harder time achieving the American Dream and a harder time moving up the income ladder (63 percent harder and 62 percent harder, respectively). Parents with children living at home split evenly (43 percent easier, 46 percent harder) over whether it would be easier or harder for their children to move up the income ladder, while 52 percent said it would be harder for them to achieve the American Dream.

College-educated respondents are more likely to believe it will be harder for children to move up the income ladder than Americans without a college education. No consistent pattern emerges between income quintiles. Most striking, however, is the relative pessimism of white respondents when it comes to their own children (see Figure 7).

■ Figure 7: Predictions Among Parents Different for Standard of Living and Moving Up Income Ladder

*When your children are the age you are now, do you think their **standard of living** will be better, worse or about the same as yours or people your age?*



This seeming paradox—parents who say their own children will enjoy a better standard of living yet express less confidence that it will be easier for their children to move up the income ladder—is resolved to some degree by further clarifications in the focus groups. Standard of living, respondents said, is not just about income, but also about improvements and quality of life overall. For instance, many in the focus groups recognized that their children would simply have more opportunity and access because of advances in communications technology. At the same time, more than a few respondents noted that a high school or even college education does not open the same doors or produce the same well-paying job it once did: “You have to have so much more of an education than you did, you know, 20 years ago or 30 years ago.”

Recognizing that Americans believe both that economic mobility is driven by the individual and that people can get ahead even in this economy further explains this seeming contradiction. Americans believe that it will be harder to improve their economic standing; but they also believe that young people, particularly their own children, will apply themselves and do what is necessary to advance.

We also see mobility in self-ascribed class definitions.⁷ Americans generally view themselves as middle class (44 percent), but a fair number also describe themselves as upper-middle class (13 percent) or working class (28 percent). More than four in ten (44 percent) Americans describe their parents' class differently from their own: 22 percent represent themselves as moving up in class, and 22 percent represent themselves as moving down in class.

The Role of the Individual in Economic Mobility

Most Americans believe in some measure of economic autonomy—that a person's economic fate is governed much more by their individual choices than by outside forces. Even in today's economy, most Americans believe they have control over their economic situation, including convincing majorities of unemployed and lower-income Americans. The reasons that people may move down the economic ladder, they believe, involve poor life choices—such as taking on too much debt—rather than factors like the economy.

The primary role of the individual in economic outcomes is at the heart of how Americans currently assess economic mobility. As is clear with 94 percent describing the economy in negative terms, the public is under no illusions about the current economic challenges. However, they also believe individuals can overcome these challenges on an individual basis.

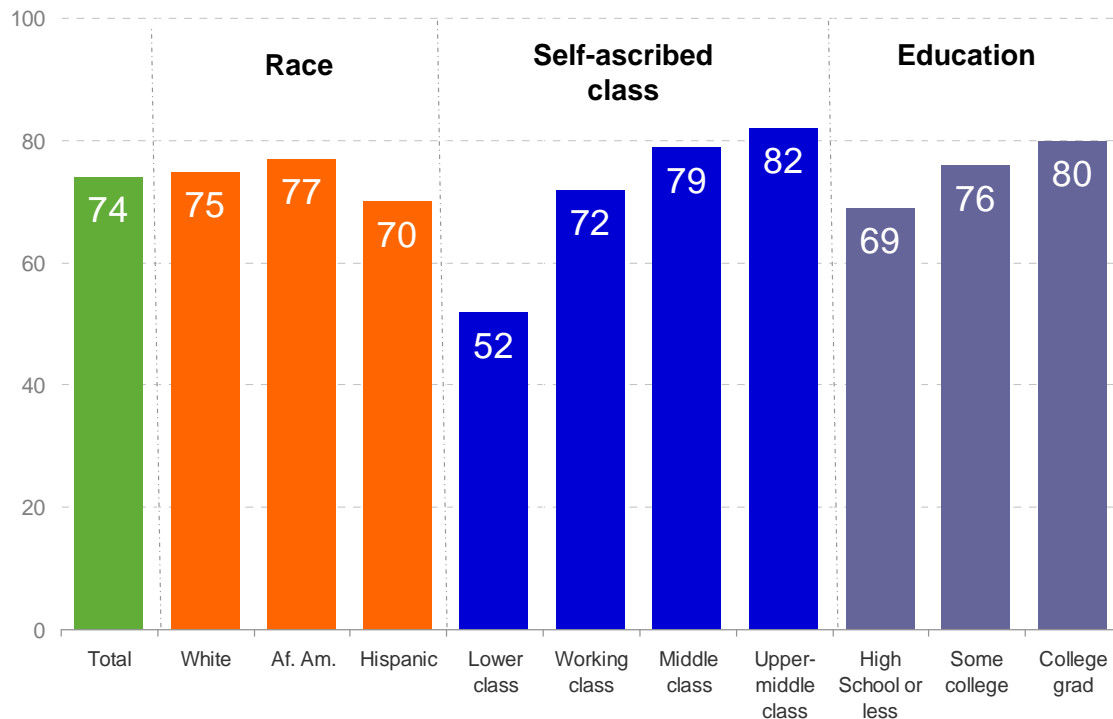
A 71 percent majority of Americans believe the most important factor in economic mobility is the individual person and individual traits such as hard work. Just 21 percent say it is outside factors, like the economy and their economic circumstances growing up. Faith in economic autonomy is slightly lower among less-affluent Americans, particularly self-ascribed lower-class respondents (56 percent say the individual is the most important factor; 36 percent outside forces are most important).

Americans also believe they have at least some control over their economic situation (74 percent some control overall, including 23 percent very much in control). Self-identified lower-class and unemployed Americans are less likely to feel in control, but even here a majority asserts that they maintain some control over their economic circumstances (see Figure 8). Advanced education increases one's sense of control (80 percent), but even Americans with a high school education or less assert some control over their economic condition (69 percent).

⁷ "Class" and "income" are interpreted differently. A welder, for example, likely makes more money than does a teacher, but the former would likely describe his or her socioeconomic status as working class, while the latter would likely self-ascribe as middle class.

Figure 8: Control of Individual Economic Situation

Thinking about your own personal economic situation today, do you feel you are very much in control, somewhat in control, not very much in control or not at all in control of your own personal economic situation? Graph shows percent who responded very much or somewhat in control.

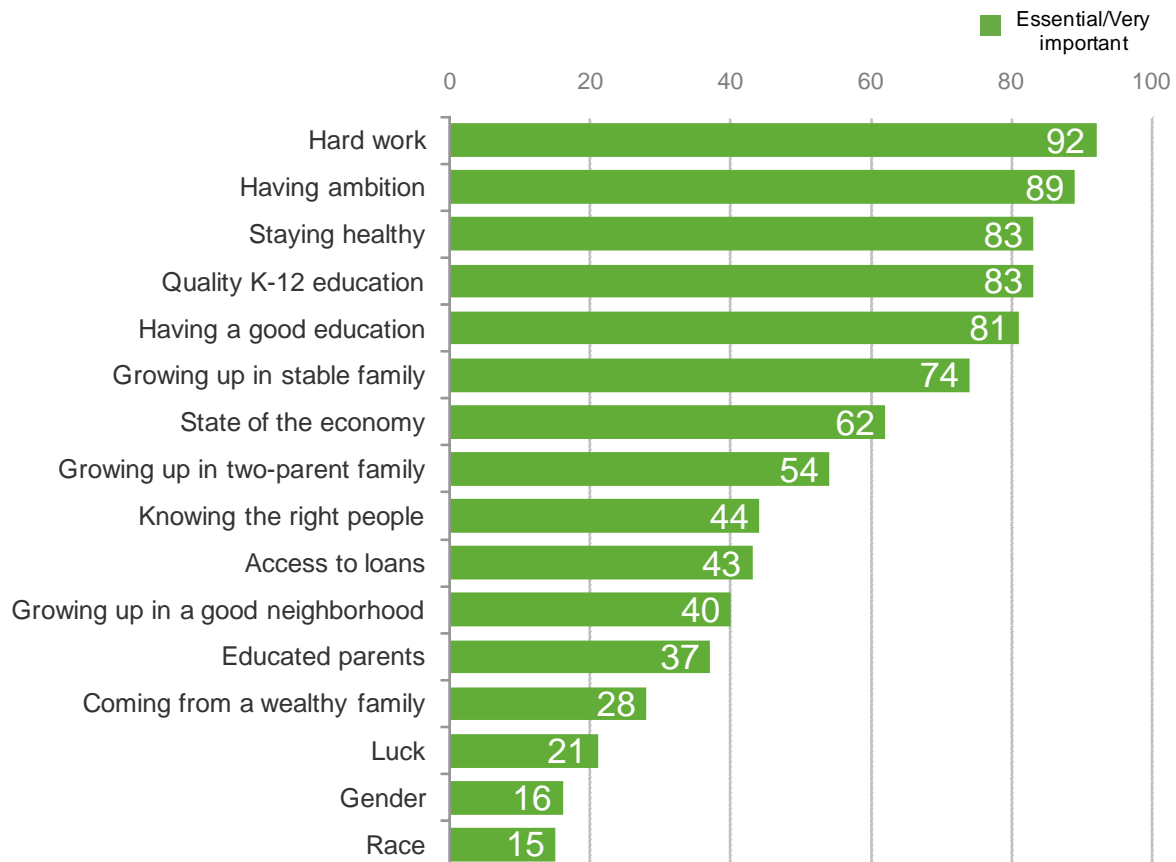


However, Americans are far more pessimistic when assessing the economic autonomy of other people. Just 43 percent of people believe *other* Americans have at least some control over their economic situation, while 55 percent believe others are not in control. A 61 percent majority of African Americans believes other people are not in control of their economic destiny.

When asked to rate a series of factors that may contribute to a person's economic mobility, Americans rate hard work and ambition first and second, respectively (see Figure 9). Education, which can reflect both individual initiative (such as getting good grades) and outside factors (such as access to good public schools) ranks high. Americans also value the importance of staying healthy, which ranks as the third most important factor to a person's ability to move up the income ladder. This is the leading factor among self-identified lower-class respondents, as well as separated, divorced or widowed women, and the second leading factor among Americans in the bottom fifth of the income distribution. The economy comes seventh on this list.

■ Figure 9: Dynamics Affecting Economic Mobility

Please tell me if this factor is essential, very important, somewhat important, not very important or not important at all to economic mobility.

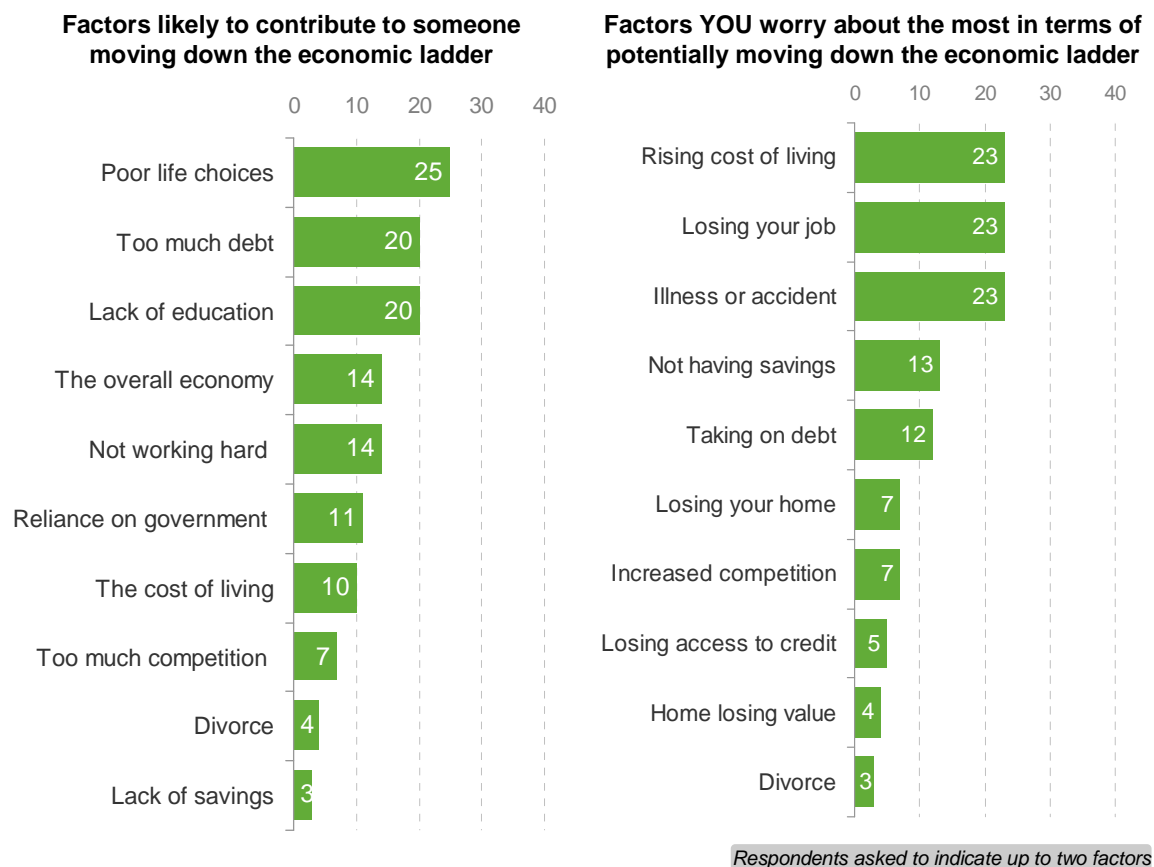


Americans ascribe relatively little importance to race in determining economic mobility (15 percent overall). However, a higher percent of African Americans (26 percent) think it is essential or very important. In addition, just 16 percent rate gender as essential or very important, as do 17 percent of women. Only 28 percent believe coming from a wealthy family is essential or very important to economic mobility.⁸ Similarly, a 55 percent majority disagree with the statement, “In the United States, a child’s chances of achieving financial success is tied to the income of his or her parent.” The sense that an individual’s economic fate is affected but not determined by inherited wealth is integral to their understanding of economic mobility.

⁸ General Social Survey conducted in-person by the National Opinion Research Center at the University of Chicago. The question reads: “To begin, we have some questions about opportunities for getting ahead . . . Please show for each of these how important you think it is for getting ahead in life. First, how important is coming from a wealthy family? Essential, very important, fairly important, not very important, not important at all.” In 1987, 23 percent described coming from a wealthy family as essential or very important; 19 percent did so in 2000, then it jumped to 44 percent in 2005.

A similar pattern emerges when people are asked the factors that cause someone to fall down the income ladder (see Figure 10). The economy ranks fourth on this list, preceded by poor life choices (the leading item among both self-identified conservatives and liberals), taking on too much debt and lack of education. However, when asked what they worry about most when thinking about their own economic mobility, the economy and other economic factors play a more prominent role.

■ **Figure 10: Causes of Moving Down Economic Ladder**



The Role of Government

Americans' strong emphasis on individual responsibility in determining economic mobility informs their understanding of the government's role. Because Americans are mostly focused on the individual, and because they believe that people can improve themselves, they believe it is more important that all Americans have a fair shot at moving up the income ladder than it is to reduce inequality. However, Americans do see a connection between economic mobility and economic inequality, as discussed below.

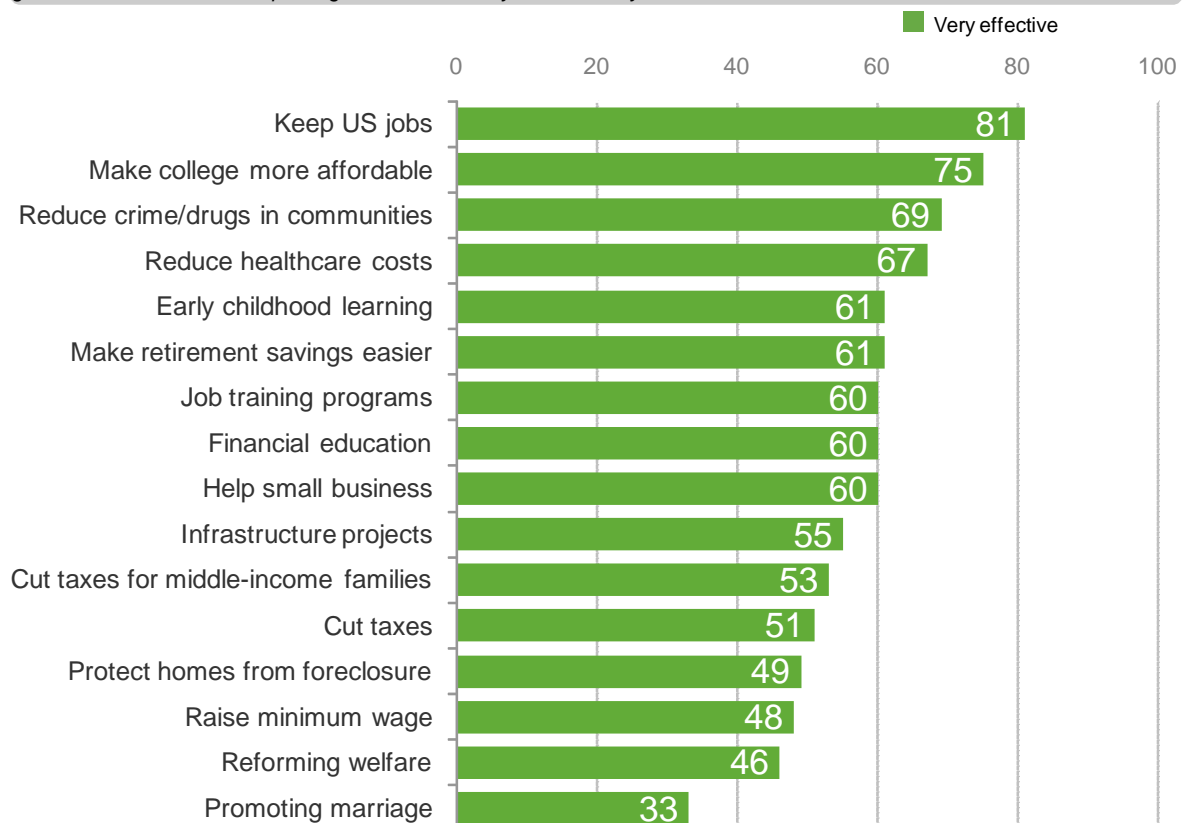
While 36 percent argue government does more to help people's economic mobility, a 46 percent plurality believes government does more to hurt people's ability to move up the economic ladder, including 34 percent who strongly feel this way. Hispanics (45 percent help, 40 percent hurt) and African Americans (46 percent help, 39 percent hurt) take a different view, but even within these groups, skepticism about government intervention emerges. Those entering the workforce (18-24 year olds) divide fairly evenly (47 percent help, 43 percent hurt) while those approaching age 40 betray more skepticism about the government's ability to improve their economic standing (35 versus 48 percent among 34 to 39 year olds).

Interestingly, these results do not correlate with self-defined class or income. Even Americans who have moved down the class scale (i.e., they report a lower class than their parents)—and Americans who have moved up the class scale—respond similarly to this issue.

When offered a list of policies to improve economic mobility, however, large majorities judge that many of these policies would be very effective and at least 60 percent believe these policies would be at least somewhat effective (see Figure 11).

■ Figure 11: Effectiveness of Government Policy

Please tell me if you believe this would be a very effective, somewhat effective, not very effective or not effective at all step the government could take in improving economic mobility in this country.

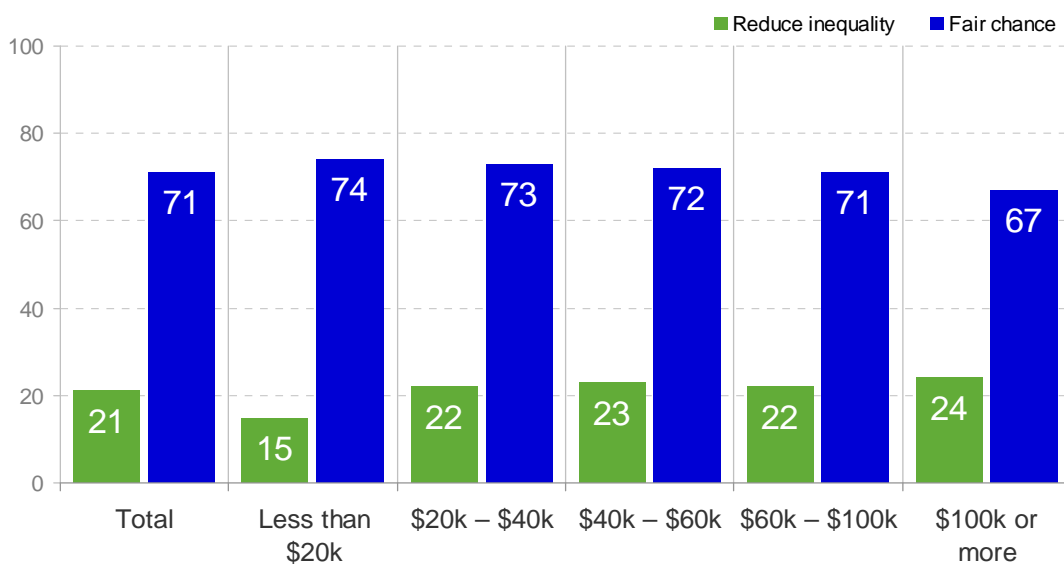


Reducing crime scores fairly high on this list (69 percent very effective overall) and even higher in the African-American community (78 percent) and among lower-income Americans (77 percent).

Most believe it is more important to provide everyone with a fair chance of moving up the income ladder than it is to eliminate inequality (by a 71 to 21 percent margin). Again, there is almost no difference between upper-income and lower-income people on this conclusion (see Figure 12), nor is there a pronounced class distinction. Less-educated respondents are more likely to insist on a fair chance (75 percent) than are college graduates (65 percent).

■ Figure 12: Opportunity vs. Equality

What do you think is more important for this country: to reduce inequality in America or to ensure everyone has a fair chance of improving their economic standing?



Most Americans connect inequality to problems in economic mobility. A 71-percent majority agree with the statement, “Greater economic inequality means that it is more difficult for those at the bottom of the income ladder to move up the ladder.” This consensus view is not significantly affected by age, class, income or race.

Moreover, a majority of Americans describe some facts about economic mobility in this country as a major problem, notably the difficulty some people face in moving out of the lowest income quintile. This seems to be driven more by age and race than by class or income: African Americans and younger Americans (under 30) consistently rate this “stickiness” at the bottom rung of the income ladder as more problematic than do other groups (see Figure 13).

■ Figure 13: Problems with Economic Mobility

I am going to read you some facts about economic mobility in this country. After each one I read please tell me whether you believe this represents a major problem for this country, a minor problem, not much of a problem or no problem at all. Chart shows percent responding major problem.

| | Total | Af. Am. | Hispanic | Age 18 – 29 |
|---|-------|---------|----------|-------------|
| Almost 50 percent of children of middle-income African Americans fall to the bottom of the income ladder as adults | 62 | 77 | 53 | 64 |
| Half of Americans who are at the bottom of the income ladder remain there 10 years later | 60 | 72 | 54 | 59 |
| Children of middle-income African Americans are almost three times more likely to fall to the bottom of the income ladder as adults than children of middle-income whites | 55 | 66 | 52 | 57 |
| About 40 percent of Americans who are born to parents at the bottom of the income ladder are still there as adults | 53 | 60 | 56 | 55 |
| The United States is considered to have low mobility compared to other industrialized nations like Canada and Sweden | 39 | 43 | 31 | 42 |
| Women are less likely to move up the income ladder over a generation than men | 38 | 44 | 34 | 39 |
| If your parents were rich but you didn't graduate from college, you're more likely to be rich than if your parents were poor and you did graduate college | 24 | 33 | 25 | 31 |
| More than 30 percent of children who are born to parents at the top of the income ladder are still there as adults | 17 | 23 | 19 | 19 |

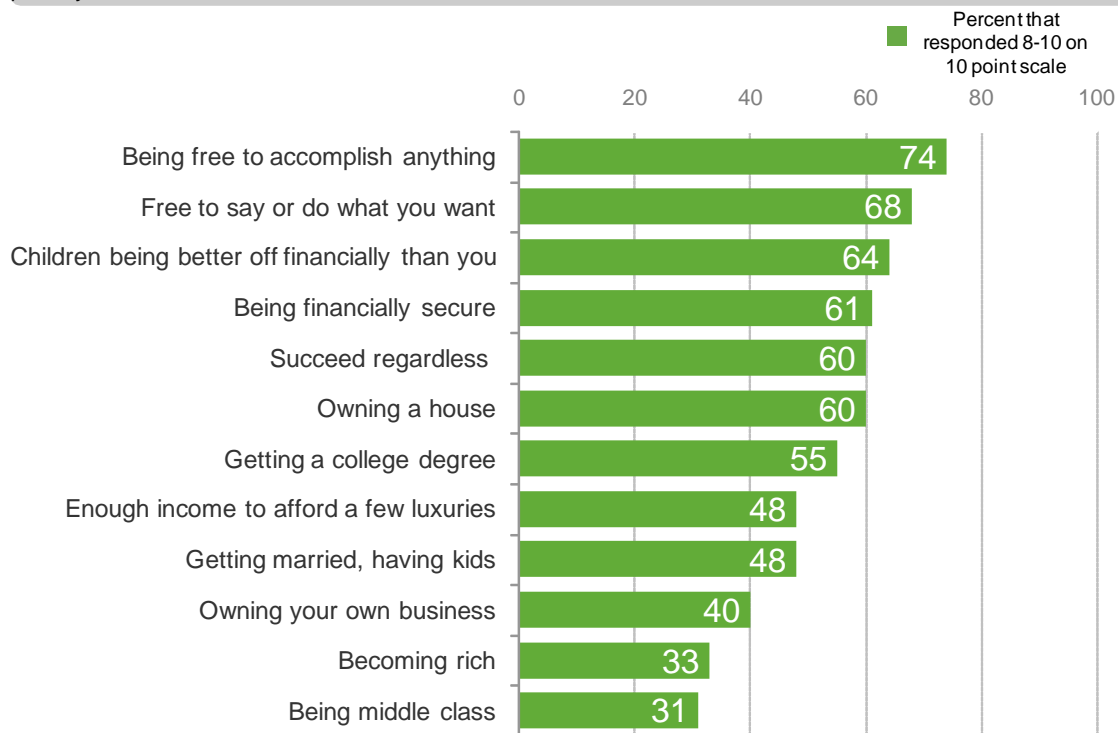
**These facts are taken from analyses conducted by the Economic Mobility Project*

Economic Mobility and the American Dream

The American Dream is largely defined by individual freedom and the ability to provide future generations with a better life, a key aspect of economic mobility. Although money, financial security and wealth play a role in respondents' definition of the American Dream, these do not completely describe it. Respondents defined the American Dream in terms of financial security, family, freedom and opportunity. Being free to become anything you want to be and having the freedom even to simply speak your mind consistently emerged in the focus group discussion and the survey research as core definitions of the American Dream (see Figure 14).

■ Figure 14: Defining the American Dream

On a scale of one to ten, please tell me how accurately each statement describes what you consider the American Dream to be. One would mean this statement does not describe the American Dream at all. A ten would mean this statement describes it almost perfectly.



A popular conception of the American Dream is your children being financially better off than you which is consistent with the definition of upward economic mobility. Sixty-nine percent of self-described working-class respondents and 70 percent of non-white respondents said this term most accurately (eight to ten on a scale of one to ten) described the American Dream, and it was the leading definition among African Americans under age 50.

Americans under 30 are among the most likely to define the American Dream as having the freedom to accomplish anything (81 percent rate this definition as eight to ten). Upper-income respondents are significantly more likely to describe the American Dream in terms of financial security (74 percent) than lower-income Americans (56 percent), though college education (61 percent) ranks a bit higher among lower-income Americans than upper-income Americans (54 percent).

Notably, there is very little difference between how white Americans, African Americans and Hispanics define the American Dream.

Comments from the focus groups help illustrate the point that there is a values-driven aspect to this discussion and that the American Dream is not entirely driven by economic success (see Figure 15).

■ **Figure 15: Focus Group Quotes: Defining the American Dream**

Owning a home and having 2.5 kids. – Baltimore woman

Happy family, living in a nice home with a white picket fence.– Baltimore woman

Freedom and independence.– Baltimore woman

Freedom to pursue anything you want. – Baltimore man

Freedom of being able to speak.– Atlanta woman

Six-figure job, house, picket white fence, 2.5 kids. – Atlanta woman

Money in the bank. – Chicago woman

Job, home, happiness, freedom. – Chicago woman

The ability to pursue one's own ambitions. – Phoenix man

To have food and kids to be involved and have fun. – San Diego woman

Opportunity to be anything you want to be. – San Diego woman

Conclusion

Despite the economic downturn and evidence that economic mobility may be stagnant, the notion that America is a meritocracy where individuals can apply themselves and move ahead continues to endure. Most Americans, including those on the bottom rung of the income ladder, believe their own economic mobility is within their control and remain optimistic about their ability and their children's ability to get ahead. Moreover, as many as half of Americans recognize some measure of economic mobility in their own lives, either moving to a different class than their parents, attending college for the first time or simply enjoying a higher standard of living. At its core, the nation believes that economic mobility is largely determined by individual effort and choices, and values equality of opportunity over equality of outcomes.

Methodology

This research reports on ten focus groups conducted between January 6 and 16, 2009 in Baltimore, Atlanta, Chicago, Phoenix and San Diego, with a racially diverse set of panelists.

Baltimore: January 6, 2009

White middle-class female parents, ages 35–49
White middle-class male parents, ages 35–49

Atlanta: January 7, 2009

African Americans, ages 35–49 with children
College educated African-Americans, under age 35

Chicago: January 12, 2009

Non-college whites, ages 50 and over
College-educated whites, ages 50 and over

Phoenix: January 13, 2009

Non-college whites, ages 18–34
College-educated whites, age 18–34

San Diego: January 15, 2009

Hispanic females, ages 30–49
Hispanic males, ages 30–49

In addition, it includes findings from a national survey of 2,119 adults. The survey included oversamples of African Americans (517 total cases—including those in the base sample—unweighted), Hispanics (520 total cases unweighted) and people under 40 (497 total cases unweighted). Given the growing phenomenon of young people who do not own or answer a land-line telephone, the oversample among people under-age 40 was conducted on cell phones.

This survey was conducted between January 27 and February 8, 2009 and lasted approximately 22 minutes. The survey used Census Data (2007 American Community Survey, or ACS) for the adult population of this country to establish the overall targets for base sample and each oversample.

The results were weighted to compensate for oversampling and non-responses. Before weights were applied, data for the under 40 population, African Americans and Hispanics oversamples were combined with corresponding subgroups from the base sample and each group was individually weighted to census data. For the under-40 oversample, the data were first weighted to cell phone status before demographic weights were applied. Each oversample was then weighted into the base sample.

The resulting weights increase the variance of the survey estimates, and the 95 percent confidence interval is +/- 3.4 percent when the proportion is 50 percent. This margin of error increases among subgroups where the sample size is smaller.

Margin of Error By Sample Size and Percentage
(at 95% confidence level)

| subgroup size | Percentage Near | | | | | | | | |
|---------------|-----------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | <u>10%</u> | <u>20%</u> | <u>30%</u> | <u>40%</u> | <u>50%</u> | <u>60%</u> | <u>70%</u> | <u>80%</u> | <u>90%</u> |
| 2000 | 2.0% | 2.7% | 3.1% | 3.3% | 3.4% | 3.3% | 3.1% | 2.7% | 2.0% |
| 1500 | 2.3% | 3.1% | 3.6% | 3.8% | 3.9% | 3.8% | 3.6% | 3.1% | 2.3% |
| 1000 | 2.9% | 3.8% | 4.4% | 4.7% | 4.8% | 4.7% | 4.4% | 3.8% | 2.9% |
| 900 | 3.0% | 4.0% | 4.6% | 4.9% | 5.0% | 4.9% | 4.6% | 4.0% | 3.0% |
| 800 | 3.2% | 4.3% | 4.9% | 5.2% | 5.4% | 5.2% | 4.9% | 4.3% | 3.2% |
| 700 | 3.4% | 4.6% | 5.2% | 5.6% | 5.7% | 5.6% | 5.2% | 4.6% | 3.4% |
| 600 | 3.7% | 4.9% | 5.7% | 6.1% | 6.2% | 6.1% | 5.7% | 4.9% | 3.7% |
| 500 | 4.1% | 5.4% | 6.2% | 6.6% | 6.8% | 6.6% | 6.2% | 5.4% | 4.1% |
| 400 | 4.5% | 6.1% | 6.9% | 7.4% | 7.6% | 7.4% | 6.9% | 6.1% | 4.5% |
| 300 | 5.3% | 7.0% | 8.0% | 8.6% | 8.8% | 8.6% | 8.0% | 7.0% | 5.3% |
| 200 | 6.4% | 8.6% | 9.8% | 10.5% | 10.7% | 10.5% | 9.8% | 8.6% | 6.4% |
| 100 | 9.1% | 12.2% | 13.9% | 14.9% | 15.2% | 14.9% | 13.9% | 12.2% | 9.1% |

Design Effect 2.385204

For the base sample, the survey employed a list-assisted **Random Digit Dial** sample frame where sample records were pulled proportionally based on the population estimates from the 2007 ACS. However, each oversample required different sampling and, for Americans under 40, different calling methods to complete the interviewing.

Hispanic and African-American Oversamples

For both the African-American and Hispanic oversamples, we used a method called **density sampling**, where all the calling is conducted only in telephone exchanges with a high proportion (40 percent or higher) of each target population. In addition, Hispanic and African-American respondents were sampled randomly from the base sample.

Under-40 Oversample

Up to 55 percent of Americans under age 40 and 70 percent of Americans under age 30 are not reachable using traditional, land-line calling; they either do not have or use a land-line phone, preferring to use their cell phone to make and receive calls.⁹ Therefore, the entire oversample for the under-40 population was conducted using cell phones. As this calling often incurs some costs for the respondent, reimbursement was provided for completed interviews.

⁹ Blumberg S.J., and J. V. Luke, "Wireless Substitution: Early Release of Estimates from the National Health Interview Survey, January--June 2008." National Center for Health Statistics. Available from <http://www.cdc.gov/nchs/nhis.htm>. December 17, 2008.

As with the minority oversamples above, some interviews among adults under age 40 were dialed randomly in our land-line base survey; in addition, this portion was supplemented using age-listed consumer files to keep the base sample reasonably balanced in terms of age. The survey weighted the land-line and cell-phone portion of the survey to their proper proportions for this population, with the cell-phone sample employed as the best approximation of the cell-phone-only/cell-phone-mostly population.

| <u>Population</u> | <u>Cell-phone-only/ Cell-phone-mostly</u> |
|-------------------|---|
| 18-29 | 69.7 percent |
| 30-39 | 39.1 percent |