

24 million go from 'thriving' to 'struggling'

By Susan Page, USA TODAY

EXTON, Pa. — Casualties of the economic downturn include easy credit, rising home values, stable retirement investment accounts and 4.4 million jobs.

Some fear that the American dream may be in peril as well.

The aspirations that have defined the American experience — that those who work hard and play by the rules can get ahead, and that the next generation will have a better life than this one — have been battered by a devastating recession that shows few signs of having hit bottom.

"Maybe we were dreaming the American dream, you know what I mean?" says David McLimans, a steelworker. The mill he works for in suburban Philadelphia temporarily shut down last week amid the credit crunch. "I'm 63, so I'm not dreaming it anymore. I have what I have and I hope I can keep what I have, but my kids, I worry about. They're struggling."

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His four grown children have a lot of company. More than 24 million Americans shifted in 2008 from lives that were "thriving" to ones that were "struggling," according to a massive study by Gallup and Healthways, a Tennessee health management company. Results from its Well-Being Index — including physical and mental health as well as personal finances and job satisfaction — are being released Tuesday.

For the project, Gallup has been surveying about 1,000 people nearly every day since January 2008.

At the start of 2008, as the recession was beginning, slightly more people were "thriving" than "struggling." By the end of the year, after an economic meltdown that began with the subprime mortgage crisis, Americans by an overwhelming 20 percentage points were "struggling" rather than "thriving," 58%-38%.

The remaining 4% were "suffering," in more dire straits.

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The index categorizes respondents based on how they rate their current lives as well as their expectations of where they will be in five years. Among those showing the steepest drop were African Americans, business owners and executives, and people who were 35-39 years old — a stage in life when many are building careers, expanding families and buying homes.

Among those with the smallest decline were Hispanics, seniors 65 and older, and repair workers, whose skills suddenly may be more in demand as Americans try to make do with what they have.

No group was immune, however. High levels of education and income have protected many workers during previous downturns, but the Well-Being Index shows declines in 2008 across all age groups and income levels, among both men and women and in every major racial and ethnic group.

In Chester County, south of Philadelphia, the downturn has been felt not only by steelworkers in Coatesville but also investment bankers in Exton and among immigrants who toil on the mushroom farms in Kennett Square.

"People have lost their jobs and they're in the unemployment lines," says James Kennedy, the 91-year-old mayor of South Coatesville. Even so, he recalls, the Great Depression was worse.

"The current recession hits everyone and spares no one," says Andrew Dinniman, the local state senator and a professor of global studies at West Chester University of Pennsylvania. "The bottom line is: industrial worker, professional worker — we're all in this together."

The wide reach of hard times has made it difficult for Americans to use some traditional strategies to cope.

Get training for a new job? The index shows declines in every occupation, from business managers and professionals to clerical staff and service workers. Move to a different part of the country? The percentage of those "thriving" fell by double digits in the West, South and Midwest and by more than 9 percentage points in the East.

The findings underscore the enormous task the United States faces in pulling out of the worst downturn since the Depression and in

maintaining the sense of possibility that has marked the nation since its founding.

Optimism that individuals could reach better days ahead fueled the westward expansion, waves of innovation and the country's continued draw for immigrants from around the world.

The concept of the American dream reflects aspirations for the long term that have endured through good times and bad, but it is not indestructible, says Claudia Goldin, an economic historian at Harvard.

"What people mean by the 'American dream' is something that is not a snapshot; it's something that is played out over time and not just in their lifetime, but the lifetimes of their children," she says.

"It may be impervious to a short-term job loss, to a short-run health problem, but it's not going to be impervious to a slowdown of the entire economy that lasts for a very long period of time," especially if traditional gains in education are stalled.

In a USA TODAY/Gallup Poll taken last week, Americans by about 3-to-1 said they believed that with hard work they could achieve the American dream. Even so, one tenet of that dream — faith that the next generation will have a better life than their parents — is eroding.

Ten years ago, during an economic boom, 71% of Americans said it was likely that those in the next generation would be better off than their parents.

One year ago, 66% agreed.

Now, 59% do.

The pursuit of happiness

The groundbreaking Gallup-Healthways index makes clear how intertwined individual lives are with the nation's well-being. Dramatic shifts in the stock market and the jobless rate often correlated with changes in Americans' assessments of where their lives stood now and where they would be in the future.

Consider the Declaration of Independence's assertion of a natural-born right to pursue happiness.

The survey lists several emotions, including happiness, and asks if respondents experienced them the previous day. Weekends tended to have the highest percentage of those reporting happiness or enjoyment without much stress or worry — no surprise there — and Thanksgiving was the happiest day of the year, when 68% were upbeat.

The five days with the lowest levels of happiness all coincided with awful economic news.

Just 37% of Americans said they felt a lot of happiness and not a lot of stress on four downbeat days: Sept. 17, when the Dow fell 449 points; Sept. 29, when the Dow dropped 778 points and the House rejected President Bush's Wall Street bailout plan; Nov. 20, when new jobless claims hit the highest level since 1992; and Dec. 2, one day after the nation officially was declared in recession, pushing down the Dow by 680 points.

The unhappiest day of all was Dec. 11, when new jobless claims reached a 26-year high. A record-low 35% of Americans reported that day as a happy one.

For Amy Beers, the past year has been trying.

The 36-year-old woman from Perkasio, in Bucks County, had been on a fast track. She built a career in direct marketing, worked with an inventor who had developed a handheld device that could neutralize land mines without detonation, attended a land-mine conference in Croatia to promote it, then started her own firm to help local companies develop customer loyalty.

Last year, her business dried up. She tends bar at night to help pay the bills for her and her 7-year-old son, Zack, while she looks for a job in her field by day.

"I've gone from corporate America to the top of Comcast's shut-off list," she says ruefully. "It's been a truly humbling experience, and for a very long time I was embarrassed not to have a job. You go through the emotional loss. In some ways, it's like mourning. I've had those doubts and depression: 'Oh my goodness, my life is falling apart in front of my eyes!'"

"But at the end of the day, I know who I am. I know that this isn't permanent, and I really have belief that things are going to get better."

Even Beers' job at a Bennigan's restaurant in Montgomeryville is an opportunity, she says. The traveling business executives who stay in the adjoining hotel and come in for a nightcap might have a job at their companies.

Her pitch: "Hi, is anyone out there looking for an employee?"

Obama: Keep 'the dream alive'

President Obama regularly talks about the American dream as threatened and its restoration as a central goal. "We have begun the essential work of keeping the American dream alive in our time," he said when he signed the \$787 billion stimulus bill.

White House press secretary Robert Gibbs ticks off what the White House sees as elements of the American dream: "That you could get a job that pays a living wage, that if you got sick you wouldn't go bankrupt, that you don't have to be rich to send your kids to college, that you could have a secure retirement."

Safire's New Political Dictionary puts it this way: "The American System is considered the skeleton and the American Dream the soul of the American body politic." Author William Safire adds that the phrase "defies definition as much as it invites discussion."

Karen Beltran's family epitomizes one classic version of the American dream.

Her father came to southern Pennsylvania from Mexico to work on the mushroom farms and as a dishwasher, eventually bringing his wife and their two young daughters here. At first illegal immigrants, Jose and Martha Beltran eventually gained legal status and last month became U.S. citizens.

An organization in Kennett Square called *La Comunidad Hispana* helped them gain their high-school equivalency diplomas. They own their home now — he is a mechanic; she is employed at a potato-chip factory — and have sent their two older daughters to college.

Karen, 25, who graduated from Penn State in 2005, now works as a social worker at the same community center that helped them.

The downturn has postponed her father's hopes of moving to a new job and reduced their ability to contribute toward college expenses for their youngest, American-born daughter, who is now in high school. Still, ask Karen Beltran about the American dream and she plays down financial strains to boast about how close-knit her family remains: "We're still together."

In the face of a faltering economy, some analysts say, Americans may be redefining some fundamental ambitions. A study sponsored by Northwestern Mutual and being released today asked Americans to define "success." Topping the list were spending time with family, having a good relationship with a spouse or partner, being healthy and maintaining a good work/life balance.

Ranked near the bottom were such material goals as owning "the home of your dreams" and earning a high income.

Still, three of four in the nationwide poll ranked financial security as important — and only 12% said they felt secure in their finances these days.

Chris Connell, 50, owner of the Pig & Whistle Deli in Havertown, in Pennsylvania's Delaware County, has cut back on hours for his employees and stopped drawing a salary for himself as he struggles to deal with a cash-flow squeeze.

His wife's paycheck as an emergency-room nurse is keeping the family afloat for now.

Connell feels confident the economy will be better by the time his 11-year-old twin daughters, head into the workforce, but he worries about his three older children, including two who are now in college.

"The twins, we don't want to scare them. We don't want them to think someone is going to come along and take the house away," he says. "But we at least want to let them know that things are very, very tight and we have to work at this together. ..."

"I do still want the same things for them. Never going to stop the dream, absolutely. Never lower my standard of dreaming."

Generations fight to keep dream alive

*The economic downturn has affected nearly everyone in the United States, from white-collar professionals to blue-collar workers, new graduates entering the workforce to those nearing retirement. USA TODAY's **Susan Page** went to suburban Philadelphia to talk to residents about how their vision of the "American dream" is doing.*



Name and age

Chris Connell, 50

Karen Beltran, 25

David McLimans, 63

Amy Beers, 36

James Kennedy, 91

Home

Havertown

West Grove

Parkesburg

Perkasie

South Coatesville

Job

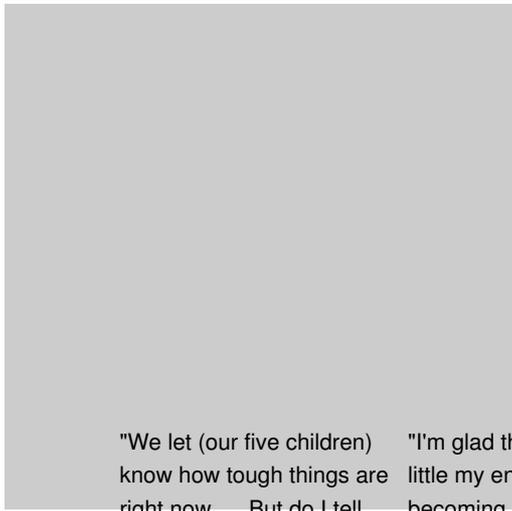
Owner, Pig & Whistle Deli

Social worker, *La Comunidad Hispana*

Steelworker president, Chester County Labor Council

Marketing consultant-turned-bartender

Mayor



**View of
the
"American
dream"**

"We let (our five children) know how tough things are right now. ... But do I tell them to try to cut their dreams down? Absolutely not. And do my wife and I? No. We still dream one day we're going to get through this tunnel. There's light at the end of the tunnel."

"I'm glad that little by little my entire family is becoming better as a whole. ... My dad (who immigrated from Mexico), he's always bragging about it: 'My daughters work here and there and they did this and that.' "

"We were going gangbusters for, I would say, probably 15 years. But in the last few months, things have basically started to just dry up. ... Considering that we make good steel, we've got a good reputation, it is alarming."

"I think the American dream is built on the credit industry. You need credit to do things like purchase a car and purchase a home, and now that the credit industry is really on its back, it's taken a piece of the American dream with it."

"The reason why I worked so hard, tried to do as many things as I did was so that my children or grandchildren wouldn't have to go through what I went through -- the discrimination and all the things I went through. ... I feel like I've succeeded, I do."



Photos by Eileen Blass, USA TODAY