

CHASING THE AMERICAN DREAM

by Larry Kaagan and Patricia Graham

How have the dramatic economic developments of the past decade transformed the American ideals of opportunity and self-fulfillment?

“Ah, those Americans.”

Those words have been spoken countless times by people around the world. Sometimes in admiration. And more often of late in exasperation.

From the first days of its founding, the United States has fascinated the rest of the world with its distinct character—an identity firmly rooted in an American Dream of rising from nothing to greatness, largely by virtue of talent and hard work.

And the Dream has been leveraged as a powerful marketing tool, to sell everything from cigarettes to prefab houses to political candidates. It resonates in marketing and advertising in ways that are so ingrained as to be barely detectable.

But time and tide have had their effect on the Dream, and the character of the people who believe in it. Over the past half-century, the changing faces of the American Dream have paralleled the evolution of the American character that leaves many observers frequently puzzled, often concerned, and sometimes downright angry. What’s happened to the American Dream?

At its core, the American Dream is rooted in a utopian faith in the perfectibility of the world. Perfectibility may well be in the eye of the beholder. But to the American character, worldly imperfections can and should be rooted out and made right, through individual or collective action. Americans have been and remain quick to spot shortcomings; they struggle to find the right course and strive ceaselessly for perfection.



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That sense of drive and purpose has helped construct an enviable track record of achievement. In his book *The American Dream*, author Jim Cullen identifies four basic ways of dreaming: upward mobility, equality, home ownership, and the lush lifestyles of the American West Coast. In this world, America remains the land of abundance—the country in which all is possible, with plentiful opportunities and potential wealth for all.

The psychology of opportunity and abundance is more than a spiritual hallmark. The belief that dreams can come true has helped make Americans far more likely than Europeans to act to take control of their own destinies, to take both personal and professional risks. A phenomenal 8 percent of Americans at one point or another have started their own business—far more than their European counterparts.

But this unshakable faith carries with it risk. When success comes too easily, at little or no perceived cost, the result may well be overly extravagant expectations regarding what can be achieved. It's this sense of the righteousness of the cause leading to inevitable victory that many people find troubling.

THE FACE OF THE DREAM

The American Dream remains a cornerstone of American thought and action. But it isn't made of stone, or steel. It is a living principle, shaped by the nature of the world

and the society in which it must live. The American Dream has a face.

In the immediate post–World War II period of the late '40s and '50s, the Dream enjoyed what might be considered its modern classical period—an age in which the drive to find security helped codify the building blocks of the Dream.

In this era, the American Dream rested on the firm belief that

- Hard work pays off in material well-being and respect.
- I will be better off with each passing year.
- My children will be better off than I have been.
- All hard-working Americans can own a home.
- Sacrifice, self-denial, and deferred gratification are virtues.
- Social acceptance is more important than self-expression.
- Faith in God and country is unquestioned.
- Cars, possessions, and vacations are all badges of respectability.
- Men and women have traditional gender roles as breadwinner and homemaker.

If this era made conformity a virtue, the children of the World War II generation made it clear that the American Dream could have many faces, not just one.

While the children of the '60s and '70s maintained the basic faith in America as the land of opportunity, the incarnation of the dream increasingly represented a dazzling diversity of choices and lifestyle options. In the face of what seemed to be nearly automatic affluence granted to America by its productivity and global economic role, self-denial seemed less necessary. The “me generation” concluded it was high time to cultivate the self and cast off traditional sex roles.

Self-denial, upward mobility, and material success assumed a decidedly lower profile in the Dream, supplanted by an imperative

to find one's true happiness. The desire to lead a “full and rich” life instead of a merely “successful” one as defined by others was both widespread and compelling.

But as the '70s gave way to the '80s, the center of gravity in thinking about the American Dream was forced to accommodate a new reality—that of economic uncertainty. Standards of living no longer moved up automatically each year. Second jobs became a necessity to maintain the desired standards of living. For the first time, Americans had to ask if the Dream really could apply to *every* American, or just *some* Americans.

And if the American Dream of this period had many faces, it was necessary to acknowledge that some of those faces may in fact have warts. The sexual revolution, widespread divorce, single parenthood, and



improvised schooling criteria had side effects, not all of which were attractive. The American character soon had to accommodate the reality of unintended consequences from change—from declines in education results and rises in sexually transmitted diseases to psychologically troubled kids and rampant drug abuse.

The struggle to balance responsibility with self-fulfillment remains at the forefront of factors shaping the American Dream, and with it the national character. A living wage remains essential, and many Americans still have trouble affording what they need or would like to have. But the indomitable spirit of opportunity through individual effort remains firmly in place.

The subtle shifts in the nature of the Dream are documented for us in the changing face of advertising. When Milton Berle and Sid Caesar ruled the airwaves, they touted the very stuff of post-war materialism: big cars, fine clothes, the latest in hi-fi technology, and glorious seventeen-inch televisions. The ideal life—the American Dream—was a collection of the latest and best things. “Having it all” meant literally that—having more and better things.

Fast-forward several decades. Ads continued to push the same material goods. But increasingly, the “things” of the

ads began to assume a different role—not as an *end*, but as a *means*. “Things” were tools to attain a new and different American Dream—a dream of feeling good about yourself... of finding self-fulfillment and self-satisfaction.

Nike’s tennis shoes became “just do it.”

Microsoft’s computer software became “Where do you want to go today?”

Home Depot’s home fix-it supplies became “You can do it.”

THE DREAM COMES HOME

The abstract discussion of changes in the American Dream turns real for most Americans in the arena of home ownership.

Home ownership remains a fundamental pillar of the American Dream, representing the most important source of wealth for most Americans. The total value of all nonstock assets held by the middle 20 percent of households in 1998 was \$97,600—more than ten times the average stock holdings for the same group. Overwhelmingly, those nonstock assets were in the form of home equity.

After holding fairly steady in the late ’70s and ’80s, home ownership rates jumped in the ’90s, reaching 68 percent in 2004. Much of the growth was fueled by low interest rates, aggressive lending by financial institutions, and a blazing drive on the part of individuals to own their homes. And in keeping with the evolution of the Dream, increases in home ownership coincided with increases in the size of homes, and their amenities (such as

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air conditioning, multiple-car garages, and electronic systems).

But the face of home ownership also has another side. Low wages, increases in unemployment, predatory lending practices, and a host of other factors have contributed to record foreclosure rates in recent years, and to growing reliance on home equity loans to solve other debt problems. Recent studies in Boston, Chicago, and Atlanta show foreclosures by “subprime” lenders have more than tripled.

If home ownership remains a cornerstone of the American Dream, that Dream today may not be quite as peaceful as it once was.

TOMORROW’S FACE

What will the American Dream be tomorrow? Will it still be built around the optimism of opportunity and accomplishment, or increasingly take on a bitter and bleaker tone?

There are ample arguments for bitter and bleaker. Stagnant wages, longer work hours, record levels of debt, lower savings rates, significant poverty levels—the fodder of pessimism remains abundant.

In 1990, a majority of Americans said they lived better than their parents lived, but did not expect their children to live better than them. While public opinion on this point continues to swing back and forth, it’s clear that most people have abandoned the idea that upward mobility is a given.

But even so, Americans continue to exhibit behaviors that say faith in the American Dream remains very much alive and well, thank you. Spending to achieve a desired

lifestyle remains strong, even at the cost of higher debt. More and more Americans own not only bigger and better homes, but second homes as well. “Country club living” thrives, even as personal savings levels fall to all-time lows.

The sense of opportunity seems to have survived into the new century. But the price of survival may be recognition that what’s required to turn opportunity into reality may be more difficult—and more risky—than ever.

The face of the American Dream at the beginning of the 21st century is decidedly different than that of fifty years ago. It’s a weathered face, with lines of experience. But no matter how it ages, it seems to retain one aspect through thick and thin.

It still seems to have a smile on it. ■

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