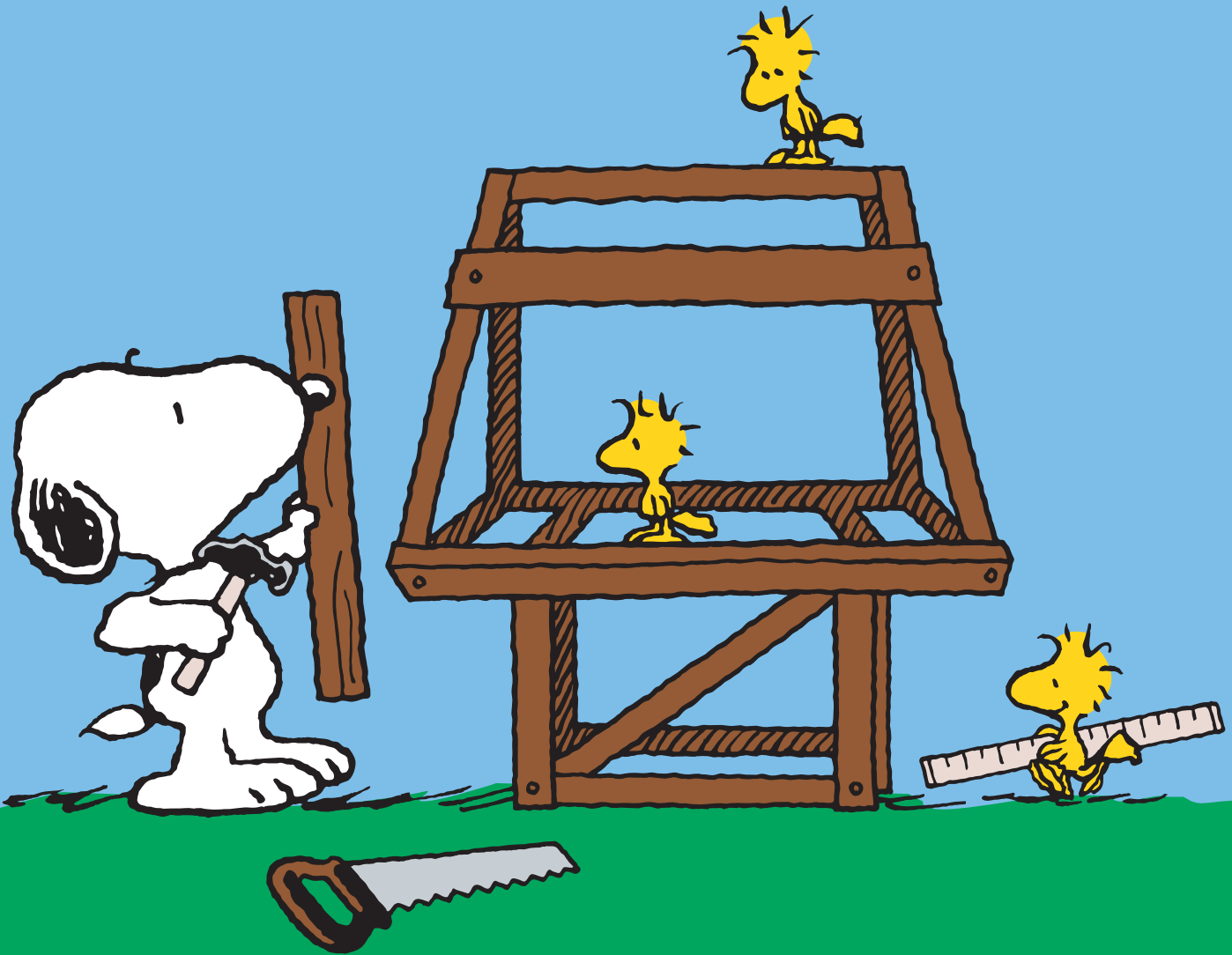


MetLife

**2011 METLIFE STUDY OF
THE AMERICAN DREAM**

The Do-It-Yourself Dream



THE CHANGING AMERICAN DREAM

In a nation that has been deeply impacted by a lingering financial crisis—where home prices have plummeted and job gains have yet to take hold—the long-held view of realizing a prosperous American Dream is no longer a monolithic, singular concept. In its place, a new American Dreams is emerging, one that focuses more on achieving personal fulfillment over financial success.

The *2011 MetLife Study of the American Dream* reflects an uncertain era where Americans no longer seek to become wealthy; rather, they want to achieve a sense of financial security that allows them to live a sustainable lifestyle.

This has led to new thinking about what the American Dream means, and to a portrayal of Americans as resilient and adaptive. And while achieving the Dream remains important—particularly to younger Americans—how it is achieved has changed.

THE RISE OF THE “DO-IT-YOURSELF” AMERICAN DREAM

The survey, MetLife’s 5th annual, uncovers emerging trends that show Americans are less concerned with material issues, and that life’s traditional markers of success—getting married, buying a house, having a family, building wealth—do not matter as much today. Rather, achieving a sense of personal fulfillment is more important toward realizing the American Dream than accumulating material wealth.

This is a significant shift, as it reflects that Americans value close relationships with family and friends as more important than money and that being content with what they have and balancing work/life issues are more important than “living large.” Today, material positions matter less and personal relationships matter more.

And for younger generations, “personal achievement” is the new “opportunity for all.” Though they show a greater tendency toward this vision of the Dream than their older counterparts, across generations, less than half of Americans say they need any of the traditional Dream markers to achieve it. The result is the emergence of the DIY American Dream.

And doing it yourself can mean hard, if rewarding, work. To earn more, Americans are working longer hours at their current jobs or taking second jobs to build financial security. In particular, nearly a quarter of Gen Y is taking freelance assignments while a fifth said they have a second job.

In order to better themselves over the long term, younger Americans will take a job they are overqualified for or change jobs, and seek additional training and schooling or even relocate. And while Gen X will also make those sacrifices, they are most likely to start their own business to achieve the Dream.

While Americans are more likely to say they are working harder than their parents, they also are saying that exceeding their parents' standard of living is no longer necessary.

THE VANISHING SAFETY NET

Today's American Dream is a reflection of the times, where nearly 75 percent of Americans believe they need to first build a safety net before they can achieve the American Dream. But, with 42 percent saying they could not cover their financial obligations for more than a month if they lost their job, planning for and acting to build that net can be a real challenge.

The result is a short-term approach to financial planning at the expense of longer-term thinking. It is an escalating trend, as the percentage of Americans saying they have become more focused on making a financial plan dropped from 40 percent last year to 31 percent this year.

This trend is due in part to a longer-term shift away from the reliance of receiving pensions and other financial support programs from the government or employers. Americans need to rely more on themselves, yet over a third of all Americans—and almost half of Baby Boomers—say they don't have the necessary financial skills to achieve the American Dream.

With or without an adequate financial safety net, Americans still are pursuing the Dream. The 5th annual *MetLife Study of the American Dream* reveals America's continued drive, a recast Dream, and the tightrope act each American performs in pursuit of it.

THE AMERICAN DREAM REMAINS IMPORTANT

Achieving the American Dream remains a milestone for Americans, who view their own success through the lens of achieving this sometime mythic goal. Younger generations, in particular, are attracted to the notion of achieving the American Dream, probably in part because they have grown up with stories of the sacrifices and obstacles their families have made and overcome to find success. They too want to achieve this Dream as it stands for a key measure of what it means to be an American.

How important is it to you to achieve the American Dream in your lifetime?

	All	Silent	Baby Boomers	Gen X	Gen Y
Very Important	41	14	33	42	55
Somewhat important	41	36	47	44	34
Not very important	15	35	17	12	10
Not at all important	3	15	3	2	1

TRADITIONAL MILESTONES NO LONGER ESSENTIAL TO THE DREAM

The American Dream does not mean the same thing today as it did for previous generations. The once romantic view of the Dream has shifted—no longer is achieving the American Dream closely tied to many of the traditional markers of success that have generally defined the Dream for decades. In contrast to the often-stereotyped early- to mid-20th century vision of a single family home on a nice street, a good car, a college education, a spouse and a few kids, Americans today don't believe any of these are prerequisites to achieving the American Dream.

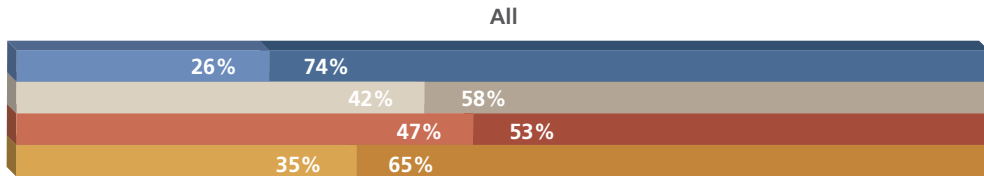
Is it possible to achieve the American Dream without...? % Saying Yes

	All	Silent	Baby Boomers	Gen X	Gen Y
A postgraduate degree	76	77	83	77	68
Being married	71	68	77	66	69
Having children	70	63	74	69	68
Being wealthy	70	69	75	70	63
A college education	65	68	71	69	52
Owning your home	59	69	66	54	51
Having great friends	51	50	50	54	48

MATERIALISM DECLINES AS MORE PEOPLE BELIEVE THEY ALREADY HAVE WHAT THEY NEED

Achieving the Dream has become less about money than it has about living a fulfilling, meaningful life. As that vision has shifted, the notion of “keeping up with the Joneses” is eroding. While there will always be new “basic necessities” — consider the cell phone, for instance—Americans are less likely to believe the bar defining core necessities is constantly rising. This year, nearly three quarters of all Americans say they have what they need when it comes to life’s necessities. Furthermore, this viewpoint is consistent across all demographics and has only increased since 2008, when the recession started to grip the nation.

Which of the following is closer to your view?



I feel like the bar is constantly rising in terms of the basic necessities of life

Oct 2011
Apr 2010
Jan 2009
Jan 2008

Oct 2011
Apr 2010
Jan 2009
Jan 2008

I already have what I need; the necessities in my life will always remain constant

PERSONAL FULFILLMENT RISES ABOVE MATERIAL WEALTH

Today, no generation sees wealth as the key to achieving the Dream, and only the Silent Generation says having enough money to live the way they want is most important. This can be attributed to two key factors: Financial success has always been the goal for these older Americans, and since this generation is largely retired, having money is currently the key to their happiness.

Younger generations are less fixated on money and focused more on their sense of personal fulfillment, and for them it is almost equally important to make sure they provide security for their children as having enough money to live their preferred lifestyle. The focus on personal fulfillment reflects a true shift away from “living large.”

Which is most important to you in judging whether you have achieved the American Dream?

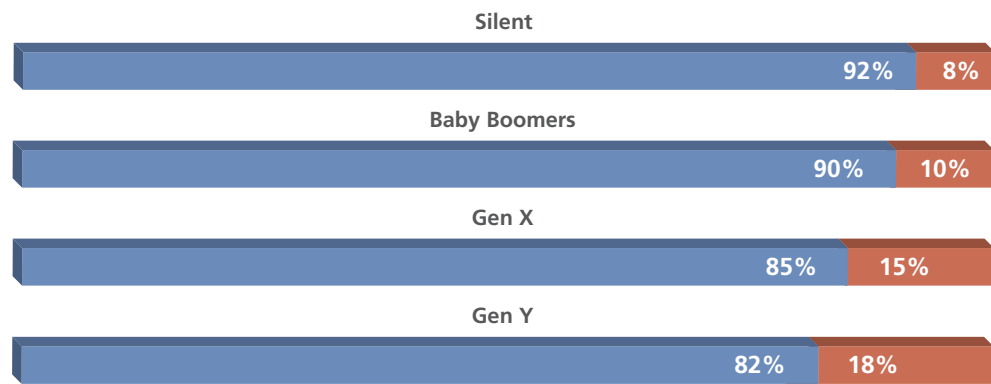
	All	Silent	Baby Boomers	Gen X	Gen Y
Feeling a sense of personal fulfillment in my life	29	30	31	28	28
Having enough money to live the way I want	27	40	30	25	20
Providing security for your children	18	6	16	21	21
Income and financial success	12	10	12	14	13

RELATIONSHIPS VALUED OVER MATERIAL POSSESSIONS

Knowing they value personal fulfillment more than material wealth, Americans are finding happiness in non-material sources. In the context of the current economic climate, overwhelmingly, Americans are reevaluating their priorities and seeking contentment in relationships with friends and family.

Today, material possessions matter less, and personal relationships matter more.

Which of the following is closer to your view?



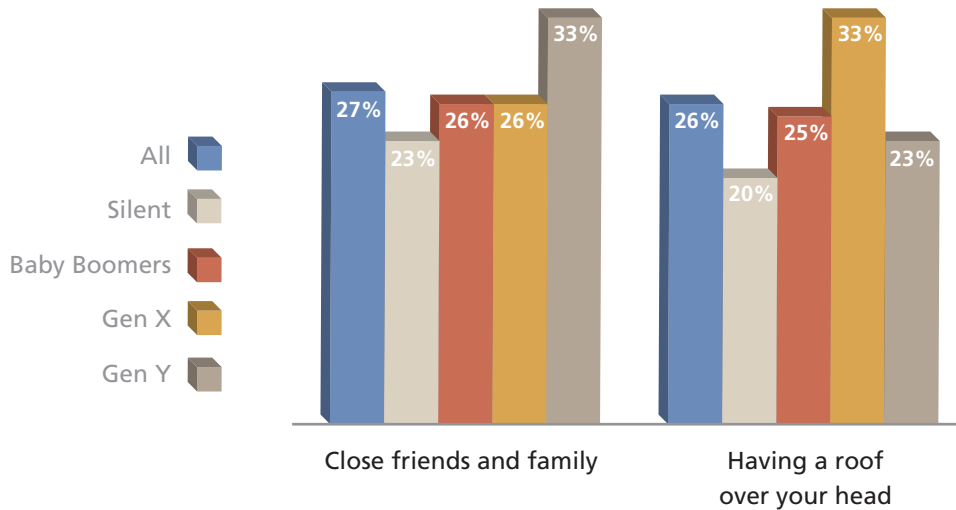
- The current economic situation in this country has caused me to reevaluate my priorities in life and place greater importance on relationships in my personal life and family rather than material possessions.
- Recent economic events have reinforced the importance of material possessions and my career over my family and personal life.

FOR MANY GENERATIONS, CLOSE FRIENDS AND FAMILY MORE IMPORTANT THAN A ROOF OVERHEAD

In fact, personal relationships have become so important to Americans that, when push comes to shove, they appear to have a difficult time choosing between a roof over their heads and having close friends and family. This dilemma doesn't exist for Gen Y, however, as close friends and family outranks having a roof over their heads by 10 percentage points.

Understandably, issues such as health increase significantly as Americans age, with 41 percent of the Silent Generation and 32 percent of Baby Boomers saying their health is more important than money, friends or having a roof over their head. This is clearly tied to the value one places on their own longevity—poor health is stressful and signals the fragility of life. Younger generations, with fewer health concerns and most of the future ahead of them, are much less concerned about their own health.

In the current economic climate, which of the following is most important to you?

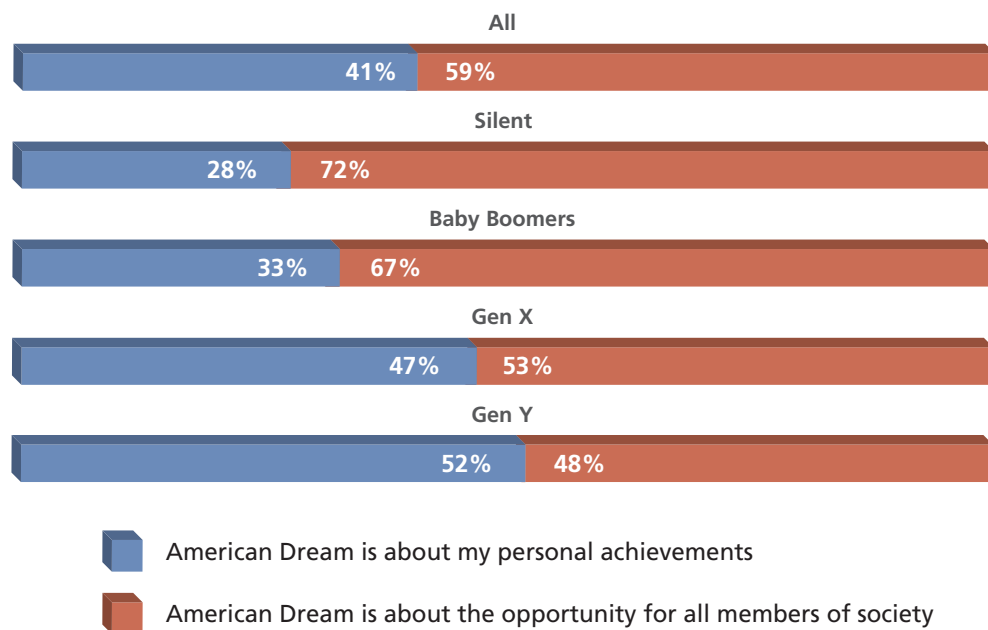


DREAM HAS BECOME MORE INDIVIDUAL AND LESS COLLECTIVE

While personal health may not be younger generations' focus, personal achievement certainly is. This set has a different view of what the American Dream represents. Not only are traditional markers of the Dream no longer required, but the collective nature of the earlier American Dream seems to have given way to an individualized version. Nearly half of Gen X and the majority of Gen Y see the American Dream defined by personal achievements rather than opportunity for all.

It is fairly easy to draw parallels between this "go it on my own" viewpoint and the gradual reduction in collective support systems available to Americans over the last century. Be it less health and retirement support from the government or from employers—or both—as those collective support systems shrink and Americans have to rely more upon themselves, their collective vision of a shared future may be following the same path.

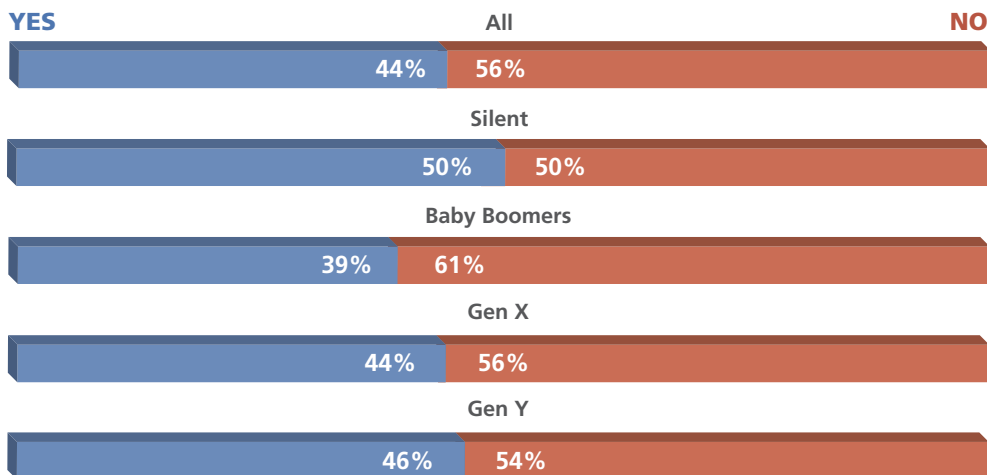
Which of the following is closer to your view?



EXCEEDING PARENTS' STANDARD OF LIVING NO LONGER THE GOAL

Regardless of whether the vision of the American Dream is a shared one, or more individualized, it is no longer about exceeding your parents' standard of living. From the dawn of America, one driving force in its forward progress has been the notion that through hard work, each generation could improve its standard of living relative to the previous. It is possible America has pushed that measure of progress as far as it will go for now, as Baby Boomers and Gen X and Y all say their standard of living does not need to be higher than their parents' in order to feel like they have achieved the American Dream. Baby Boomers, many of whom are on the cusp of retirement, are perhaps in the best place in time to look at their situations and truly assess whether they're better off than their parents. Notably, more than any other generation, they believe they do not have to surpass their parents to feel they have achieved the Dream.

Does your standard of living need to be higher than your parents in order to feel like you've achieved the American Dream?



AMERICANS WILL DO WHATEVER IT TAKES

Still, the American work ethic is thriving, an important notion that will help people realize a “Do-It-Yourself” version of the Dream.

In order to better themselves over the long term, younger Americans will take a job they are overqualified for, as well as seek additional training and schooling or even relocate. And while Gen X will also make those sacrifices, they are most likely to start their own business to achieve the Dream.

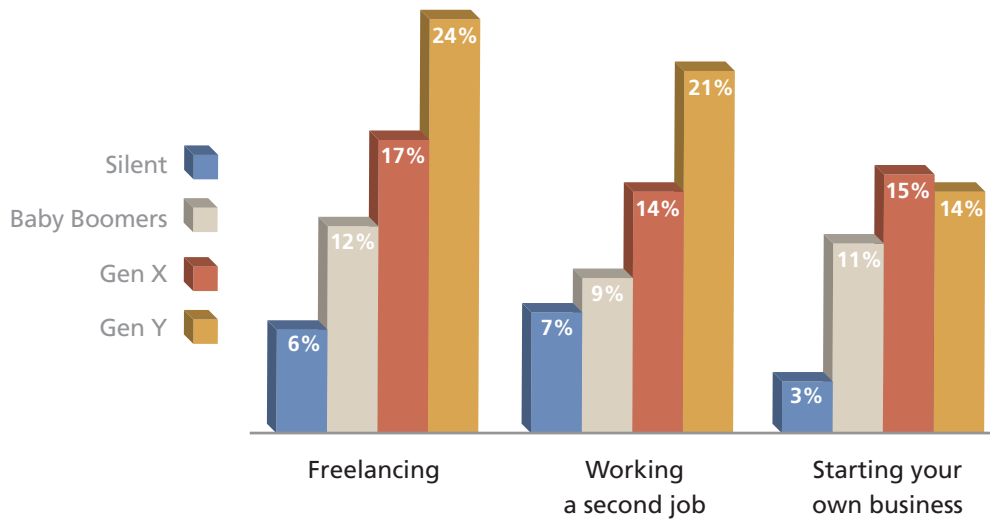
To achieve or sustain the American Dream for you and your family, which of the following would you be willing to do? Please select all that apply.

	All	Silent	Baby Boomers	Gen X	Gen Y
Take a job for which I'm overqualified	33	12	27	39	45
Get additional job training	33	6	23	41	48
Relocate to another city/state	30	10	27	34	40
Go back to school	29	5	18	37	45
Start my own business	25	9	20	34	30
Change industries	24	3	21	35	26

TO INCREASE INCOME, YOUNGER GENERATIONS GET CREATIVE

The changes people are willing to make reflect the times, where employment gains remain stagnant and Americans are relying on a traditional trait—creativity—to reach their goals of financial security. Beyond working longer hours, freelancing, taking second jobs and even starting a business—a hallmark of American ambition—are particularly strong across younger generations. This is likely due to the fact many of them are starting their careers in low-paying jobs and may not yet have their own families, and thus have more time to devote to work.

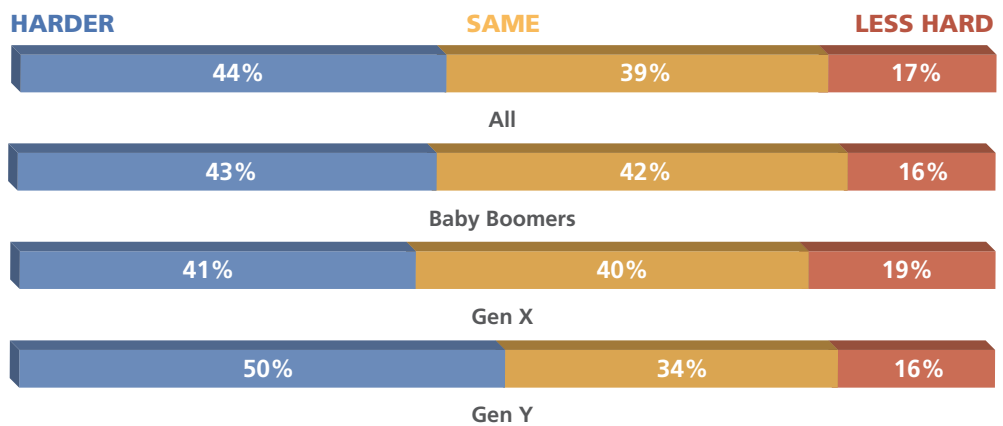
Which, if any, of the following are you currently doing to increase your income and financial security?



AMERICAN SAY THEY ARE WORKING HARDER THAN THEIR PARENTS' GENERATION

While Americans may no longer be trying to surpass mom and dad's standard of living, the perception is that it is not getting any easier. Across generations, Americans are more likely to say they are working harder than their parents did at their age. Such is evidence of the continued drive amidst a shadow of frustration.

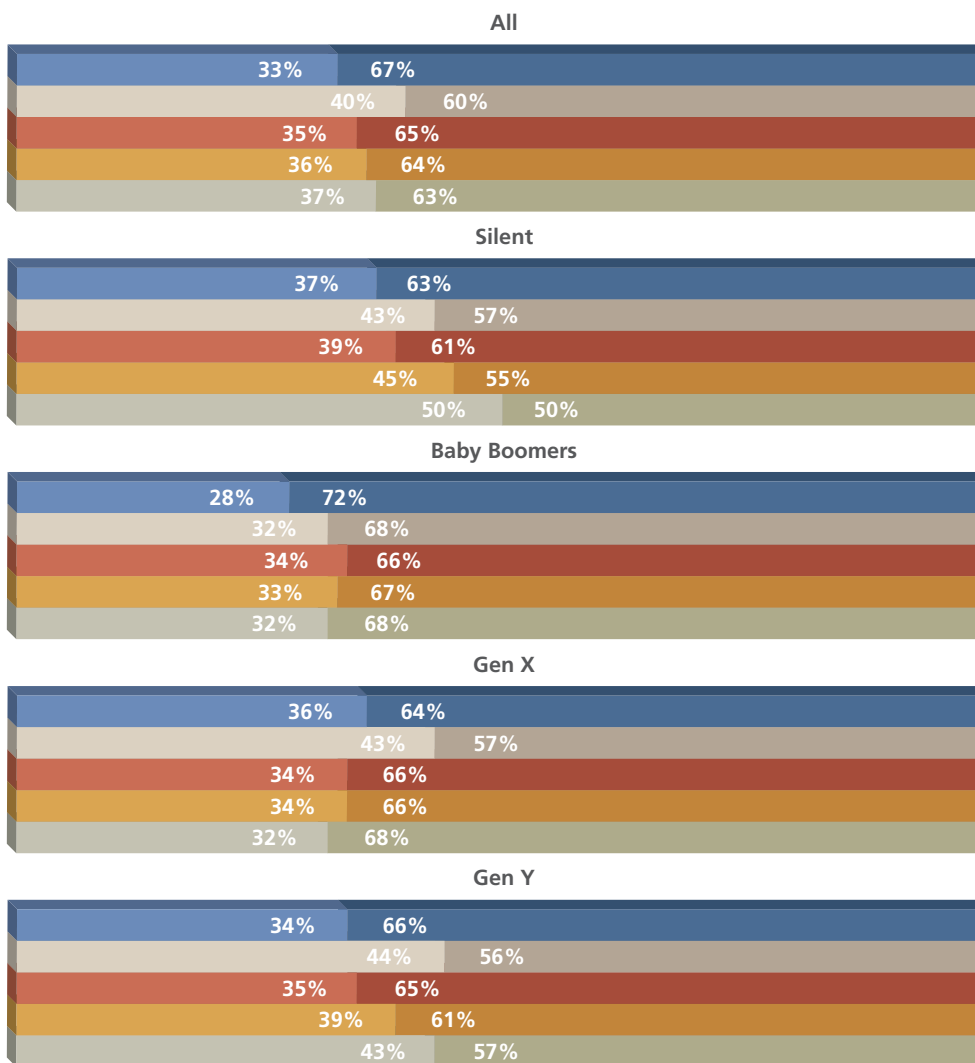
IF EMPLOYED: Compared to your parents, do you think you are working as hard, harder or less hard than they were at your age?



LESS CONFIDENCE IN GOVERNMENT PUTTING MORE PRESSURE ON INDIVIDUALS

With the perception that Americans are working harder than their parents evident, there comes a certain expectation that such hard work will get them ahead. But when Americans have to rely more upon themselves to do so, concerns about providing financial security can grow. This year, more than ever, Americans feel they can't rely on the government for financial security, and that is putting more pressure on them to provide their own. Only Gen X feels this sentiment less than they did in 2006; however, looking across other generations, the pressure is at the highest it has been since the study began.

Which of the following is closer to your view?



I'm confident I can rely on myself to provide for my family and for my financial security, even if I get less from the government.

Oct 2011
Apr 2010
Jan 2009
Jan 2008
Nov 2006

Oct 2011
Apr 2010
Jan 2009
Jan 2008
Nov 2006

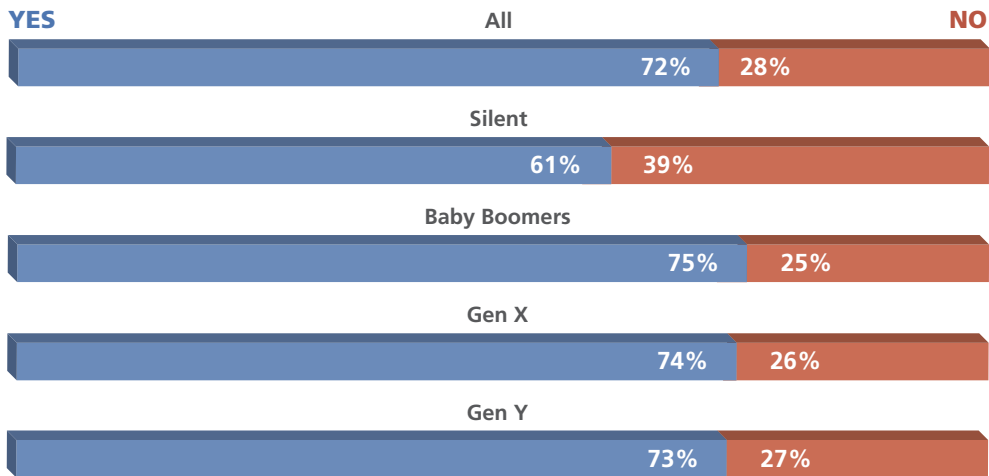
I can't rely on the government for my financial security, which means more pressure on me to provide for my family and myself.

FINANCIAL SAFETY NET VITAL TO ACHIEVING THE DREAM

It is no wonder Americans feel the pressure. They're still driven to achieve their own American Dream, they believe they're working harder than their parents, and they say the government is doing less and less to help them toward financial security. They see financial security—in the form of a financial safety net—as vital to achieving the Dream. Nearly three quarters of Americans believe this.

A financial safety net includes savings to cover living expenses in the event of illness, job loss, or other serious emergency, as well as financial and protection products such as life, home, and health insurance, annuities and retirement accounts.

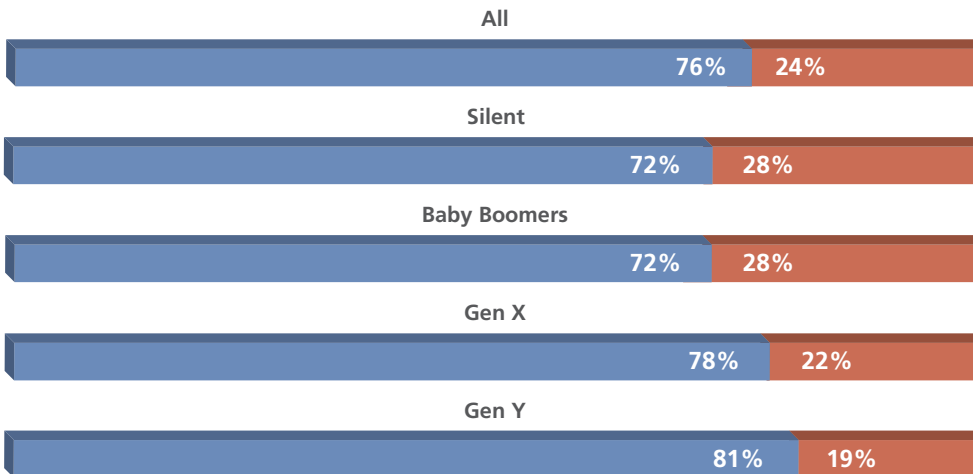
Does your ability to achieve the American Dream depend on having a financial safety net?





INTENT TO CREATE FINANCIAL SAFETY NETS REMAIN HIGH

Because they believe the safety net is vital to achieving the Dream, Americans are steady in their intent to create their own nets. Slightly more than three quarters of Americans say they are taking actions on their own to build their safety nets, rather than relying upon corporate and government programs.

Which of the following is closer to your view?

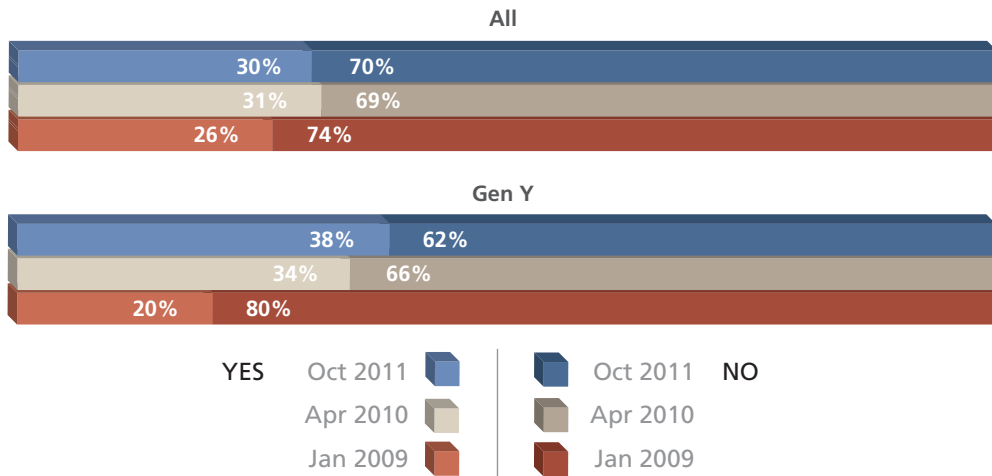


-  In light of uncertainty about traditional corporate and social safety nets, I'm taking action to create my own financial safety net to protect my and my family's financial future.
-  I will rely on the government and my employer to provide my financial safety net and hope that it's enough.

ONLY GEN Y MAKING PROGRESS IN ACHIEVING A SAFETY NET

Despite the drive, the recognition, and even the actions Americans take to build their financial safety nets, most do not feel they have an adequate net, and for all but Gen Y, little progress has been made in the past several years. Progress of course implies the ability to earn more than one spends, and to take those resources and invest them into safety net products. And such progress is difficult when Americans overwhelmingly cite living paycheck to paycheck as the number one issue preventing them from building an adequate safety net.

Do you feel that you currently have an adequate financial safety net?



IF NO SAFETY NET: Which of these personal issues is standing in the way of you achieving an adequate financial safety net? Please select all that apply.

	All	Silent	Baby Boomers	Gen X	Gen Y
Living paycheck to paycheck	53	48	57	51	54
Not having an adequate retirement savings plan	38	38	50	34	24
Not making enough money at my job	37	8	34	44	44
Having credit card debt	32	35	32	35	28
Not having a job	26	17	30	21	30
Not knowing where to start	22	1	19	23	32
Paying off my mortgage	22	29	22	26	14
Paying for health insurance	21	22	27	23	10

AMERICANS HAVE LIMITED CONFIDENCE IN THEIR FINANCIAL SKILLS

The old adage “pennies make dollars” speaks volumes about how, with a little financial planning, small efforts can plant the seeds for a healthy safety net. Yet, nearly one third of all Americans—and almost half of Baby Boomers—say they aren’t confident they have the necessary financial skills to achieve the American Dream. With only 17 percent of Americans saying they are very confident they have the right skills, taking some small steps to patch holes in financial safety nets will prove difficult for the many in pursuit of their own American Dream.

How confident are you that you have the necessary money/financial skills to help you achieve the American Dream?

	All	Silent	Baby Boomers	Gen X	Gen Y
Very confident	17	15	11	20	21
Somewhat confident	47	44	42	49	53
Not very confident	24	24	29	22	20
Not at all confident	12	17	18	10	6

CONCLUSION

Americans are living in challenging times. Still driven by one tenet of American progress—that hard work will get you ahead—Americans are working harder than ever, yet for many each step forward can feel like climbing a steep sand dune. Shaken by an intense economic downturn, the many Americans who live paycheck to paycheck are feeling greater anxiety about their ability to secure their futures and in turn, achieve the American Dream. Despite this, another tenet of progress—American ingenuity—endures in younger generations, and their drive is evident in the many ways they are getting creative with work to ensure they move themselves forward. But for all generations, the road forward is no longer one collective pathway, but a growing series of fissures, each unique in character.

This new “DIY American Dream” shows that the Dream is alive and thriving. If progress comes through change, then the evolution of this Dream from a once collective, idealistic and perhaps more materialistic vision, to something deeply personal and non-material reflects the sign of these American times. Driven to achieve the Dream while challenged to plan long term, more than ever, Americans are looking for guidance and support. Fortunately, though governments and employers may no longer be the primary resources for planning and achieving the American Dream, small, measured steps and a little financial planning insight can guide Americans out of the sand and onto firm, level ground.

THE AMERICAN SAFETY NET

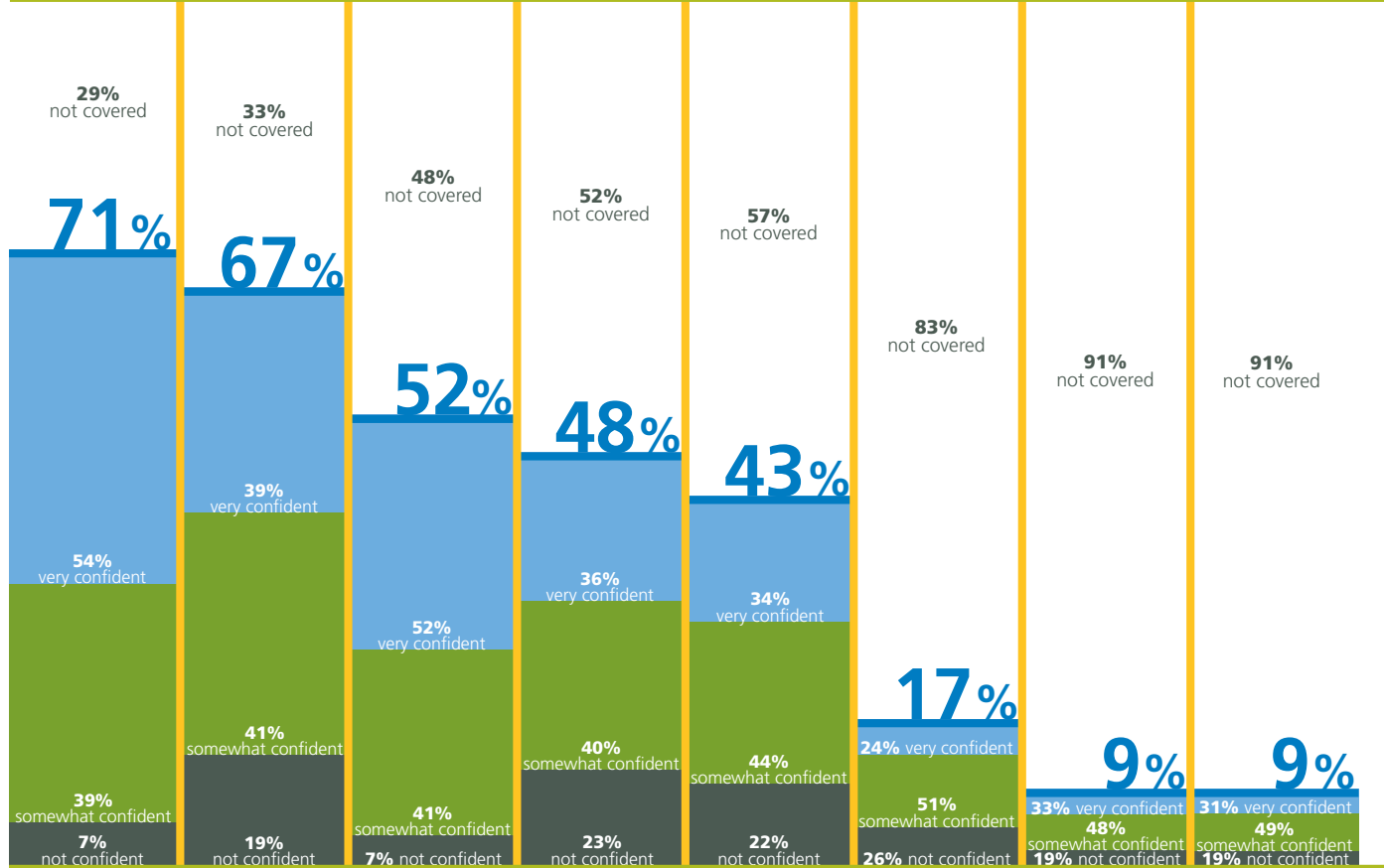
What **benefits** do you participate in?



% of participation within general population
100%

Participants: how **confident** are you that the coverage is sufficient?

very confident
somewhat confident
not confident



0%

METHODOLOGY

From September 26–October 10, 2011, 1,406 Americans were interviewed as part of the *2011 Study of the American Dream*. The study was conducted for MetLife by Strategy First Partners and Penn Schoen Berland. The following groups were surveyed:

	N-Size	Margin of Error %
General Population	1,406	±2.61%
Silent Generation Born between 1920 and 1945	169	±7.54%
Baby Boomers Born between 1946 and 1964	462	±4.56%
Gen X Born between 1965 and 1977	397	±4.92%
Gen Y Born between 1978 and 1993	378	±5.04%
African Americans	154	±7.90%
Hispanic Americans	183	±7.24%
Middle Market Age 25–44, Household Income of \$35,000–\$100,000s	563	±4.13%
Men	675	±3.77%
Women	731	±3.62%

MetLife would like to thank the following for the ideas and questions they contributed to the 2011 study:

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Jason at liverealnow.com

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