

**HOLDING FAST TO A DREAM: ESTIMATING THE PROBABILITIES OF
CLASS-VULNERABILITY AND CLASS-SECURITY
AMONG THE AMERICAN MIDDLE CLASS**

A Thesis

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ABSTRACT

The middle class has become increasingly vulnerable over the last 30 years for a number of reasons, which in part has compromised their capability to hold on to the American Dream. Still, we know very little about what proportion of the middle class is vulnerable at any given particular time and we know even less about why or even if these proportions fluctuate over time. Utilizing household and family data from the (PSID), my thesis uses survival analysis to assess the odds of experiencing class-vulnerability and/or class-security among the American middle class. My results indicate that through major stages of adulthood, over 90 percent of individuals in the middle class will experience either economic event. Results also indicate that the risk of experiencing either economic event is dramatically stratified by race and education. While income may purchase a ticket into the middle class, this research shows that the lack of economic assets or net worth is leaving the American middle class very vulnerable to economic shocks.

BIOGRAPHICAL SKETCH

Ashon Bradford was born on September 28, 1987 in San Diego, California. However, he was reared from age three in Jonesboro, Louisiana. In 2005, he graduated from Grambling State University Laboratory High School. After high school, he enrolled in the University of New Orleans, but shortly transferred to Grambling State University because of Hurricane Katrina. After graduating with a Bachelor's of Arts Degree in Sociology from Grambling State University in 2008, he enrolled in the graduate field of Development Sociology at Cornell University.

To all those who saw this before me

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TABLE OF CONTENTS

Biographical Sketch.....	ii
Acknowledgements	iv
List of Figures.....	vi
List of Tables	vii
List of Abbreviations	viii
1. Introduction.....	1
1.1 Purpose of Study	4
1.2 Research Questions	5
1.3 Organization of Thesis	5
2. Literature Review	7
2.1 The American Dream Examined.....	7
2.1.1 American Dreaming	7
2.1.2 Origin of a Dream	8
2.1.3 Dreams of the Founding Father	10
2.1.4 The Transcending Dream.....	12
2.1.5 A Dream Examined.....	17
2.1.6 A Dream Reexamined.....	24
2.1.7 Abandonment of a Dream.....	30
2.1.8 A Dream that Continues to Live and Thrive.....	32
2.2 Wealth and Assets in America: A Closer Look	33
2.2.1 Measuring Assets	33
2.2.2 The Wealth Divide.....	36
2.2.3 Do They Really Matter?.....	39
2.3 Measuring the American Middle Class.....	41
2.3.1 Historic Nature of the Middle Class	41
2.3.2 Occupational Definition of the Middle Class	44
2.3.3 Economic Definition of the Middle Class.....	46
2.3.4 A Relevant Class.....	49
2.4 Tale of Two Middle Classes	52
2.4.1 Origins	53
2.4.2 Disparities	56
2.4.3 Neighborhoods.....	57
2.4.4 Conclusion	59
3. Methodology	60
3.1 Data	60
3.2 Sample Distribution	61
3.3 Measures	62
3.4 Life Table Approach	64
3.5 Cox Proportional Hazards Model.....	67
4. Results	68
4.1 Overall Results.....	68
4.2 Demographic Differences	69
4.3 Cox Regression	70
5. Discussion and Conclusion	78
5.1 Discussion	78
5.2 Conclusion	81
Appendix A.....	83
Appendix B	87
References.....	99

LIST OF FIGURES

Figure 1: Homeownership Rates.....	21
Appendix A Figure 1: Fitted Models for Experiencing Class-Vulnerability by Race.....	83
Appendix A Figure 2: Fitted Models for Experiencing Class-Security by Race.....	84
Appendix A Figure 3: Fitted Models for Experiencing Class-Vulnerability by Education	85
Appendix A Figure 4: Fitted Models for Experiencing Class-Security by Education	86

LIST OF TABLES

Table 1: Waves of U.S. Immigration	20
Table 2: Median Net Worth Holdings by Race.....	63
Table 3: Median Net Worth Holdings by Education	63
Table 4: Life Table Analysis of Experiencing Class-Vulnerability (1 year) and Class-Security (3 years) for Three Cohorts.....	72
Table 5: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (1 year) for Three Cohorts: White versus Black	73
Table 6: Bivariate Life Table Analysis of Experiencing Class-Security (3 years) for Three Cohorts: White versus Black	74
Table 7: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (1 year) for Three Cohorts: By Educational Attainment.....	75
Table 8: Bivariate Life Table Analysis of Experiencing Class-Security (3 years) for Three Cohorts: By Educational Attainment.....	76
Table 9: Cox Proportional Hazard Models (1yr and 3)	77
Appendix B Table 1: Life Table Analysis of Experiencing Class-Vulnerability (6 months) and Class-Security (1.5 years) for Three Cohorts.....	87
Appendix B Table 2: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (6 months) for Three Cohorts: White versus Black	88
Appendix B Table 3: Bivariate Life Table Analysis of Experiencing Class-Security (1.5 years) for Three Cohorts: White versus Black	89
Appendix B Table 4: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (6 months) for Three Cohorts: By Educational Attainment.....	90
Appendix B Table 5: Bivariate Life Table Analysis of Experiencing Class-Security (1.5 years) for Three Cohorts: By Educational Attainment	91
Appendix B Table 6: Life Table Analysis of Experiencing Class-Vulnerability (9 months) and Class-Security (2 years) for Three Cohorts	92
Appendix B Table 7: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (9 months) for Three Cohorts: White versus Black	93
Appendix B Table 8: Bivariate Life Table Analysis of Experiencing Class-Security (2 years) for Three Cohorts: White versus Black	94
Appendix B Table 9: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (9 months) for Three Cohorts: By Educational Attainment.....	95
Appendix B Table 10: Bivariate Life Table Analysis of Experiencing Class-Security (2 years) for Three Cohorts: By Educational Attainment	96
Appendix B Table 11: Cox Proportional Hazard Models (6months and 1.5 years)	97
Appendix B Table 12: Cox Proportional Hazard Models (9months and 2 years)	98

LIST OF ABBREVIATIONS

AHS	American Housing Survey
BLS	Bureau of Labor Statistics
CEX	Consumer Expenditure Survey
CPI-U	Consumer Price Index for All Urban Consumers
CPS	Current Population Survey
CRA	Community Reinvestment Act
SDT	Self-Determination Theory
FHA	Federal Housing Administration
HDI	Human Development Index
HMDA	Home Mortgage Disclosure Act
GSS	General Social Survey
NCDS	National Child Development Study
NLSY	National Longitudinal Survey of Youth
NSBA	National Survey of Black Americans
PSID	Panel Study of Income Dynamics
SCF	Survey of Consumer Finances
SEO	Survey of Economic Opportunity
SES	Socio-Economic Status
SIPP	Survey of Income and Program Participants
SRC	Survey Research Center

CHAPTER 1 (INTRODUCTIONS)

Hold fast to dreams
For if dreams die
Life is a broken-winged bird
That cannot fly.
Hold fast to dreams
For when dreams go
Life is a barren field
Frozen with snow.

— Langston Hughes, “Dreams”

Over time, the American Dream has taken on various meanings. For many Americans, the dream personifies some form of success, whether it be economic or social. Over one-hundred and seventy years ago, Alexis de Tocqueville (1904) described the dream as the “constantly haunt[ing]...desire of obtaining wealth” for the man who fears that he will one day earn less than his father (p. 642). For Martin Luther King Jr. (1963), the dream was intertwined with racial equality. For the immigrant crossing the border, the dream is a manifestation of economic security (Massey, Durand, & Malone, 2003; Alba R. , 2006). But across all versions of the dream exists one ethos: every individual is responsible for his own destiny and is entitled to a fair chance at achieving economic stability. Despite its ambiguous nature, as the poem by Langston Hughes proposes, most Americans continue to hold fast to some form of the American Dream (Hochschild, 1995). According to a 2009 National Study from the Center for American Progress, more than one-third of Americans (34 percent) believe that they have achieved the American Dream and another 41 percent believe that they will achieve it in their lifetime.

For many Americans, the American Dream is embodied within the notion of a middle class. Historically, the middle class has represented security, stability, and the ideal class position for most Americans. Be as it may, there are structural inequalities embedded within the American Dream and middle class (Davis M. , 1986; Schwarz, 1997). The middle class remains an important class to examine, for its members constantly lie on the brink of riches but remain

forever vulnerable to poverty. For even in times of economic stability, most middle class families are only a job loss, a medical problem, or an out of control credit card debt from a financial catastrophe. The notion of insecurity stands in stark contrast to the values commonly associated with the American Dream. Individuals who work hard, play by the rules, and abide by faith are supposedly guaranteed a seat at the table in the middle class. However, the gap between the rich and poor has steadily increased (Wolff, 2010). Global forces have had a significant effect on the vitality of the middle class (Hytrek & Zentgraf, 2008), and middle class professionals are questioning whether a college degree or even a full time job will remain enough to maintain a middle class status (Mooney, 2008). There are volumes of literature on the history (Blumin, 1989; Bledstein & Johnston, 2001), the importance (Staff, 2009), and the ways in which many continue to believe in the American Dream (Hochschild, 1995). Yet, few studies have sought to examine what accounts for the ability of middle class Americans to retain the American Dream. What happens to those who achieve the dream or a middle class status? Do they live happily ever after? Newman (1988) posits that hundreds to thousands of middle class families plunge down America's social ladder every year. Conceptualized as the downward mobile, this class is composed of men and women who were at one time stable with a sufficient source of income but are now out of work and vulnerable to losing their middle class status. Yet as Newman suggests, the trajectory for the downward mobile varies greatly. Some experience a spell of poverty, while others find themselves dangling at a level slightly above the poverty line. So, what accounts for some members of the middle class to "fall from grace"¹?

Jacob Hacker (2006) contends that the downward mobile are a product of the "Great Risk Shift," the period in America where the common worker began to bear the brunt of the economic

¹ Phrase taken from the title of Katherine Newman's book, *Falling from Grace: The Experience of Downward Mobility in the American Middle Class*

risks associated with the market. Increases in the cost of health care, transportation, energy, and a college education has surpassed the growth of the income of most middle class families. Also, the middle class now carries more of the retirement burden as a result of the shift to private based pensions. Frederick Strobel (1993) argues that the middle class decline is a product of lower wages. Between 1973 and 2007, real wages fell by 4.4 percent in comparison to a 75 percent increase between 1943 and 1973 (Wolff, 2010). Massey (2009) attributes it to the inability of the U.S. to redistribute income effectively within a global society in comparison to other developed nations. Despite the last few years, the American economy has performed quite well. Yet, Sullivan et al. (2000) found that since the mid-1990s, there has been an unexpected upswing in bankruptcy among the middle class. They posit that the bankruptcy has become a safety net for middle class families in dire times. It provides middle class families with protection from creditors as well as the ability retain valuable assets that could have taken a lifetime to earn.

For Oliver and Shapiro (1990), the vulnerability lies within the lack of economic assets among most individuals in the middle class to carry them through unemployment spells. In 2010, according to the Bureau of Labor Statistics (BLS), 31 percent of former full-time workers suffering from a job loss experienced unemployment periods of 52 weeks or more. In terms of middle class occupations such as management and financial services, the average duration of unemployment was 29 weeks. Employment seekers in the middle class often face a daunting task. Oftentimes, jobs in their occupation sector are being displaced or eliminated, which forces many to take jobs that require less qualification with lower wages. A lack of assets is major deterrent for a family attempting to secure their middle class status. Not only is it a threat to family security, but it also makes it harder to pass on class status to offsprings. Economic assets

provide a “rainy day” fund when income is interrupted or adverse circumstances arise as well as a foundation for risk taking that leads over time to resource accumulation.

Economic security for the middle class largely rests on the ability to weather hardships. Whether or not a family can survive a major medical problem, increasing energy costs, or even a spell without employment is largely conditioned on their amount of wealth. However, a large percentage of American households are asset poor (Blau & Graham, 1990; Oliver & Shapiro, 1990; Keister L. A., 2000). Rising levels of debt and falling equity in homes has placed middle America in a fragile position in terms of wealth. Haveman and Wolff (2004) found that nearly 25 percent of American households lack enough assets to carry them through three months of interrupted income without enduring poverty. Using data from the Consumer Expenditure Survey (CEX), Wheary et al. (2007) found that 78 percent of American middle class families experience threats to their standard of living as a result of their lack of assets. Weller and Logan (2009) found that in 2007, only 44.1 percent of middle class families had enough wealth to cover a spell of unemployment and only 33.9 percent could cover an unexpected medical emergency.

1.1 Purpose of Study

The middle class has become increasingly vulnerable over the last 30 years for a number of reasons, which in part has compromised their capability to hold on to the American Dream (Horrigan & Haugen, 1988; Frank, 2007). Still, we know very little about what proportion of the middle class is vulnerable at any given particular time and we know even less about why or even if these proportions fluctuate over time. Furthermore, prior research (Oliver & Shapiro, 1995; Avery & Rendall, 2002; Gittleman & Wolff, 2004) indicates that the American middle class is highly stratified by race and that a large percentage of middle class Blacks² are asset-poor and are not in an economic position to fully reap the benefits of their class status. Using data from the

² The racial terms Black and African American will be used interchangeably in the paper.

Panel Study of Income Dynamics (PSID), this study will explore the ability of middle class Americans to hold fast to the American Dream by estimating the extent to which they experience class-vulnerability and/or class-security. I conceptualized the American Dream as those individuals who have achieved a defined middle class income status. This study is guided by three research questions.

1.2 Research Questions

1. What proportion of Americans in the middle class will experience at least one year of class-vulnerability and/or class-security on the basis of their net-worth? Does the proportion remain persistent over time?
2. Within the American middle class, is race significant in determining who experiences class-vulnerability and class-security?³
3. Does the risk of experiencing class-vulnerability and/or class-security vary by educational attainment?

1.3 Organization of Thesis

This thesis is divided into five chapters. In Chapter One, I situated my study within the context of debates in the literature about rising inequality and current explanations. This chapter also includes my purpose for conducting this study and my research questions. Chapter Two contains a review of literature on the American Dream, the middle class, and wealth. In this chapter, I take a historical approach to understanding how the American Dream has been defined and how it continues to remain a dominant ideological perspective. I also look at wealth and assets in America, and in particular the ways in which social scientist measure wealth and the hidden advantages and disadvantages associated with it. In addition, this chapter also reviews the various ways in which the middle class is measured and the differences between the Black and White middle class. Chapter Three provides information on my methodology. This includes an overview of the Panel Study of

³ Responding to the prosperity of the Civil Rights era, Wilson (1978) argued that “that talented and educated blacks, like talented and educated whites, [would] continue to enjoy the advantages and privileges of their class status” (p. 153).

Income Dynamics and my justification for its use as my primary data source. Also, I discuss my sample distribution and my method for measuring the middle class. In this chapter, I present my conceptualization and operationalization of class-vulnerability and class-security. Most importantly, this chapter covers my data analysis and the ways in which I use the Life Table Approach and Cox Proportional Hazards Model to answer my research questions. Chapter Four includes results from my analysis. First, I present my overall results from my Life Tables. Then, I show results from the effect of race and education. Lastly, I provide results from my Cox Regression Models. In Chapter Five, I discuss in what ways my results answered my research questions. In my conclusion, I elaborate on how my study contributes to the literature on inequality and the middle class, and I also provide implications for future research and challenges.

CHAPTER 2 (LITERATURE REVIEW)

2.1 The American Dream Examined

When all the privileges of birth and fortune are abolished, when all professions are accessible to all, and a man's own energies may place him at the top of any one of them, an easy and unbounded career seems open to his ambition, and he will readily persuade himself that he is born to no common destinies. But this is an erroneous notion, which is corrected by daily experience. – Alexis de Tocqueville (1840)

2.1.1 American Dreaming

Over eight score years ago the young Frenchman Alexis de Tocqueville depicted an American Dream that fostered upward mobility, equality, and an ethic of hard work, but as he accurately warned, dreams are often subjected to lived experiences. In the earlier years of the twentieth-century, dreams were considered as man's ideal solution for the fulfillment of his daily wishes (Freud, 1913), whereas psychologists (Barrett, 2001; Nielsen, Kuiken, Alain, Stenstrom, & Powell, 2004) now propose that dreams are the tool that enables man to solve problems that were unsolvable to him in a conscious state. Over time, the theoretical base on explanations of dreams have continued to evolve; however, their interpretations remain somewhat troubling and subject to numerous methodological flaws (Smith R. C., 1986). America is often referred to as a nation of dreamers, but whether these dreams are interrelated or vastly different has been under much debate for the past century (Freud, 1913; Hartman, 1973; Hobson, 2003).

The political scientist John Manley (1990) contends that there have been three dominant dreams among the inhabitants of America. For one, there is the dream of democracy; a dream that Americans and most historians equate with the founding fathers of the country. It is a dream promoted by America to other countries around the globe.⁴ Abraham Lincoln once defined it as the “government of the people, by the people and for the people.” Ronald Reagan was convinced

⁴ In the inaugural address of his second term, President George W. Bush opened with the statement that “[it] is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our world.”

that, “democracy [was] worth dying for, because it’s the most deeply honorable form of government ever devised by man.” Albeit, the democratic dream does not submit to the principles that all men are equal according to talent and ability, but only to the notion that no society [aristocratic] sharply divided between the rich and poor can be labeled as democratic. Furthermore, the dream asserts that as long as a middle class majority persists within society, economic inequality may be tolerated.

Alternatively, there is the dream of elitism. Within this dream, society is free of aristocratic strongholds and all are provided with the opportunity to obtain wealth, whereas market competition is allowed to prevail and the spoils are rewarded to those who win out. Ronald Reagan, who many researchers would argue was an elitist dreamer, once stated that, “America should always maintain a place where someone can always get rich.” America has remained a society that suffices to equal competition, while denying a curse of poverty or mass equality. The American Dream as we know today is no more than a compromise between the democratic and the elitist dream (Manley, 1990). It is a dream that remains elitist in nature, in that the top five percent of all Americans owned almost sixty percent of the wealth in the country (Wolff, 2004); yet, it is also a democratic dream that cherishes equality and the notion of a strong middle class.

2.1.2 Origin of a Dream

The phrase “American Dream” owes its origin to the American historian James Truslow Adams. Adams, born in 1878 to a family in Brooklyn, New York, received a master’s degree in philosophy at Yale University in 1900. In 1922, he was awarded the Pulitzer Prize in history for *The Founding of New England*, the first volume of his written collection on New England history. However, Adams is famously known for his usage of the phrase “American Dream” in

his book, *The Epic of America*. According to Cullen (2003), Adams originally sought to title the book, “The American Dream” but was persuaded by his publisher to change the title out of fear that no one would purchase a book about dreams. Nonetheless, Adams refers to the phrase over thirty times in the book (Cullen, 2003). Jillson (2004) acknowledges that Adams popularized the phrase but credits the political commentator, Walter Lippmann for the first usage of the phrase “American Dream” in his book *Drift and Mastery* in 1914.

As Smith (1986) notes, defining dreams is a very difficult task, and the American Dream has been no exception. The dream has been defined as everything from an ethos to a folklore, but as the lore of the dream continues to grow, so does its ambiguous nature (Schwarz, 1997; Davis M., 1986; Cullen, 2003). For many Americans, the dream is often defined within the boundaries of their aspirations or beliefs. Schwarz (1997) defines the dream as the ethos that “every individual should be able to get ahead and gain some measures of success through actions and means that are under his or her control” (p. 16). President William Clinton described the dream as the reality that “if you work hard and play by the rules you should be given a chance to go as far as your God-given ability will take you.”⁵ For Hochschild (1995), the genius of the American Dream relies not with its popularity but within its ability to create a balance between “what the polity must do because individuals cannot and, on the other hand, what individuals must do because the polity cannot” (p. xiv). For millions, the dream promises a source of prosperity and a sense of rejuvenation; howbeit, by no means is the promise unique within history. Religions, different forms of government, and rebellions have all promised a renewal of life, but what the dream does for many is not provide a promise but a guarantee that one will be successful if they are willing to work hard and play by the rules (Rus, 2009). Be that as it may, this guarantee is

⁵ These views were very instrumental in his signing of the Personal Responsibility and Work Opportunity Act (PRWORA).

facing serious challenges in the twenty-first century; for Jillson (2004) posits that “dreams regularly need to be reexamined, questioned, and compared with reality, to insure that they still mark the way to a future that serves the real need and interests of the American people” (p. xi).

In this section, I will take up this task and examine the historical significance of the American Dream and its resonance in the twentieth-first century.

2.1.3 Dreams of the Founding Fathers

The American Dream is often equated with the Pilgrims, independence, or the thirteen original colonies. Any American school history textbook will include a storyline on the voyage of the Pilgrims to the New World. During this era, America is frequently depicted as a land of freedom and vast opportunities. Furthermore, many accounts lack any reference to discomfort within the colonies other than the lack of food or hostile winters, but according to William Sachse (1948), after 1640, more individuals left Massachusetts for England than came thence to the colony. While the actual number of those who remigrated is unknown, Sachse (1948) does document that a “further cause of discontent, which frequently resulted in migration to the motherland, was the rigid and exclusive political and religious system prevalent in most of New England” (p. 253). In addition, not only was the quantity of men leaving for England significant but also their quality (Moore, 2007). Seven of the nine graduates in Harvard’s first class, that of 1642, returned to England. While scarcity in the colonies in terms of job opportunities may have been a key factor in return-migration, Sachse (1948) attributes the departures foremost to the “committees of townsmen sitting in judgment upon all strangers and not only denying grants of land to undesirables but whipping them and sending them out to the plantations” (p. 253). Also in terms of the physical and social conditions in the colonies, far little attention is given to the presence of indentured servants in the New England colonies (Galenson, 1984).

Often quoted from the Declaration of Independence are the lines that read, “We hold these truths to be self-evident, that all men are created equal, that they are endowed by the Creator with unalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness.” For a number of Americans, the phrase “pursuit of happiness” has become symbolic with the American Dream, a phrase whose meaning over time has become as ambiguous as that of the dream. Regardless of their meaning, for nearly nine decades these unalienable rights were constitutionally denied to many native born occupants of the country. Until the passage of the Thirteenth Amendment in 1864, “all men” would represent only White men, thus ruling out any rights for women, slaves, and Native Americans who all were active participants in the fight for the independence of the colonies. Proclaimed as one of the world’s greatest documents, the Constitution of the United States has withstood the test of time in creating a government that has enabled many to achieve the American Dream, but it has also stood its share of criticisms. Some researchers (Freehling, 1972; Beach J. , 2007) argue that the document has worked to maintain the privilege of a certain group while giving just enough rights and liberties to ensure popular support; therefore, creating an aristocratic privilege while solidifying the bondage of others.⁶

Many of the Founding Fathers in their latter years struggled with their views on the direction of the country. James Madison, a firm believer in checks and balances, was highly concerned with the growing problem of inequality. In the Federalist Papers No. 10, he writes that “the most common and durable source of factions has been the various and unequal distribution or property.” A prime example of this faction would be the rebellion, led by former Continental Army soldier Daniel Shays, that occurred after a number of farm foreclosures in western

⁶ Until 1868, Article 1 Section 2 of the U.S. Constitution read that “Representatives and direct taxes shall be apportioned among the several States which may be included within this Union, according to their respective Numbers, which shall be determined by adding to the whole Number of free Persons, including those bound to Service for a Term of Years, and excluding Indians not taxed, three fifths of all other Persons.”

Massachusetts. It is often seen as the first episode of class struggle in the United States. So what did the Founding Fathers really mean by independence? One argument suggests that independence meant the right to have access to the means of production without being subjected to the rule of an authoritarian figure. Other such as Schwarz (1997) contest that the Founding Fathers were not suggesting that all were entitled to the same measure of wealth but only to the same opportunities to attain it. Many contemporary scholars have taken on the question of whether the ideas of the Founding Fathers have held up to cotemporary processes and times (Furstenberg, 2006; Bernstein, 2009). Particularly, whether an American Dream of independence remains relevant or is even possible to attain in a global world where national sovereignty is on the decline.

2.1.4 The Transcending Dream

The ideological framework of the American Dream continues to change from generation to generation, whereas, the latter generation fails to identify with the dreams of the past generations. However, one ideology has transcended all generations. This is the belief that with hard work, all Americans are the heir to some form of success in life. Hochschild (1995) estimates that there are three dominant forms of success associated with the dream. The first is absolute, a success in which the attainment of a specific income status or material well-being is the desirable outcome. Striving to attain a certain status relative to a pre-specified standard comprises the second form of success. Generations of Americans often aim to have incomes or lifestyles that supersede those of their parents. Reports and articles are published annually on the generational income mobility of individuals in countries all over the world. The will to achieve something over someone else encompasses Hochschild's third form of success. This drive to attain more capital or move up the social ladder seems to haunt a number of Americans.

For Rifkin (2004), the dream has always emphasized the opportunity for all to pursue some form of success, “which, in the American vernacular, has generally meant financial success.” (p. 3). At the core, there has always been the idea that the dream offers upward mobility. Even when confronted with statistical evidence, many Americans continue to believe in the possibility of upward mobility. Americans are very fond of the “rags to riches” appeal, and for many it holds the foundation of the American Dream. For an example, a 2010 Google search engine returns nearly one million results alone for the key term “rags to riches.” Yearly, an individual is awarded the Horatio Alger Award, an award for a recipient who “demonstrates individual initiative and a commitment to excellence.” Horatio Alger Jr., a nineteenth century American author, penned numerous novels about individuals who defy odds to achieve success in life.⁷ Americans indentify well with the likes of Andrew Carnegie and Benjamin Franklin who for them epitomizes the notion of rags to riches (Cullen, 2003).

Franklin, an American icon, is touted in school books as the father of modern day electricity (Kulikoff, 2007). His name and/or portrait can be found on everything from a hundred dollar bill to the name of a plumbing company. Numerous biographers characterize him as a man from humbled beginnings who arrived in Philadelphia very poor, but through determination and hard work, rose to a middle class status. As the publisher of Poor Richard’s Almanac, he was responsible for a collection of proverbs that advised Americans on how to live a successful life. With less than two years of formal education himself, Franklin is well known for advising Americans that “early to bed and early to rise, makes a man healthy, wealthy and wise.” According to Kulikoff (2007), “Americans have taken the identity Franklin constructed, defined

⁷ For a short but descriptive summary of his stories, see pages 127-130 in *Pursuing the American Dream: Opportunity & Exclusion over Four Centuries*.

it as middle class, presumed it an accurate portrayal, and used his life story as emblematic for the American Dream” (p. 2).

Contemporary accounts of Franklin have challenged his image as a representation of the middle class. In the thirteen colonies, “middling people” were known as small property owners who worked independently. Furthermore, Franklin’s luxurious lifestyle and ability to associate with aristocrats moves him very far away from the notion of the American middle class today. In his classic study, *The Protestant Ethic and the Spirit of Capitalism*, Max Weber cited numerous passages from Franklin’s *Autobiography*, as an example of the spirit of capitalism. Indeed Franklin had followed a journey of upward mobility, but few men could duplicate his path without a substantial amount of capital or education. However, the notion of upward mobility embedded within the American Dream remains very compelling around the world. A comparative study of cultures in the United States and Australia shows that people in both countries perceive initially poor and subsequently rich individuals as more competent and likeable than initially rich and subsequently poor individuals (Mandisodza, Jost, & Unzueta, 2006).

In addition to hard work, most Americans believe that education is essential to the achievement of the American Dream. Americans feel strongly about their education system; no other institution in the twentieth-century was scrutinized and examined more than education. Hochschild and Scovronick (2003) propose that “education is the American answer to the European welfare state” (p. 9). When Americans have sought to invest in the well-being of the country, they have continuously turned to education. In 1944, President Franklin Roosevelt signed into law the Servicemen’s Readjustment Act. This bill now known as the G.I. Bill of Rights was very instrumental in providing educational opportunities for many World War II

veterans. The United States Congress, in 1965, passed the Higher Education Act, which was vital in providing many Americans with financial assistance to attend colleges and universities. It has been argued that schools are central to bringing all aspects of the American Dream together. Education is the institution where Americans not only reach an educational potential but also learn the values of being an American.⁸

The first notion of public schooling in the United States is referred to as the Common School Movement. Horace Mann, a retired lawyer and legislator, is recognized as the father of the movement. The movement was developed as an initiative to ensure that every child could receive a basic education through funding provided by the local tax base. Mann, a fierce believer in political stability, advocated that social cohesion depended strongly on education, which at the minimum would provide a basic level of literacy and common values. The first public school in the United States opened in Boston in 1821. Though the movement has become a success story, it was not without opposition. It was met with strong resistance in the South, out of the fear that hierarchy balances would be upset, because at the time, only a small number of wealthy White elites were allowed to attend school (Beach J., 2007).

According to the sociologist Heather Johnson (2006), public education is what ensures the American Dream of meritocracy to all children. Public schools in America were extolled as an answer to the aristocratic classes in Europe, but during this era, America began to develop its own class of elites. Elites such as John D. Rockefeller and Cornelius Vanderbilt are estimated to have had fortunes that were worth billions in the late nineteenth century. Over time, the American school system became an arena for particular interests. Many working class families and minorities fought for access to the education system, but access also brought increasing

⁸ Several debates (Mitchell & Parker, 2008) have taken place on whether patriotism should be taught in schools (i.e. Pledge of Allegiance).

diversity to schools in terms of class and curriculum. While some students were being prepared to perform in professional occupations, others were being directed towards employment in labor intensive and non-secure industries. One of the most contested issues of the nineteenth century evolved around the policies towards educating the former slaves (Watkins, 2001).⁹ At the time, equality in education was a threat to the prevailing racial order.

Education is considered as a great tool for upward mobility, but Americans highly disagree about their education policies. Most of the debate has surrounded around what is beneficial for a select number individual versus what is good for the whole. Compared to other industrialized nations, schools in America are a product of local decision making, and if communities are divided by race and class, then schools will likely follow. Children born into families of a different race or class often have various education experiences and opportunities (Johnson, 2006), and various researchers (Kozol, 1991; Lareau, 2003) have documented the differences in their life chances. Education is often seen as the great equalizer, but school is often the first institution that individuals experience failure or a negative effect in life.

From the time of its origin, the American school system has been plagued with the problem of inequality. The United States Supreme Court's landmark decision in *Brown v. Board of Education of Topeka* is held as America's biggest step to dealing with education inequality. The ruling declared that state laws establishing separate public schools for Black and White students were unconstitutional. Since the ruling, segregation in American schools had been on a sharp decline, but recent reports show that school segregation intensified in the 1990s. Gary Orfield (2001), Co-Director of the Civil Rights Project at UCLA, posits that segregation in schools is often related to poverty and many forms of education inequality. The contradiction in the American education system occurs when those who have achieved wealth decide to pass the

⁹ Also see *The Mis-Education of the Negro* by Carter G. Woodson.

advantages on to their children. Hochschild and Scovronick (2003) document that almost three times as many students from high-income as from low-income families are enrolled in college preparatory tracks. The public school system is in crisis according to some scholars (Kozol, 1991) and minority children have been abandoned there to decay. Others (Hallak & Poisson, 2007) suggest that the public education system is designed only as an efficient employment option for certain adults, which has led to misappropriation of funds and a phobia of substantial change. The American Dream and public education system may promise equal opportunity to those who are less fortunate, but it also provides legitimacy to those who prefer to keep most of their resources to help their own children (Hochschild & Scovronick, 2003).

2.1.5 A Dream Examined

The American Dream has become a culture phenomena intertwined within many aspects of society; the dream can be found in the title of music and films and is often the subject of numerous novels. Konovalova (2008) even argues that the entire cannon of American literature is a reflection of the dream. She suggests that all classical writers labored within and against the dream. The vast appeal of the American Dream lies within its ability to trump race, class, and even religion. The same dream can be found in the speech of a politician (Dodd, 2008), the sermon of a minister (Sodal, 2010), and even the rhyme of a hip-hop artist (Carter, 2007). While the dream has garnered the attention of researchers for years (Davis M., 1986; Schwarz, 1997; Hochschild, 1995; Hochschild & Scovronick, 2003; Cullen, 2003), three dominant topics are pervasive throughout most of the literature: racial equality, home ownership, and immigration.

Racial equality is a concept that touches every aspect of American society. W.E.B. Du Bois (1905) declared that the problem of the twentieth century was “the color line;” nevertheless, in the twenty-first century, many relations in the United States remain stratified down racial lines

(Massey & Denton, 1993; West, 1993; Emeka, 2009). The U.S. Constitution was unique among all industrial nations in that it banded slave holders and free holders in one union (Massey D. S., 2009). Southerners were determined to create a weak government that would allow them to hold on to their free system of slave labor. Hence, the origins of African Americans in the U.S. reside with the need of a cheap labor force in the founding years of the country. Although African Americans are no longer considered the largest minority group in the U.S., their presence and status proceeds that of most ethnic groups. Other racial groups are usually classified as immigrants, which will be discussed further down.

The 1896 ruling of the United States Supreme Court in *Plessy v. Ferguson* to uphold the doctrine that “separate but equal” was constitutional would stand in stark contrast to the American Dream for many African Americans; the ruling would not be overturned until a 1954 decision by the Supreme Court in *Brown v. Board Education*. The 1960’s in the United States is often characterized as a period of radicalism, the years of the Vietnam War, and the era of the Civil Rights Movement. The movement aimed at challenging racial discrimination and political injustices is often symbolized with Martin Luther King Jr. In his frequently cited *Letter from Birmingham Jail*, King would write that “when these disinherited children of God sat down at lunch counters they were in reality standing up for what is best in the American Dream.” However, he is most recognized for his 1963 speech “I Have a Dream” at the March on Washington in which he equated racial equality with the American Dream. President John F. Kennedy, who would introduce a Civil Rights Bill in Congress, often challenged the American Dream by questioning America’s ability to preach freedom around the world in spite of resistance to providing equal rights to all citizens.

Kennedy would be assassinated in 1963, and as a memorial to his deeds, Lyndon B. Johnson convinced Congress to pass the Civil Rights Act of 1964, a bill which became a catalyst for the Fair Housing Act and several other key regulations and executive orders regarding Affirmative Action. These orders were enacted to eliminate a manifest racial imbalance and to further ensure that employees would be treated equally despite race, creed, or nationality (Holzer & Neumark, 2000). Despite the fact that Affirmative Action policies are hailed as the agent that returned equality back to the American Dream, they are also the object of much criticism. It has been disputed that the policies provide unmerited rewards to a specific group. The political commentator, Shelby Steele (2009) argues that “affirmative action also fails to help Blacks achieve true equality with whites -- the ultimate measure which is parity in skills and individual competence.” Furthermore, critics contend that research has failed to identify any significant gains as a result of the policies. As a counter to the former argument, it has been proposed that the policies prevent one set of a group from using its historical advantage to attain unmerited rewards. Research indicates that while Blacks and Whites share similar ideas on the American Dream, they differ in terms of their beliefs in the role of discrimination in accomplishing the dream. Ironically, working class Blacks now believe in the American Dream more than middle class Blacks, which is a reversal from the 1960’s (Hochschild, 1995).

Missing from most accounts on the American Dream is the question of who is the dreamer rather than what is the dream (Schudson, 2004). Referred to as a nation of immigrants by John F. Kennedy (1964), America has always beckoned the immigrant by saying “get here any way you can, learn a skill or trade, study [my] ways, work hard, save, and America will make a place for you” (Jillson, 2004). (p. 57) For a substantial number of Americans, the United States provided a home where their poor ancestors could have an opportunity for survival and a

better source of life (Knoll, 1992). All Americans have immigrant stories that touch some kind of emotion whether they be good or bad (Orchowski, 2008). American films and television programs have transmitted images of American society worldwide (Clark, 2003), and as a result, many immigrants have an American Dream with little or no realistic information about American society. While arguably debatable, it is often suggested that the dream is more about the journey rather than the end results.

There are two competing perspectives on immigration within the United States. One perspective celebrates the contribution of immigrants to American society, while the other frets over the dismal conditions new immigrants have to endure (Clark, 2003). Immigration in the United States has been characterized by several waves (see Table 1). Recent literature on immigration and the American Dream has centered around one dominant question. Do all immigrants have the same chance of upward mobility or will a significant number remain trapped in the underclass? As Desmond Kings (2000) states, “Americans tolerance of diversity has always been easier in principle than in practice;” for the American Dream in no way has meant open borders (p. 1). The history of the country revolves around what immigrants were let in and under what nature. Enforcement of laws that allow only its citizens and legal immigrants to have the right to employment opportunities is among the protective role of the government in

Table 1: Waves of U.S. Immigration

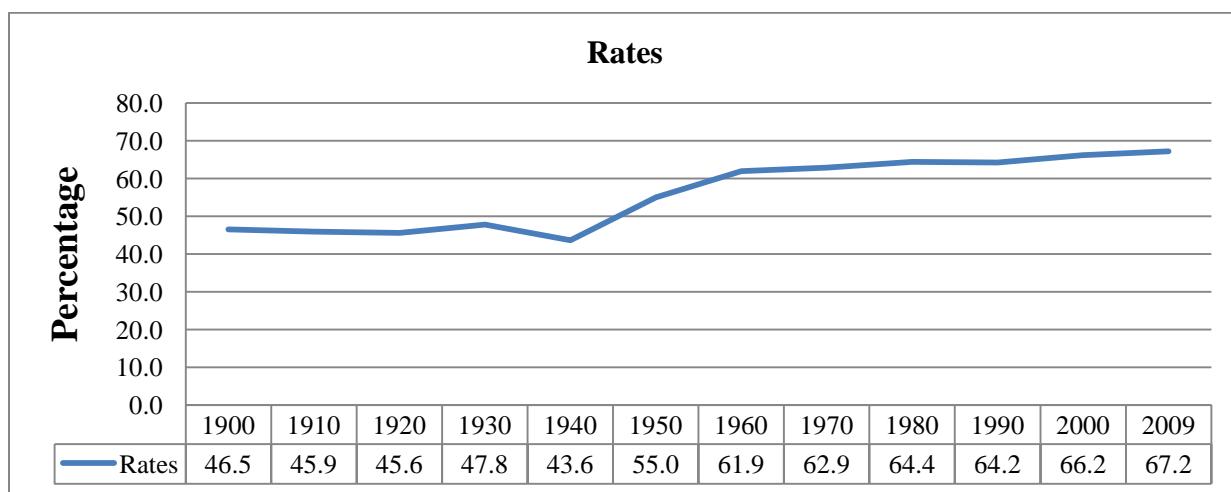
Era	Waves
1660s	The search for religious freedom.
1700s	An opportunity to build a new nation by White Europeans.
1800s	The flight from famine and starvation by southern and eastern Europeans.
1800s	A lust for gold by the masses and fortune hunters.
1920-1940s	An escape from the ravages of World War I & II.
20 th Century	The search for the American Dream by millions of economic immigrants.

Source: Margaret Sand Orchowski, *Immigration and the American Dream: Battling the Political Hype and Hysteria*, p. 18.

most countries. Immigrant policies in America have evolved from work opportunities to national security interests.

Homeownership is an intricate part of the American Dream (Rohe, Zandt, & McCarthy, 2002; Cullen, 2003). Seen as an essential key to gaining access in the land of opportunity, homeownership is often perceived as a reward or even a right for following the economic rules fostered by the dream (Blum & Kingston, 1984); it has even been considered as a symbol of citizenship. Shlay (2006) contends that “ideologically, homeownership has been portrayed as a political right seemingly more popular than voting” (p. 511). Home mortgage interest deduction is among the most important features of the U.S. Tax Code, and homeowners are frequently referred to as better citizens (DiPasquale & Glaeser, 1999). There is no consensus explanation for why homeownership became so strongly entrenched within the American Dream. Historical accounts credit fear of communism and labor unrest as a catalyst for the push of the government and industrialist to create a nation of homeowners (Shlay, 2006), and as a result homeownership in American increased every decade from 1940 to 2000 (See Figure 1.).

Figure 1: Homeownership Rates



Source: U.S. Census Bureau

The American Dream of homeownership has been connected to many positive aspects of society. Rohe et al. (2002) argue that there are three mechanisms through which homeownership influences opportunity options: wealth, health, and youth behavior. Homeownership often provides access to financial resources which may or may not include home equity. Owning a home is a major goal for many Americans, and becoming a homeowner is often correlated with higher self-esteem and better overall psychological well-being. Using the General Science Survey (GSS), DiPasquale and Glaser (1999) document that homeowners are approximately 10 percent more likely to know their U.S. representative by name, 9 percent more likely to know their school board head, and 15 percent more likely to vote in a local election. By providing a stable location and access to a good school system, homeownership has been known to correlate with an increase in the overall well-being of children. Analyzing data from the National Child Development Study (NCDS), Essen et al. (1978) determine that children who were in owner-occupied homes clearly had higher average test scores in reading and math. Children in families of homeowners are more likely to have fewer emotional and behavioral problems, graduate and perform better in high school, have fewer teenage pregnancies, and are more likely to become homeowners as well as becoming active in the wellbeing of their communities (Shlay, 2006).

While the American Dream of homeownership rose to pinnacle peaks in the latter half of the twentieth-century, the dream still remains out of reach for a portion of Americans. Historically, working and middle class White Americans have been homeowners rather than poor Blacks or other minorities. Documenting the problem of housing in urban areas was largely a product of the Chicago School.¹⁰ These researchers operated under the impression that homeownership would eliminate some social problems that were nature to urban areas. One

¹⁰ The “Chicago School” refers to a group of sociologists at the University of Chicago during the first half of the twentieth-century. The sociologists are best known for their groundbreaking work in the area of urban sociology.

explanation for low homeownership among minorities has been the steady housing segregation that has existed in America. Massey and Denton (1993) discovered that African Americans were so highly segregated in some inner cities that they were experiencing multidimensional hypersegregation.¹¹ In 1934, Congress created the Federal Housing Administration (FHA) in order to provide mortgage insurance on loans made by FHA approved lenders throughout the United States, but the FHA became an active participant in the denial or limiting of financial services to certain neighborhoods on the basis of ethnic or racial makeup. By classifying many urban neighborhoods as poor risks, this process known as “redlining” would limit many African American from owning homes and participating in the American Dream until the passage of the Fair Housing Act in 1968. In order to combat this problem, Congress enacted the Home Mortgage Disclosure Act (HMDA) in 1975 and the Community Reinvestment Act (CRA) in 1977. HMDA mandated that all lenders report the location of their residential lending and CRA made reinvestment a federal requirement. As a result, homeownership among minorities and low-income households rose to record levels in the latter half of the twentieth-century. Homeownership is commonly viewed as a substitute investment for stocks and mutual funds for low-income families (Shlay, 2006); yet, using data from the Current Population Survey (CPS) and the American Housing Survey (AHS), Gyourko and Linneman (1993) found that homeownership remains unaffordable for about 80 percent of renters. As a result, over twenty-one million renter families cannot be served by the low-income housing market in spite of improvements in federal policies and incentives. Researchers now argue that credit barriers based on discrimination no longer accurately explain the gap in homeownership; instead they

¹¹ This occurs when a race/ethnic group is highly segregated in multiple ways, no matter how segregation is conceptualized or measured.

suggest that wealth, human capital, and employment remain the largest obstacles to homeownership.

2.1.6 A Dream Reexamined

In 1840, Alexis de Tocqueville wrote that “[in] America [he] saw the freest and most enlightened men placed in the happiest circumstance that the world affords,” but within the same line he adds that “it seemed to me as if a cloud habitually hung upon their brow, and I thought them serious and almost sad, even in their pleasure.” Few scholars have captured the paradox of the American Dream as accurately as Tocqueville. According to the United Nations, the United States ranked among the top thirteen countries in terms of human development; yet, despite an abundance of employment opportunities, a notion of equality, and the highest Gross Domestic Product (GDP) in the world, the level of happiness in the United States has been on a decline in recent years (Stevenson & Wolfers, 2008).¹² Highly attributed to what many consider as the slow death of the American Dream and its decline in relevancy around the globe. According to Rifkin (2004), the “American Dream is far too centered on personal material advancement and too little concerned with the boarder human welfare to be relevant in a world of increasing risk, diversity, and independence” (p. 85). From his perspective, the dream is becoming increasingly irrelevant in an era of globalization and as result a new European Dream has risen to take its place. One must also strongly weigh the views of Rifkin; for not only has he been the advisor to the European Union, but he also considers himself the principle architect of the European’s Third Industrial Revolution long-term economic sustainability plan (Rifkin, 2010). While Hochschild (1995) is not as pessimistic as Rifkin, she does claim that the “defects [of the American Dream] may match or even outweigh its virtues” (p. xvii).

¹² The United States ranked thirteen on the annual Human Development Report by the United Nations in 2009. The Human Development Index (HDI) is a comparative measure of life expectancy, literacy, education, and standard of living for countries worldwide.

There have always been flaws in the tenets of the American Dream that has allowed certain categories of people to share the dream less than others (Hochschild, 1995; Schwarz, 1997). Only over the last fifty years have more than one-third of Americans even been presented with the opportunity to pursue the dream.¹³ Throughout most of American history, women and minorities were denied equal access in spite of the fact that the dream was built on the notion that all Americans were to have an equal chance in gaining success. Research continues to show that segregation, childhood poverty, and lack of social capital all contribute heavily to the life chances of most Americans (Massey, Gross, & Eggers, 1991; Duncan, Yeung, Brooks-Gunn, & Smith, 1998). Racial tension remains thick in America and a portion of Americans still hold negative stereotypes about Africans Americans and strongly blame them for their own historical economic circumstances (Rifkin, 2004; Brown, Akiyama, White, & Jayaratne, 2009). In regards to success, data has shown that over time, a small percentage of Americans have become wealthier, the size of the middle class has stagnated, and the underclass continues to grow (Wolff, 2010). These odds strongly question the notion that success results from actions and traits under one's control. Americans are firm in their belief that if people are given an education and free market rules are allowed to prevail, the talented and motivated will succeed and rise to the top. Nonetheless, Hochschild (1995) disputes that "Americans who do everything they can and still fail may come to understand that effort and talent alone do not guarantee success" (p. 30). Still, they have a hard time convincing others; for people who fail are presumed to lack talent or will.

Schwarz (1997) writes that he was driven to question the ethos of the American Dream after seeing a number of families failing to support themselves in spite of their efforts to search for better employment. Some had attributed their fate to their own lack of personal responsibility,

¹³ The National Voting Rights Act of 1965 outlawed discriminatory voting practices.

others placed the blame on the system and a few even cited a source of bad luck. However, it presents the question of life chances; do Americans really have the power to control their own destinies? Furthermore, is America really responsible for living up to the ethos constructed under the umbrella of the American Dream and if so, who bears the responsibility? Over time, an anti-ethos has risen alongside the American Dream. This notion of victimization, as defined by linguistic John McWhorter (2000), “foster[s] and nurture[s] an unfocused brand of resentment and sense of alienation from the mainstream” (p. 2). Attributing a dependency on the government for the rise in crime, illegitimate families, and many other social problems is a view prevalent throughout American society. Ronald Reagan was very instrumental in forming the ideology of the Cadillac driving welfare queen; an ideology still pervasive today despite mounting evidence against it.¹⁴ For example, a study by Redmond and Fuller-Thomson (2009) documents that less than half of eligible African Americans adults take advantage of the food stamp program.

Stratification in the United States is highly dependent on differences in occupational wages. Wage inequality in the United States increased dramatically in the 1980's, leveled off in the 1990's, and has increased slowly thereafter (Mouw & Kalleberg, 2010). In spite of the substantial growth in the number of low-paying retail and service occupations in the latter-half of the twentieth century (O'Loughlin, 1997; Mouw & Kalleberg, 2010); most Americans still operate under the impression that having a job makes a person self-sufficient. Jobs with enduring physical natures, such as poultry production and fast food preparation continue to be held in low regard, primarily because the American Dream implies that people remain in these jobs on the

¹⁴ In 1976, Ronald Reagan on the campaign trail consistently told the story of a woman from the South Side of Chicago who was arrested for welfare fraud. According to Reagan, “She has eight names, thirty addresses, twelve Social Security cards and is collecting veteran’s benefits on four non-existing deceased husbands. And she is collecting Social Security in her cards. She’s got Medicaid, getting food stamps, and she is collecting welfare under each of her names.” Despite decades of debate, there is no consensus agreement on the identity of the describe “Welfare Queen.”

basis of their own decisions, for all can receive training and pull themselves up by their own bootstraps. As an injustice to all employable Americans, the government at the state and federal level fails to compile an accurate documentation of wage levels and available occupations, instead choosing to rely on an employment rate that has proven to be inaccurate (Blanchard & Katz, 1997).

The American market economy is praised for its ability to create economic growth and mobility, but its capacity to generate economic disparity is often understated. How much truth still exists in the notion that the average American family still has the opportunity to get ahead, or how much stake does the American family still have in the American Dream? According to Julia Isaacs (2008), the Child and Family Policy Fellow at The Brooking Institution, one out of three Americans has a family income below that of what their parents was a generation ago. A 2010 report by The Rockefeller Foundation found that one in five American households are financially insecure. These households had experienced a decline in available income of 25 percent or more. A survey within the same report found that 20 percent of all Americans reported that they would face financial hardships if they were unemployed for more than two weeks.

The same American Dream that fosters equality, upward mobility, and religious freedom also has a dark side. Francis Scott Key Fitzgerald's novel, *The Great Gatsby* represents one of the greatest depictions of this dark side. Fitzgerald, whose life mirrored that of his protagonist Jay Gatsby, achieved wealth and prestige at a young age but was troubled in his own pursuit to support a lavish lifestyle. Several culture aspects of the American Dream associate happiness with the acquisition of wealth. Kasser and Ryan (1993) accede that "financial success has long been a core component of the American Dream" (p. 410). In a study on life aspirations and the American Dream, they document that the placement of importance on financial success is

negatively correlated with both self-actualization and vitality. Referred to as Self-Determination Theory (SDT), individuals who view money or capital as central values within life are more likely to be control oriented and less psychologically integrated (Kasser & Ryan, 1993). Their study suggests that the goal of seeking wealth does not usually bring happiness, instead a strong focus on the financial aspect of the American Dream may be an organismic nightmare.

One of the strongest aspects of the American Dream has been its ability to not only transcend generations but also cultures (Hamilton, 1999). Historically, cultures were separated on the account of geographical barriers and technological limitations, but overtime market-driven economics and attributes of globalization have challenged or even conquered these barriers. Within American society, individual pursuit of happiness is highly valued and wealth usually takes on a form of success. Some would argue that the negative well-being generated from the drive to financial success is specifically a product of American culture and social norms. Yet, a study on the American Dream in Russia found contradictory evidence to this assertion; Ryan et al. (1999) found clear evidence in a Russian sample that the more importance that individuals place on extrinsic goals (wealth, fame, and image) relative to intrinsic goals (personal growth, relatedness, and community), the more likely they were to report lower well-being. These findings are significant in that Russia was once organized as a central economy and only became a market economy less than two decades ago. However, Carver and Baird (1998) argue that studies on individuals who pursue the American Dream often “ignore the questions of why the goals were pursued, as opposed to what goals were pursued” (p. 291). Offering evidence, they suggest that people inspire to financial success for reasons other than to inquiring wealth; they imply that it often matters more why a goal is being pursued than the actual goal. Using data from the College and Beyond and American Freshman survey, Nickerson et al. (2003) pinpoint

that the negative impact of the goal for financial success on the overall life satisfaction actually diminishes as household income increases. Shedding light on the fact that the relationship between the American Dream and psychological well-being may be more complex than the evidence presented by previous researchers (Kasser & Ryan, 1993; Ryan, Chirkov, Little, Sheldon, Timoshina, & Deci, 1999), and the discrepancy between aspiration and attainment may not be as homogenous across American society.

In American society, there is often “a disjunction between one’s aspiration and the conforming means to achieve such goals” (Inderbitzin, 2007). (p. 236) Researchers (Derber, 1996; Messner & Rosenfeld, 2000) have questioned whether this disjunction within the American Dream incites some individuals to turn to crime? For the past thirty years, there have been two dominant theories in criminology associated with the dream. Strain theory posits that all Americans strive towards a set of universal goals despite their race, ethnicity, or social background. These universal goals are instrumental in allowing many Americans to achieve the dream despite economic or social obstacles. On the contrary, social control theorists contend that a number of Americans adapt to their circumstances by lowering their aspirations for success. However, Cernkovich et al. (2000) found that youth who report low incomes and lower levels of economic satisfaction often held on to their beliefs in the American Dream.

In America, one is often barraged with images of economic success and materialistic advantages, but with the rapid loss of manufacturing jobs in the global era, those individuals with less education and job opportunities are often subjected to criminal activity. Research has also shown that individuals who lower their aspiration are often more prone to criminal or deviant activities. A study on the American Dream among incarcerated juveniles found that many young offenders had been socialized to embrace the dream (Inderbitzin, 2007). On the other hand, their

inability to attain capital through legitimate methods often led to participation in criminal enterprises. In addition, institutionalized adolescents who were dissatisfied with their current economic circumstances were more likely to remain or return to the penal system. The United States has the highest per capita prison population among all industrialized nations, with drug related offenses attributing to a substantial amount of these cases. A study by Levitt and Venkatesh (2000) documents that a leader of a drug for profit gang could attain an annual wage between \$50,000-130,000. Controlling for the education and work experience of most gang members, this income would be greater than most obtain through legitimate employment. Another study of probationers in Washington D.C. by MacCoun and Reuter (1992) determined that, “drug selling is indeed a much more profitable activity than that same population’s legitimate occupations, both in an hourly basis and in total monthly earnings (p. 8) Inderbitzin (2007) argues that until society can partner realistic and educational opportunities for poor and minority youth, a “frustrated population of young offenders [will] continue to view criminal pursuits as their best chance to attain some semblance of the American Dream” (p. 248).

2.1.7 Abandonment of a Dream

In 1965, *The New York Times* published an essay by James Baldwin entitled “The American Dream and the American Negro.” Baldwin, one of the greatest American writers of the twentieth century, wrote that “[u]nless we can establish some kind of dialogue between these people who enjoy the American dream and those other people who have not achieved it, [America] will be in terrible trouble.” For a portion of Americans, the dream symbolizes the pool of water that recedes every time Tantalus bends down to get a drink in the *Illiad*. These Americans live in a country, in which they are surrounded by an abundance of wealth that

somewhat remains out of their grasp. This experience has propelled many Americans to reject the dream or deny the notion that realistic opportunities exist within its realm.

The rejection of the dream has largely centered around economic and culture explanations. In a study of labor in Indiana, Starks (2003) examined whether workers develop pessimistic attitudes towards the achievability of the American Dream in the face of dismal economic conditions. He claims that a lot of the scientific work analyzing the dream and employment was conducted in the era before the 1970's and does not accurately reflect the current economic crisis. Many American workers have experienced the effects of job terminations or downsizing, whether it be through personal experience or through the experiences of coworkers, friends, or even family members. According to Starks (2003), those at the top of the economic chain are more likely to believe in the American Dream, in which they receive the benefits of the system.

The poet Langston Hughes once asked, “[w]hat happens to a dream deferred?” A number of scholars (Lee & Welch, 1991; Steele, 1998) have sought to address the question of what happens to Americans who fail to achieve the American Dream, specifically who decides to abandon the dream, at what stage, and in what form? For some Americans, the dream has become more of a hindrance than an enablement. “[F]or the twenty million of us in America who are of African descent, it is not an American Dream; it’s an American nightmare,” Malcolm X told an audience at the University of Ghana in 1964. The pursuit of individual advancement and materialistic acquisition by a small portion of Americans has left millions of others unrewarded for their economic endeavors (Zangrande & Zangrande, 1970). One dominant rejection of the American Dream has been defined as oppositional culture. A theoretical explanation (dominant in the field of education) implies that minorities who perceive that they will receive less return

for their involvement in the dominant culture, develop a culture of opposition (Harris, 2006). Cornel West (1993) identified this as the nihilistic threat in Black America. It is an ideology that identifies with the “living fast and dying young” concept, a perspective that suggests that life chances for longevity are unavailable.

2.1.8 A Dream that Continues to Live and Thrive

Hochschild (1995) contends that there are not many rejecters of the dream but only distorters. In spite of overwhelming economic circumstances, many Americans continue to believe that they will achieve their understanding of the American Dream in their lifetime. A 2009 National Study of Political Values and Beliefs, documents that more than one-third of all Americans indicate that they have already achieved the dream, while another forty-one percent believe that they will achieve it in their lifetime (Halpin & Agne, 2009). In the face of unfavorable odds, why do so many Americans continue to believe in the achievability of the dream? One reason is that many Americans are in denial of their personal disadvantage; they need to believe that they are in control of one’s life (Hochschild, 1995). Despite mounting evidence, the American Dream continues to thrive, and I argue that American society revolves around the audacity to have hope or the ability to have a dream (one’s version of the American Dream) whether the odds or good or not.

2.2 Wealth and Assets in America: A Closer Look

I was born into it and there was nothing I could do about it. It was there, like air or food or any other element. The only question with wealth is what to do with it. – John Davison Rockefeller, Jr. (1956)

Having money ain't everything, but not having it is. – Kanye West (2007)

The rise of inequality in the United States has been highly documented (Wolff, 1995; Wilson W. J., 1996; Rank, 2004). The phenomenon has been attributed to changes in the U.S wage structure (Autor, Katz, & Kearney, 2008), trade relations and globalization (Deardorff & Haveman, 1995), the crisis of the public education system (Kozol, 1991), the breakdown of the traditional family (Becker, 1991), and even the consumption behaviors of Americans (Bae, Hanna, & Lindamood, 1993). Changes in the income distribution remains the most frequent cited measure of inequality in the country. But over the last thirty years, there has been a renewed focus by social scientist on wealth measures of stratification. What accounts for the reemergence of attention on wealth? For one, there is the return to the pioneering work of scholars such as Adam Smith (1776) and Karl Marx (1948) whose work focused on wealth or the means of production rather than income flows. Secondly, measures of stratification that use income often ignore historical processes and their effect on household well-being (Sherraden, 1991; Oliver & Shapiro, 1995). Finally, economic assets provide a “rainy day” fund when income is interrupted or adverse circumstances arise as well as a foundation for risk taking that leads over time to resource accumulation. In this section, I will provide a brief review of the literature on assets and discuss their implications for rethinking about American stratification.¹⁵

2.2.1 Measuring Assets

Assets are the rights to property of a person subject to the payment of debts. For the purpose of simplification, Michael Sherraden (1991) categorizes assets as tangible or intangible.

¹⁵ I will use “wealth” and “assets” interchangeably in part to similarity in conceptualization within the literature.

Tangible assets are physical property, protected and subjected to legal bylaws. They include money savings, stocks, bonds, real property, natural resources, and patents. Intangible assets are often a product of human characteristics or behavior. They comprise of access to networks or contacts, human and social capital, and access to credit. While these categories are a beginning framework, I caution that they are not always mutually exclusive and exhaustive. The principal or most common measure of total assets is marketable wealth or net worth. Net worth is the current value of all marketable assets minus any debt or liabilities. However, what accounts as a marketable assets varies across studies, whereas some measures include future assets such as Social Security and pensions while others do not. As a reaction to instability in the market price of assets, some scholars prefer the measure of financial wealth over net worth. Financial wealth takes into account the notion that some assets (e.g. a home) are not easily liquefied. There are two major theories that explain asset accumulation among individuals or households: the life cycle hypothesis and buffer-stock theory. The life cycle hypothesis proposes that individuals accumulate assets in order to maintain their consumption level of resources evenly across time (Ando & Modigliana, 1963). Buffer-stock savers set a target wealth to income ratio and accumulate assets as a precautionary measure to keep them above the target level if unexpected interruptions of income are to occur (Carroll, 1997).

Measuring wealth inequality in the United States suffers from the lack of systematic and accurate data (McNeil & Lamas, 1989; Sherraden, 1991). There are several proposed explanations for the scarcity of wealth data: (1.) A number of individuals are without knowledge of their true wealth holdings which leads to numerous reporting errors and non-responses. (2.) People are not always willing to disclose information about their assets out of fear of taxation or uncomfortableness. (3.) Few in academic circles or the general public are calling for a rigorous

examination of wealth disparities in the country. According to Daniel Radner (1989), there are several characteristic of quality wealth data: (1.) The data must be reasonably accurate and current. Though there are not usually dramatic shifts in the overall wealth distribution, stocks and bequests can greatly influence the asset holdings of an individual on a yearly basis. (2.) The data should entail the entire wealth distribution including all age groups in the population. Similar to income, wealth has a curvilinear aspect. Information, other than wealth measures, should also be included for all individuals in the sample. Socioeconomic measures are vital in making claims and examining the wealth distribution. Having data on units other than persons is imperative. Often resources are shared across the household or kinship networks. (3.) The wealth sample should be large enough to allow data to be aggregate and comprehensive enough to provide the researcher with enough measures to create a definition of net worth.

In the literature, three procedures are used by researchers to estimate the wealth distribution (Rander, 1989): (1.) There is the analysis of data from surveys. By 1984, there were three household surveys collecting data on wealth in the United States. The Survey of Consumers Finances (SCF) sponsored by the Federal Reserve Board began to collect detailed information on assets in a sample of U.S. households in 1983. In 1984, the Panel Study of Income Dynamics (PSID) and the Survey of Income and Program Participants (SIPP) added a wealth supplement. However, the three surveys have taken slightly different approaches to estimating wealth and produce different estimates of total net worth in the U.S. (Curtin, Juster, & Morgan, 1989). This is largely attributed to the structure of the questionnaire in the surveys. The PSID and SIPP use fewer question to measure assets, while the SCF includes over 100 questions on the same measure. Each survey does have its advantages, whereas the SCF has a sampling frame that represents more of the extreme wealthiest individuals in the country, the PSID has a

low-income supplement to capture more households in the lower end of the income strata. (2).

The wealth distribution is estimated from data collected on estate tax returns. Households do not always honestly report their assets on tax returns, and this data provides very limited SES characteristics of the household. (3.) There are synthetic estimates of wealth produced from non-wealth or income data.

2.2.2 The Wealth Divide

As discussed in an earlier section, achieving the American Dream is determined on one's ability to work hard and accumulate enough income to become successful and self-sufficient. When it comes to wealth, as John D. Rockefeller Jr. (1956) professed, some people are just born into it and “there [is] nothing [they] could do about it.” From the 1930s to the 1970s, wealth inequality in the U.S. declined and was even comparable to levels in other industrialized countries (Wolff, 1998). However by 1997, one American, William Gates had a net worth that was greater than 40 million American households combined (Wolff, 1998) and larger than the gross domestic product of 140 countries (Blankfeld, 2009). Using data from the Survey of Consumer of Finances (SCF), Wolff (2010) estimates that the share of net worth held by the top 1 percent in 2007 was 34.6 percent compared to the 2 percent held by the bottom 40 percent. The disparities in financial wealth were even greater, whereas the top 1 percent owned 42.7 percent, while the bottom 40 percent held a negative 9 percent. From 1989 to 2007, in an era where the stock market was extremely profitable, the average wealth of the top 1 percent rose by over 103 percent and the number of millionaires in the U.S. nearly tripled. During the same era, the bottom 40 percent saw their net worth fall by 63 percent, and the percentage of households with zero or negative net worth was 18.6 percent in 2007, up from 15.5 percent in 1983.

Recently, researchers have begun to make a concerted effort to examine the role of wealth in racial inequality or furthermore, estimate what Thomas Shapiro conceptualizes as the “hidden cost of being African American.” Oliver and Shapiro (1995) document that in 1988, a White household had a median net worth of \$43,800 compared to only \$3,700 held by a Black household. This disparity became even more pronounced in terms of financial net worth, where the average Black household held none. According to updated estimates by Wolff (2010), Black households made a small gain in terms of median net worth in the late 90s, but by 2007, the median net worth for a Black household hovered around only \$9,000 compared to around \$143,000 for a White household. In terms of financial wealth, the median for a Black household was still below \$1,000. Several factors have contributed to racial wealth inequality in the U.S. For one, Blacks were not allowed to accumulate assets through de jure or de facto governmental policies in the earlier portion of American history. Estimates of wealth inequality must take into account the role of historical processes in the country. Dalton Conley (1999) notes that when assets are entered into a model, the effects of common explanations for racial inequality (e.g. single parenthood) are usually minimized or disappear. Since Blacks were not allowed to accumulate wealth, intergenerational transfers have been minimal or nonexistent. A fairly new area of research has sought to determine the role of wealth between Blacks and Whites who have similar demographic characteristics. Blau and Graham (1990) discovered that after controlling for income and demographic factors, 78 percent of the wealth gap would still remain. Avery and Rendall (2002) estimate that Whites are three times as more likely than Blacks to receive a substantial inheritance over their lifetime. Taken this into account, they found that when inheritances are subtracted, the Black and White wealth gap diminishes greatly.

In their pioneering article, Oliver and Shapiro (1990) declared that one third of all American household were asset-poor. A household is considered “asset-poor” if it lacks a predetermined amount of assets considered necessary to survive or consume at a certain level for a specified amount of time without a source of income. Expanding on their assessment, Haveman and Wolff (2004), conceptualized and operationalized the concept “asset poverty.” A household is asset poor if its net worth falls below 25 percent of the poverty line for a family of its size. Using data from the Survey of Consumer Finances (SCF), they estimate that in 2001, 24.5 percent of all American households held an insufficient amount of net worth to keep them above the poverty line without a source of income for three months. In terms of racial differences, 47 percent of Black household were asset-poor compared to 19 percent of White households. Data from the Panel Study of Income Dynamics produced comparable numbers to those found in the SCF (Caner & Wolff, 2004).

What accounts for asset poverty? Kathryn Edin (2001) argues that it is the lack of income surplus and stability among households. Financial institutions will only extend credit to households that provide documentation of assets or income surplus. Oliver and Shapiro (1995) found that 40 percent of all White children and 73 percent of all Black children live in a household without financial resources. Government programs have been instrumental in depriving low-income families the opportunity to accumulate assets by employing mean tested programs for federal assistance programs (Sherraden, 1991; Edin, 2001). Stacie and Carney (2001) even found that after controlling for demographic factors, wealth is still negatively associated with being Black and receiving public assistance. Even for families in the middle class, the ability to save or accumulate assets is inhibited by the income status of their kinship network. Chiteji and Hamilton (2002) find that middle class Blacks are four times as likely to

have siblings below the poverty line in comparison to Whites. They determined that having impoverished family members is the third most important explanation for the wealth gap behind income and inheritance. Fisher and Weber (2004) also contend that geographical variables are important when examining asset poverty. Living in a central metro county is associated with having a higher likelihood of being asset poor in terms of net worth. Using data from the National Longitudinal Survey of Youth (NLSY), Keister (2008) found evidence that suggests that being a Conservative Protestant is also correlated with lower levels of wealth accumulation.

2.2.3 Do they really matter?

As the hip-hop artist Kanye West proclaims, one does not need economic assets to achieve the American Dream, but not having them has a dramatic effect on your chances. American families use income to support basic needs such as food, shelter, and clothing. However, in a market society, economic shocks such as unemployment, illness, and divorce are not uncommon. In dire times, economic assets can be liquefied and render stability to a household during these shocks or provide a glass ceiling that prevents a family from falling into poverty. Having wealth is an indication of control over resources and with the combination of income, it affords one with the capital to support a desired lifestyle. It also provides a household with the investment to take an economic risk such as purchasing a home. Owning a home enables a family to acquire wealth in the form of equity. Homeownership also provides service directly to a household and is a direct avenue to pass on intergenerational assets.

In addition, wealth creates an advantage in terms of developing human capital. Heather Johnson (2006) indicates in her work that parents often make education decisions for their children on the basis of their access to wealth. Creating an unfair advantage, children of wealthier parents attend better institutions and are the beneficiaries of opportunities earned by

their parents and not themselves. Shanks and Destin (2009) show that household wealth positively correlates with higher parental expectations for children, which also leads to higher education outcomes by the child. Orr (2003) documents that children with little or no wealth score lower on math assessments, regardless of parent's education, income, or occupation. It has also been established that wealth has a distinct influence on child development (Zhan, 2006; Yeung & Conley, 2008). The higher the portion of wealthy student in a school, the more likely a child will graduate and achieve high education outcomes. Moreover, wealth also leads a household to be more future orientated. Looking at portfolio choices, Chiteji and Stafford (1999) estimate that the likelihood of a family owning stocks and a transaction account is strongly affected by whether their parents owned them. Allowing individuals to worry less about resources, wealth reduces stress and provides access to high-quality medical care. Wealth also influences the risk of mortality even after other demographics factors are taken into effect (Bond Huie, Krueger, Rogers, & Hummer, 2003).

2.3 Measuring the American Middle Class

There are few terms in American English that have been as often misused, poorly defined, and politically operationalized as the term “middle class.” – Sven Beckert (2001)

America is often characterized as a middle class society. A large percentage of Americans identify with being in some form of the middle class. Middle class rivals only the American Dream as the most ambiguous, yet passionate and most frequently used concept in American society. It echoes through the corridors of political establishments throughout the United States. In 2009, Barack Obama even signed an executive order to create the “White House Task Force on Middle Class Working Families,” whose primary goal is to protect the interests of middle class and working families. Hypothetically, since there is a task force specifically focused on the middle class, than consequently every American cannot be in the middle class. So what constitutes the American middle class? G.D.H. Cole (1955) described it as an elusive concept despite whatever route one takes. However, in the twentieth-first century, much of the debate is centered on the attainability (Ornstein, 2007; Foster & Wolfson, 2010) and the protection (Sullivan, Warren, & Westbrook, 2000; Hacker, 2006; Frank, 2007) of the middle class in contrast to its definition. Be as it may, Americans consistently, identify with the middle class for its advantages whether it be values or a sense of economic security. This section will provide a survey of the literature on the formation and the composition of the American middle class.

2.3.1 Historic Nature of the Middle Class

One argument posits that the concept of an American middle class is so elusive because its definition is so intertwined within the historical nature of the country. Within the seventeenth century, we began to see references to a group composed of a “Middling Rank or Order” (Bledstein B. J., 2001). Ranks (similar to social class) developed as a method to give some form

of structure to society. There were visible codes, which indicated who someone was and where their status fitted in society. In contrast to social classes, ranks were ascribed to a person at birth. In the eighteenth century, Bledstein (2001) points to a transition from Middling Rank to “Middling Sort.” Within the Middling Sort developed a possibility for a more defined classification system as well as an aspect of mobility. The Middling Sort could not depend on the state to support their interests, but instead, relied heavily on the marketplace. Middling Sort was defined as the ability to own enough property to support a family, having a certain degree of competence, and having sufficient health. According to Bledstein (2001), it would take a man approximately forty-years to acquire middle status. For how one lived matter more than what one did. The average farmer, trader, or artisan was known more for their civilized manners and principles rather than their noble traits, and Benjamin Franklin was the man that provided them with advice.

The Middling Sorts took on the name “Middle Class” in the first half of the nineteenth century. This transition in name change was accompanied by the transformation in the political climate taking place in the country (Appleby, 2001). Not only had the American Revolution paved the way for independence from Britain, it also provided an avenue for political rights. Men and women who had fought for independence, no longer would allow themselves to be subjected to aristocratic rule outside or within the colonies. Alongside the middle class status developed a middle interest or agenda. This agenda drew largely on the notion of equality in power among men and tax relief on property. The middle class also started to view society as an economic structure composed of differences in occupations relative to dissimilarities in cultures or values aspects. In the latter half of the nineteenth century, there was an increasing conflict between the capitalist and labor class. As industrial profits from labor increased, individuals in the labor class

began to view themselves as heirs to some form of wealth. Rather than aligning with the laborers, the middle class distinctly separated themselves and became the petit-bourgeois (Applegate, 2001). In this sense, the middle class took on the position of micro-mangers of the working class. However, a middle class, who had prided themselves on independence and self-sufficiency, became dependent on salaries from the bureaucratic and capitalist class. In order to maintain their position in the power struggle, the middle class had to consistently present attributes that separated them from the class of laborers (Davis C. , 2001).

There are several ways, in which the American middle class in the twentieth century attempted to separate itself from the working or labor class. One was the purchasing of a home in a racially secluded neighborhood. After World War II, the government made a significant effort to develop the housing industry in the country. As previously discussed, the policies were far from being racial neutral. It became possible to distinguish oneself as middle class or upward mobile by owning a home, and for the first time in history, a person could purchase their way into the middle class (Mah, 2001). So not only did the middle class become socially and economically excluded from the labor class, it also became classified as predominately White. In addition, the American middle class, primarily after the 1970, became associated with a populist conservatism (Murray, 2001). Members of the middle class were strongly resistant to desegregation and integration of suburbs, while the wealthy classes donated substantially more to causes on racial equality. However, a counter argument suggests that the rich had the capital to avoid integration themselves and only wanted to protect their industries from class and racial tension in the country.

2.3.2 Occupational Definition of the Middle Class

The middle class over time has also been defined by positions of labor and occupations.

In the *German Ideology*, Marx makes a distinction between the big bourgeoisie, the petty bourgeoisie and the class of laborers. One of the main aspects of capitalism is overproduction that provides a surplus on the basis of the proletariat. As a result, a complementary class will evolve that will consume more than they produce (Urry, 1973). Therefore, as production expands, so will the number of unproductive service workers who are the beneficiaries of the increasing surplus. From this growing number of unproductive workers develops the petty bourgeoisie or the middle class that is responsible for the commercial operations necessary to manage the expansions of capital and labors. Several lines of theories have developed from Marx's situating of the middle class (Urry, 1973). In the first line of theory, the middle class is viewed as an extension of the ruling class who are appointed to manage the productivity of the labor class. In the second line, the middle class is situated as an extension of the labor class; for both classes lack ownership of the means of production. Thirdly, the middle class is a myth or a false view of society. The middle class is still composed of laborers who are evolved in a class struggle. Fourthly, the middle class is locked within an ambiguous situation. They have a bourgeois work settings, but their life and income is subject to the same market dimensions as the proletariat. As these various theories show, there are some inconsistencies in Marx's view of the middle class. For Marx (2007), the petty bourgeois would always have "to bow to the might of the great merchants and manufacturers" and would gradually disappear into the labor class. However, he could not foresee the new middle class occupations such as teachers, technicians, and professional workers.

According to C. Wright Mills (1951), in contrast to Europe, “the American middle classes enter modern history as a big stratum of small enterprisers” (p. 3). For in Europe, the peasants who originally owned the land were displaced by market forces, whereas in American, the market is older than the rural producer. Mills (1951) also argues that “[i]n American society, neither peasants nor aristocracy have ever existed in the European sense” (p. 4). The wide distribution of available land among common men was America’s claim to freedom. Since few men owned more property than needed to be sufficient, there were no large class of land owners, and men were separated not by material property but personal attributes. However, by the nineteenth century, Mills posits that no longer is this class of entrepreneurs dominant in American society, but instead have become layered between larger property owners and wage earners. This class of wage earners is composed of the descendants of former entrepreneurs who had fallen below some middle class threshold. According to Mills (1951), in 1870, one-third of the American population was comprised of the old middle class of entrepreneurs, but by 1940, four-fifths of all Americans were working to earning a living from the two to three percent of the population that substantially owned a significant portion of the property. Among these wage earners developed the new middle class, who are white-collar workers that earn a salary. Mills advocates that the new middle class has not developed evenly and is in no way a homogenous class. The great bulk are located in the lower portion of the income bracket and are now dependent on the market to dictate their chances to receive any income or power.

In the latter half of the twentieth-century, the U.S. transitioned from a highly regulated economy with a focus on mass production, mass consumption and social welfare to an open or flexible economy with a focus on individuality and market neo-liberalism (Hytrek & Zentgraf, 2008). There are two dominant events, which highlights this transition. The first was the

significant loss of manufacturing jobs. From 1979 to 2003, the U.S. lost approximately six million jobs in the manufacturing sector. Globalization began to compress time and space, therefore rendering capital more mobile. Secondly, there was a stagnation of wages and a reduction in the safety net policies, which were responsible for catching those individuals who fail out of the labor market. At this point, we also see the disappearance of the one breadwinner household. During this era, there is a strong push to associate the middle class with the jobs that were being lost in the manufacturing sector (Lawrence, 1984). Here the definition of middle class profoundly moves from cultural or personal aspects to occupation identification. Middle class employment took on a meaning of purchasing power of material goods such as owning a car or having a home.

2.3.3 Economic Definition of the Middle Class

The concept middle class crosses many disciplines and has acquired a number of discourses but remains without a concise or pervasive definition. Eisenhauer (2008) argues that there are enough valid reasons to justify an economic definition of a middle class. His foremost evidence lies in the notion that the American middle class is predominately influenced by economic policies that include taxation and redistribution. For example, Ellwood and Liebman (2001) document that middle class parents receive smaller tax benefits for rearing children in comparison to lower and higher classes. Dynarski (2000) even posits that governmental aid or tax saving programs increases the number of middle class youth attending college. Disagreement over the size of the middle class and its measurement have often attributed to the disparities within its economic definition. In their study of the “declining middle class” thesis, Horrigan and Haugen (1988), contend that there are three aspects to studying the middle class from an economic standpoint.

First, they suggest that the researcher must choose a unit of analysis or sample distribution as well as a measure of compensation (Horrigan & Haugen, 1988). These unit of analyses include: (1.) Individual: The middle class is composed of individuals who make rational decisions on the basis of their own survival. Hypothetically, it should be easy to track the income of wage earners from self-reported tax forms or the Bureau of Labor Statistics. (2.) Family: There is the notion of the middle class family. In American history, preferably before the 1960s, the male was usually viewed as the primary breadwinner, whereas the family income was defined by his earnings. Many economic models view the family as a homogenous unit that pools income; however studies (Lundberg & Pollak, 1996) show that children do better when mothers control the family resources versus the father. (3.) Household: There has been the move to look at the middle class household. The increase in cohabitation among the American family has been highly documented (Smock, 2000; Sassler & Goldscheider, 2004), where no longer is the family primarily composed of married individuals. Also, the U.S. has seen a decline in the one-income breadwinner family; for women went to work at increasing rates during World War II. The purchasing power of a household with two average incomes is now possible to support a middle class lifestyle. For example, homeownership becomes more feasible for a household with two low incomes when money is pooled. Then a researcher must choose between measures of consumption power. Some studies look at occupation wages and earnings. Problems can develop when you have within-group differences in wages; where, a wage for a store manager could equate to a middle class lifestyle in one region, whereas it may provide only a working class lifestyle in another. The most frequently used measure is total income. This measure does not take into account any role that wealth or generational bequests may play in acquiring or maintaining a middle class status.

Secondly, the researcher must select a method for measuring the size of the middle class (Horrigan & Haugen, 1988). Measuring the middle class critically depends on the boundaries constructed to separate it from the upper and lower class (Eisenhauer, 2008). In his measure of the middle class, Thurow (1984) selected households that had an income that fell between 75 and 125 percent of the median income in the U.S., which at the time consisted of only 23.7 percent of the U.S. population. Expanding the range to 60 and 225 percent of the median income, Blackburn and Bloom (1985) document a middle class that comprised 60 percent of the population. The Pew Research Center (2008) defines the middle class as adults who reside in a household with annual incomes that fell within 75 and 150 percent of the median income. Duncan et al. (1991), using after-tax incomes, conceptualized the middle class as households with incomes between the 20th and 90th percentile of the sample in the period. Wheary et al. (2008) considered households whose earnings fell between 200 and 600 percent of the federal defined poverty line as middle class. Defined with this measurement, 50 percent of all American households are included in the middle class sample.

Thirdly, the researcher must choose a technique to monitor or compare changes in the size of the middle class over time. One approach fixes the middle class as a percentage of the median income over time. Families or household that have incomes that fall within a certain percentage of the median income for a specified year will be labeled as being in the middle class. This measurement is highly subjected to changes in the distribution of the income in the country or differences in top codes in the data. The other approach measures the middle class as a percentage of adjusted poverty thresholds for households. However, the measures must deal with rates of inflation over a given period. A number of these studies (Horrigan & Haugen, 1988; Duncan, Smeeding, & Rodgers, 1991) use the Bureau of Labor Statistics' Consumer Price Index

for All Urban Consumers (CPI-U) to account for inflation. A less frequently used approach is the middle class index. Using this measure, a household or individual must satisfy a certain number of indicators or criteria on a scale consistently in order to be defined as middle class (Marsh, Darity Jr., Cohen, Casper, & Salters, 2007). As this survey of the literature implies, the middle class is still a very ambiguous concept. While the economic approach seems to hold the most promise, we see that there are various aspects that are not always accounted for in a model. As Horrigan and Haugen (1988) correctly state, “most studies fail to test sensitivity of the results to alternate specifications of the middle class and to different techniques” (p. 3). If anything, the researcher has the responsibility to deal with different approaches.

2.3.4 A Relevant Class

As the survey of the literature reveals, there is no consensus in academia on the definition of the middle class. If there is no agreement among researchers in the academy, who represent a small portion of society, then one could imagine the various definitions and perceptions that exist in the general public. According to a 2008 report by the Pew Research Center, 53 percent of all American adults classify themselves as being middle class. Ironic but not surprising, 41 percent of adults with \$20,000 or less in household income claim their stake in the middle class, as well as 41 percent of individuals with household incomes of \$100,000 or more. On the other hand, over one-third of individuals with incomes that fall between \$20,000 and \$100,000 claim no position in the middle class. Nearly the same percentage of Blacks (50%) and Hispanics (54%) identify with being middle class as Whites (53%); although historically, minority groups have lagged behind in total income. What accounts for the great amount of variance? Applegate (2001) is persuaded that the middle class is shaped less by thresholds and economic structures, but rather more by ideologies and emotions. In this claim, the middle class makes it interests

hegemonic and believable to most Americans in order to protect its privilege status. These interests such as hard work and family values can be connected with Americans of all economic classes. Using this notion, Prince and Schiff (2008) have identified the Middle-Class Millionaires, who are individuals with a net worth between one and ten million but continue to be employed.

Most of the recent literature (Rosenthal, 1985; Horrigan & Haugen, 1988; Beach C. M., 1988; Duncan, Smeeding, & Rodgers, 1991; Foster & Wolfson, 2010) on the middle class has sought to address the “declining middle class thesis.” This thesis posits that in the latter half of the twentieth-century, there was a transition in the size and economic stability of the American middle class. One explanation looks to the growing gap between sufficiency in production and middle class incomes in spite of the claim that Americans now work more hours than Europeans (Prescott, 2004). Frank (2007) points to the changing patterns of consumption in America. He argues that in spite of falling behind, the middle class has not reduced its consumption level. There is a pretty strong correlation between household income and estimations for what it takes to be middle class (Pew Research Center, 2008). The higher the income of an individual, the higher their estimation for being in the middle class. Prevailing rhetoric in society suggests that there is a middle class squeeze.

For many Americans, the middle class and the American Dream are nearly synonymous. In 2009, after creating the White House Task Force on the Middle Class, Barack Obama declared that “[t]he strength of our economy can be measured by the strength of our middle class.” Ideological evidence points to the notion that most Americans still ascribe to be middle class; however, recent trends in the rise of gambling (Wheary, Shapiro, Draut, & Meschede, 2008) and stock market risk points to the fact that most Americans now want to be rich. Whether the middle

class is still an ideal class position remains to be determined. Be as it may, the middle class consistently remains a reasonable goal for many Americans and an understudied concept in the academy.

2.4 Tale of Two Middle Classes

When it comes to looking at issues of race, the standard narrative of the middle class becomes decidedly ugly. Even the most committed multicultural scholars tend to view the American middle class as inherently white. – Burton J. Bledstein & Robert D. Johnson (2001)

As Bledstein and Johnson (2001) recognized, the American middle class has historically and inherently had a White identity. However, in her work on suburbia life, the anthropologist Lorraine Kenny (2000) discovered that the “[W]hite middle class thrives on not being recognized as a cultural phenomenon” (p. 1). Yet, any account that traces the origin of the American middle class to the colonial era leaves no space for people of color, since they were usually in a position of servitude. As a result Benjamin Bowser (2007) argues that the experience of the White middle class does not mirror that of the Black middle class. Since W.E.B. Du Bois’ (1905) proclamation about the role of “The Talented Tenth,” the Black middle class has received a great amount of scholarly attention. However, many of these studies have been ethnographic accounts of a particular urban or suburban neighborhood (Pattillo-McCoy, 1999; Lacy, 2007) or in-depth analyses of white-collar occupation structures (Collins, 1997), that face limitations in their ability to make generalizations. In all fairness, thorough and quality data on the Black population as a whole has not been abundant and did not become longitudinal till the late 1960’s which made it difficult to follow changes in the Black middle class over time. What research does show is that the American middle class is not homogenous, and that what defines the White middle class is not always applicable to the Black middle class. As Bart Landry (1987) states, “were this not the case, there would be no study of the black middle class, since their story would be inseparable from that of middle-class whites” (p. 22). In this section, I will provide a comparative analysis of the Black and White middle class.

2.4.1 Origins

The generational effect of slavery left many Blacks without a legacy of class or wealth (Oliver & Shapiro, 1995). Terms such as ‘old money’ (Aldrich, 1996) or ‘nouveau riche’ (Burris, 2000) are largely associated with wealthy Whites households. While some Blacks, such as Oprah Winfrey and Robert Johnson¹⁶ (Hawkins, 2009), have ascended to the status of wealthy on the basis of their lifetime earnings, the fact remains that they are exceptions rather than the pattern. In terms of social and economic hierarchy, the middle class has often been the pinnacle for both Blacks and Whites. Coner-Edwards and Edwards (1988) identify two categories of Black middle class families. The first group, the ‘nouveau Black middle class,’ ascended to the middle class from families who are predominately lower class. The second group is composed of descendants from families, who were often free before the Emancipation Proclamation or were beneficiaries of special treatment during or after slavery from select Whites. In terms of the White middle class, there is no systematic study of its origin. I argue that there are two explanations for the lack thereof. For one, the middle class has historically been viewed as White, and any study pertaining to the origins of the American middle class has relied on this presumption. Secondly, the notion of being White in America (Ignatiev, 1995; Brodkin, 1998) has changed over time. Scholarship on the White middle class has yet to unravel the assumption of homogeneity.

Sidney Kronus (1971) maintains that there were three classes of Blacks during slavery: field hands, artisans, and house servants. The largest group, the field hands, were subjected to labor intensive work. The artisans and the house servants fared much better in terms of labor conditions and were usually giving more responsibility. As a result of interracial relations between the two races, usually the slave master and a black woman, a group of mulattoes were ever present on the plantation. These mulattoes worked in close proximity to Whites as house

¹⁶ According to Forbes.com, Oprah Winfrey was estimated to have 2.7 billion in net worth in 2010.

servants. Kronus (1971) and Lacy (2007) argue that a system of stratification developed when slaves with White ancestry began to be the beneficiary of a lighter skin tone. They attest that the origins of the Black middle class can be traced back to the social hierarchy developed on the plantation among slaves. Concentrated among former slaves who purchased their freedom before emancipation were a large number of mulattoes who benefited from their position as house servant and direct descendant of a slave master. In the earlier half of the twentieth-century, Robert Park (1931) even presupposed that mulattoes were culturally advanced and the undisputed leaders of the Negro race. Advocating for the superiority of the mulatto, E.B. Reuter (1917) maintained that the best known Negros were those with more Caucasian blood than Negro blood. He documented that out of the twelve Negroes who had received doctorates at the time, eleven were mulatto. Decades later, E. Franklin Frazier (1957) who was influenced by Park's theory, argued that mulattoes were more prominent among Negroes. They had developed a system of intermarriage which allowed them to pass on not only their property but their most significant asset, their skin color. Using data from the National Survey of Black Americans (NSBA), Keith and Herring (1991) found evidence that complexion among Blacks remained a significant predictor of social economic status. While there is compelling evidence to support the notion that the origins of the Black middle class can be found on the plantation, Bowser (2007) warns that there is no consensus depiction of a plantation hierarchy among slavery accounts or documents. What we do know is that some former slaves were more prosperous than others after emancipation, whether they constituted a Black middle class is still up for debate.

After World War Two, the government lifted many Americans into the middle class through federal housing policies, the G.I. Bill, and greater access to higher education. However, these efforts were largely geared towards non-white Americans and lifted many Whites into the

middle class while leaving their Black counterparts behind (Wheary, 2006). Not until the Civil Rights Movement and an expansion in the economy did the size of the Black middle class double in size. Between 1960 and 1970, the percentage of Blacks in the middle class grew from 12.5 percent to 25 percent to encompass what Bart Landry (1987) labels as “the new Black middle class.” According to Durant and Louden (1986), this expansion came as a result of several factors. First, a dramatic increase in access to education propelled many Blacks into the middle class. By 1970, 80 percent of all American colleges had developed open admissions or special programs to allow minorities to attend college (Nettles, Thoeny, & Gosman, 1986). In 1971, Blacks accounted for 10.8 percent of all students attending college and between 1967 and 1974, the total number of Blacks enrolled in white institutions increased by a staggering 160 percent (Lucas, 1994). Secondly, returns to education opened the door to more occupational opportunities. Middle class Blacks were no longer concentrated in the traditional occupation of servants to the White community. They were now found working in more bureaucratic salary jobs and in some cases working side by side with Whites (Landry, 1987). Finally, there was the decline in racial barriers to economic prosperity. Sharon Collins (1997) argues that the Black middle class grew out of constructed policies to address economic inequalities in American society. She advocates that there were four vehicles that contributed to this growth: the Equal Employment Opportunity Commission, the Office of Federal Contract Compliance Programs, set aside government contracts for minorities, and social welfare programs. The War on Poverty and the Civil Rights Act of 1964 significantly transformed the social and economic status of the Black community. While these initiatives may not have created a “new Black middle class” as Landry suggests, we can agree that around the late 1960s, Blacks achieved greater education

qualifications and occupation prestige, indicators that are now associated with a middle class status (Lacy, 2007).

2.4.2 Disparities

One prevailing assumption is that the Black and White middle class in the twenty-first century are parallel in their economic and social status. Nevertheless, this assumption does not hold up in every situation. While the growth of the Black middle class is evident in terms of growing earning capacities, an income measure of the middle class often masks racial differences. In comparison to White families, middle class Black families are less likely to be dependent on the wages of one family member (Harrison & Gorham, 1992). In 2006, the median income for Whites households was \$50,000 compared to \$30,000 for Blacks (Wolff, 2010). Due to a leveling off of government hiring, decline in Black recruits to the military, and the shift in the number of industrial jobs, Black families must package incomes from various family members to achieve and maintain a middle class status.

Consistently, the middle class has been defined by occupation or labor participation (Mills, 1951). Advocates such as E. Franklin Frazier (1957) and William Julius Wilson (1978) have equated Black middle class status with white-collar employment. So the question arises, once Blacks become middle class, do they escape the pronounced economic disparity between Blacks and Whites in America (Cotton, 1990)? Or further, does having a white-collar occupation equate economic equality among the Black and White middle class? The majority of the evidence supports the negative. However, what is considered a middle class occupation is not totally clear. For example, Larry Tye (2004) describes that the Pullman Porter, was a middle class occupation in the Black community that held high esteem, but was also the worst job by earnings and prestige on the train. Harrison and Gorham (1992) documented that a White college

graduate was twice as likely to earn more than a Black graduate with the same degree. Blacks are disproportionately located in lower middle class occupations. Looking at disparities in wealth in the middle class, Shapiro (2004) found that Whites had \$96,500 more in net worth than Blacks in the same occupation. After controlling for education, income, and occupation, Whites still have at least three to five times more net worth than the average Black middle class household.

2.4.3 Neighborhoods

Homeownership in suburbia America is a viewpoint often associated with the middle class. The yearning of homeownership and security exists for the White and Black middle class, but as John Stahura (1982) suggests, “suburbs also play an active role in selecting in-migrants with socioeconomic characteristics consistent with the resident population” (p. 82). Whether in the middle class or not, by middle age, Whites are more likely to own a home despite earnings, and only at the higher income strata do Blacks acquire the same odds of homeownership. If owning a home equates middle class status, then the earnings levels necessary for Whites are much lower than Blacks (Henretta, 1979). Contrary to the framework developed by Wilson (1987) and others, the Black middle class has not migrated entirely out of the Black community (Pattillo-McCoy, 2000). Looking at middle class suburbs in New York, Bruce Haynes (2001) found that the Black middle class had settled in already established racial neighborhoods. Middle class Blacks fall in the residential gap between the White middle class and poor Blacks. However, Karyn Lacy (2007) cautions that scholars consistently homogenized the Black middle class. She argues that the Black middle class does not live in predominately White or Black neighborhoods, and that their residential preference and experience often varies by income, education, and desire. Mary Pattillo (1999) suggests that work on residential segregation and preference can provide some answers to why the Black and White middle class are not a parity.

Even with middle class incomes, residential segregation has proved to inhibit Blacks from garnering full equality within the middle class.

Using data from the U.S. Census, Adelman (2004) showed that segregation since 1970 among the middle class was on a decline. In 1990, only 70 percent of middle class Blacks or Whites would have to move to achieve an even residential distribution. Although, this was a 14 percent decline from 1970, Blacks and Whites in the middle class were still highly segregated. Many middle class Blacks still remain saturated in segregated neighborhoods despite their preference to live in an integrated neighborhood. Middle class Whites who prefer to live in an integrated neighborhood still live in neighborhoods that are on an average 85 percent White (Adelman, 2005). When comparing the two classes, Adelman (2004) found that middle class Blacks live in neighborhoods with twice as much poverty as middle class Whites. They also live in neighborhoods with twice as many single parent female families and five times more boarded-up homes, whereas in contrast, the White middle class lives in neighborhoods with more college graduates. Similar to the findings of Adelman, Alba et al. (2000) found that middle class Blacks live in less affluent neighborhoods than Whites. Middle class Blacks do live in neighborhoods with more Whites than poor Blacks, but their White neighbors are often less affluent than they are. According to Sheryll Chashin (2000) some middle class Blacks choose to form their own communities instead of integrating. The communities often attract lower commercial tax benefits and are less isolated from high crime areas. The local school systems often fall below par in education rankings and enroll more lower income students due to their proximity to poor neighborhoods. Frequently, middle class Blacks incur costs to send their children to private school, whereas middle class Whites are able to use the local public school systems.

2.4.4 Conclusion

The most profound aspect of the middle class is their ability to pass on their class status. Over a quarter of Black families are middle class in terms of measures on income, occupation, or education (Attewell, Lavin, Domina, & Levey, 2004). However, a number of Black middle class families are not able to pass on their economic advantage or class status. While the struggle to pass on their advantage is evident in both the White and Black middle class, the fragility of resources makes it even harder for Blacks (Shapiro, 2004). The economic vulnerability of the Black middle class families takes a heavy toll on them. Middle class Blacks are twice as likely to have a poor sibling and parents with less education, less occupation prestige, and a higher chance of being in poverty (Heflin & Patillo, 2002). While a substantial number of Blacks move into the middle class, a number of their children fall back down. Krish Marsh et al. (2007) even found that there is an emerging trend among the Black middle class to delay marriage and childbearing, thus presenting interesting questions on the vitality of the future Black middle class. According to Hochschild (1995), the rise in the number of Blacks in the middle class is a clear testament to the American Dream. Clearly, it appears that racial discrimination is disappearing and Blacks are being rewarded. Be as it may, as Cose (1993) and Feagin and Sikes (1994) document, many middle class Blacks do not believe in the full attainment of the American Dream. For, they are more likely to have friends falling down economically and are more sensitive to political decisions.

CHAPTER 3 (METHODOLOGY)

3.1 Data

This study uses data from the Panel Study of Income Dynamics (PSID). The PSID is a longitudinal survey as well as a nationally representative sample of households and families in the United States. As an initiative to assess the impact of programs created during the War on Poverty, the PSID began in 1968 with a sample of approximately 4,800 families from an over sample of low-income families from the Survey of Economic Opportunity (SEO) and a nationally representative sample from the U.S population designed by the Survey Research Center (SRC) at University of Michigan. Since 1968, the PSID has interviewed and tracked these families, including adults and children who move on to other households or eventually create their own. It is the longest running longitudinal study of household income in the U.S. and is the only data set collected on multigenerational economic conditions, well-being, and health in a panel format on the U.S. population (McGonagle & Schoeni, 2006). The PSID is designed so that any given year the sample is a national representation of the entire nonimmigrant population. With the use of sampling weights, results from the PSID can be used to make statements about the U.S. population. Thus, the PSID has played a tremendous role in national political debates and is a vital asset to researchers. As of 2005, there was one publication using PSID data every 3.9 days (McGonagle & Schoeni, 2006). Because of its sampling frame and income distribution, several studies have relied on PSID data to study the economic condition of the American middle class. Duncan et al. (1991) used the data to analyze the transition of adults in and out of the middle class; Wilson (1997) used the data to test whether the significance of race had declined in the middle class in terms of occupational earnings; Kalil and Wightman (2011) used the data to describe the fragile economic foundation of the middle class. Though the PSID has provided extensive data on income since its inception, it did not begin to collect data on assets until the

1984. Since then, the PSID has included a wealth supplement in the 1989, 1994, 1999, 2001, 2003, 2005, 2007, and 2009 waves.

3.2 Sample Distribution

In this study, the middle class is defined by using total family income. In the PSID, total family income is the summation of taxable income for all family members (including social security) in the household. Similar to measures by Duncan et al. (1992), Wheary et al. (2007), and Kalil and Wightman (2011), I use dollar intervals adjusted for family size to measure the size of the middle class in 1980, 1981, 1982, 1983, and 1984. I designate the middle class as those families whose total income falls between two and six times the federal defined poverty line. In 1984, a family of four would be considered middle class if their income was at least \$20,356 but no more than \$61,068. My lower interval is set a significant level above the poverty line, which enables one to distinguish the middle class from the working class. While two and six times above the poverty line is an arbitrary range, it allows one to compare results to other studies with similar measures and provides a large enough middle class sample to conduct sensitivity analysis. In this analysis, I utilize household and individual data from the 1980, 1981, 1982, 1983, 1984, 1989, 1994, 1999, 2003, 2005, and 2009 waves of the PSID. Since my study seeks to study economic dynamics of the middle class across five year blocks of time, I combined the 2003 and 2005 wave to create a comparable wave for 2004. Each wave is divided into three different age cohorts representing young adulthood, middle adulthood, and old adulthood to allow for the comparison of experiencing economic phenomena across major stages of adulthood. I employ sampling weights provided by the PSID to ensure that the sample accurately reflects the U.S. population.

3.3 Measures

I conceptualized the American Dream as those individuals who have achieved a middle class income status. As discussed in the earlier portion of this paper, the middle class includes families with an income between two and six times the poverty line. In order to explore the ability of middle class Americans to hold fast to the American Dream, I created the measures class-vulnerability and class-security. Class-vulnerability is defined as the scarcity of net worth to sustain a minimum middle class income status for a full year without a source of income, whereas class-security is defined as having enough net worth to sustain a minimum middle class income status for a minimum of three years without a source of income. For example, if an individual in the middle class had a net worth of \$38,613 or below in 2004, she would be classified as vulnerable to losing her middle class status that year, whereas if she possessed a net worth of \$115,842 or above, she would be considered secure in her middle class status (see Table 2 and 3 for the median net worth of the middle class sample by race and education). The absence of income for one year to measure class-vulnerability is an arbitrary measure and perhaps conservative; however, ethnographic studies (Newman, 1988; Fraser, 2001) document that in dire economic times such as the internet bubble burst and the 2009 recession, the unemployed among the middle class seeking white collar occupations often experience spells of unemployment of a year or more (See Appendix B for results for the absence of income for 6 and 9 months). Net worth encompasses the difference between the value of all marketable assets and the value of all debts. The wealth supplement of the PSID includes measures on: 1) the value of one's home, 2) the profit from real estate, businesses, stocks, valuables, and bonds if sold, 3) the amount in checking and saving accounts, and 4) the value of all debts including principal

Table 2: Median Net Worth Holdings by Race, 1984, 1989, 1994, 1999, 2004, 2009 (2009 Dollars)

	1984	1989	1994	1999	2004	2009
<u>Young Cohort (Born in 1955-59)</u>						
Middle Class	\$15,899	\$32,008	\$62,248	\$97,867	\$131,743	\$157,000
White Middle Class	\$21,474	\$39,793	\$68,762	\$113,450	\$151,619	\$189,000
Black Middle Class	\$735	\$3,201	\$6,876	\$11,590	\$18,739	\$41,000
Black to White (Ratio)	0.03	0.08	0.10	0.10	0.12	0.22
<u>Middle Cohort (Born in 1940-44)</u>						
Middle Class	\$110,263	\$138,411	\$187,901	\$196,895	\$265,758	\$272,000
White Middle Class	\$123,890	\$164,363	\$208,457	\$222,521	\$272,572	\$311,000
Black Middle Class	\$22,713	\$34,603	\$26,057	\$31,072	\$48,211	\$37,000
Black to White (Ratio)	0.18	0.21	0.13	0.14	0.18	0.12
<u>Old Cohort (Born in 1925-29)</u>						
Middle Class	\$160,025	\$173,014	\$179,505	\$202,175	\$204,429	\$219,000
White Middle Class	\$167,541	\$193,775	\$209,905	\$229,217	\$227,711	\$236,000
Black Middle Class	\$70,205	\$70,936	\$68,038	\$78,552	\$63,600	\$57,500
Black to White (Ratio)	0.42	0.37	0.32	0.34	0.28	0.24

Ratios are Black net worth divided by White net worth.

Table 3: Median Net Worth Holdings by Education, 1984, 1989, 1994, 1999, 2004, 2009 (2009 Dollars)

	1984	1989	1994	1999	2004	2009
<u>Young Cohort (Born in 1955-59)</u>						
Middle Class	\$15,899	\$32,008	\$62,248	\$97,867	\$131,743	\$157,000
<H.S. Middle Class	\$2,065	\$4,325	\$14,476	\$41,728	\$18,171	\$33,400
H.S. Middle Class	\$20,458	\$31,142	\$50,671	\$67,606	\$82,340	\$91,000
>H.S. Middle Class	\$14,454	\$51,904	\$90,766	\$172,557	\$266,610	\$245,000
<H.S. to H.S. (Ratio 1)	0.10	0.14	0.29	0.62	0.22	0.37
H.S. to >H.S. (Ratio 2)	1.42	0.60	0.56	0.39	0.31	0.37
<u>Middle Cohort (Born in 1940-44)</u>						
Middle Class	\$110,263	\$138,411	\$187,901	\$196,895	\$265,758	\$272,000
<H.S. Middle Class	\$41,813	\$49,309	\$59,352	\$81,385	\$80,636	\$41,000
H.S. Middle Class	\$121,826	\$135,297	\$174,148	\$193,161	\$260,363	\$244,500
>H.S. Middle Class	\$161,058	\$206,911	\$241,028	\$267,205	\$350,937	\$428,500
<H.S. to H.S. (Ratio 1)	0.34	0.36	0.34	0.42	0.31	0.17
H.S. to >H.S. (Ratio 2)	0.76	0.65	0.72	0.72	0.74	0.57
<u>Old Cohort (Born in 1925-29)</u>						
Middle Class	\$160,025	\$173,014	\$179,505	\$202,175	\$204,429	\$219,000
<H.S. Middle Class	\$93,950	\$115,919	\$86,857	\$95,808	\$110,449	\$143,025
H.S. Middle Class	\$190,585	\$251,475	\$257,676	\$240,807	\$228,279	\$202,000
>H.S. Middle Class	\$233,327	\$262,981	\$305,447	\$321,677	\$321,976	\$333,000
<H.S. to H.S. (Ratio 1)	0.49	0.46	0.34	0.40	0.48	0.71
H.S. to >H.S. (Ratio 2)	0.82	0.96	0.84	0.75	0.71	0.61

Ratio 1 are <H.S. net worth divided by H.S. net worth.

Ratio 2 are H.S. net worth divided by >H.S. net worth.

mortgages. My approach to studying the vulnerability and security of the middle class is similar to Oliver and Shapiro's (1995) and Haveman and Wolff's (2004) measure of asset poverty; however in this study, I seek to determine whether a person in the middle class is at risk of losing their class status or their achievement of the American Dream rather than incurring a bout of poverty. Also, I examine the influence of race and education upon the risk of experiencing class-vulnerability and/or class-security. Race is dichotomized as Black and White, while education is trichotomized into less than 12 years (less than a high school diploma), 12 years (equivalent to a high school diploma), or more than 12 years (more than a high school diploma). Sample sizes do not permit the examination of other ethnicities, so the study will be limited to Blacks and Whites and will not seek to generalize the results beyond the target groups.

3.4 Life Table Approach

In this study class-vulnerability and class-security are analyzed as an event that may or may not occur as individuals age over the life course. Based on research by Wheary et al. (2007) and Weller and Logan (2009), I hypothesize the following: 1) Over one-third of adults in the middle class in the middle age cohort will experience at least one year of class-vulnerability,¹⁷ 2) Middle class Whites are more likely than middle class Blacks to experience a year of class-security across all age cohorts, and 3) Having more education increases the probability of experiencing class-security.

In order to address the life course dynamics of experiencing class-vulnerability and/or class security, I turn to life tables. Life tables provide a method to assess the odds of experiencing an event over time. Historically, the life table has been used as a device to measure mortality or life expectancy (Namboodiri & Suchindran, 1987). However, the life table can be

¹⁷ While this hypothesis can be extended to all age cohorts, I chose to focus on the middle cohort, because it is the age interval where most Americans are at the peak of their economic stability.

used to estimate the probability of experiencing other social or physical events. In this study, individuals who fall between 2 and 6 times the poverty line in 1980, 1981, 1982, 1983, and 1984 will be followed over a twenty-five year period to assess their odds of experiencing class-vulnerability and/or class-security. Rather than focusing on the number of individuals that fall in and out of the middle class on the basis of income, my interests lie with estimating which individuals are vulnerable on the account of their lack of net worth. Studies using cross-sectional data specifically focusing on individuals falling out of the middle class often underestimate the true instability of the middle class by failing to account for individuals that often harbor right above the threshold. Therefore, this study will take individuals who were middle class in 1980, 1981, 1982, 1983, and 1984 and follow their economic trajectory till 2009. I am keenly aware that the middle class is not a static class and that people may drift in and out. However, this method of studying the middle class provides two advantages: 1) By taking advantage of the panel aspect of the PSID, this method allows one to continue to have net worth data on individuals who may have fell out of the middle class by an income measurement and would have been unaccounted for in a yearly cross-sectional approach and perhaps provides an explanation for why these individuals could not supplement their lost income, and 2) Furthermore, it allows one to capture the retiree whose income in 2004 is now only \$19,000 but whose house is paid off and has accumulated substantial dividends producing stock over her lifetime (Stodola, 2010).

This study will only report what happens to individuals who were in the middle class in 1980, 1981, 1982, 1983, and 1984 and will not seek to generalized results beyond that. Since the PSID waves of individual data are collapsed into five-year intervals, I construct life tables with age categories collapsed into five-year intervals. Basically, I examine the probability of

experiencing class-vulnerability and/or class-security for ages 25-29, 30-34, 35-39, 40-44, 45-49, 50-54, 55-59, 60-64, 65-69, 70-74, 75-79, 80-84. For each age cohort (young, middle, old), separate life tables are constructed by estimating age-specific probabilities of experiencing the events: class-vulnerability, class-security, or the experiencing of either events.

Individuals may contribute anywhere from 1 to 6 person-years within each life table. For example, a man who turned 29 in 1984, and then experienced a year of class-vulnerability in 1999, would have contributed 3 person-years within the analysis. He would be included in the estimates for the age intervals 25-29, 30-34, 35-39, and 40-44. During each age-interval, one can calculate the probability of the event class-security or class-vulnerability occurring for those yet to experience the event. Once the person has experienced the event, they are no longer at risk and will be removed from the life table. Using age-specific probabilities, a cumulative probability of events occurring across the life course will be calculated (For previous application of this methodology, see Rank and Hirschl (2001), Sandoval et al. (2009)). From this, I can estimate for each age cohort the likelihood of experiencing class-vulnerability and/or class-security over 25 years. My estimates will likely underestimate the true probability of experiencing these events, since I am sampling individuals at one point during each age interval, rather than at five points. After estimating the probability of class-vulnerability and/or class-security for the entire sample, I constructed a set of bivariate life tables to examine the effect of race and education on experiencing the events described above. Comparison between the probability of Whites and Blacks experiencing class-vulnerability and/or class-security was performed using the Wilcoxon (Gehan) test.

3.5 Cox Proportional Hazards Model

To determine which demographic characteristics are important in increasing the probability of experiencing class-vulnerability/class-security, I estimate a series of Cox proportional hazards model (Cox, 1972). The Cox model provides the advantage of allowing one to estimate the influence of explanatory variables without having to specify the baseline hazard function. In addition to the use of Cox models, I use the [svyset] command in Stata 10 to obtain estimates adjusted for the sampling design of the PSID. The Cox model takes the following form:

$$h(t|\mathbf{x}) = h_0(t)\exp(\beta_x x_1 + \beta_x x_2 + \cdots + \beta_k x_k)$$

where $h(t|\mathbf{x})$ represents the hazard of class-vulnerability or class-security; $h_0(t)$ is an unspecified baseline hazard rate that corresponds to the probability of experiencing class-vulnerability or class-security when all the explanatory variables are zero; and $\exp(\beta_x x_1 + \beta_x x_2 + \cdots + \beta_k x_k)$ are the regression coefficients given the proportional change that can be expected in the hazard.

**Variables as entered in Cox Regression Model:

Black: 1 = Whites
0 = Blacks

H.S.: 0 = Less than 12 years of education
1 = 12 years of education

>H.S.: 0 = Less than 12 years of education
1 = More than 12 years of education

Male: 0 = Female
1 = Male

CHAPTER 4 (RESULTS)

4.1 Overall Results

Table 4 displays the age-specific and cumulative risk of experiencing class-vulnerability, class-security, and either event across three stages of adulthood (young, middle, old). Overall, the results from the life tables mirror a downward trend over time for experiencing class-vulnerability and the U-shape curve associated with experiencing income poverty over the life course for class-security (See Appendix A for graphs depicting these trends). The likelihood of experiencing class-vulnerability peaks in the young cohort and levels off in the middle and old cohort. Looking at the young cohort, between the ages of 25 and 54, the cumulative proportion indicates that 88.4 percent of individuals in this cohort experienced at least one year of class-vulnerability. Once one enters the middle cohort (prime years of job stability), we see that the risk of experiencing class-vulnerability greatly decreases. Indicating that only 26.3 percent of individuals in this cohort experienced at least one year of class-vulnerability. By the old cohort, class vulnerability remained steady at 22.1 percent.

The risk of experiencing class-security at various stages in adulthood is found in the middle column in Table 4. We can see that 57.6 percent of individuals in the young cohort experienced at least one year of class-security; 83.9 percent in the middle cohort, and 73.3 percent in the old cohort. The age-specific pattern for experiencing class-security is somewhat opposite of that of class-vulnerability. The odds of experiencing security is lower in the young cohort, rises in the middle cohort, then levels off in the old cohort. The right-hand column of Table 4 displays the odds of experiencing either class-security and/or class-vulnerability. The results show that through major stages of adulthood, over 90 percent of individuals who were in the middle class in 1984 experienced either economic event. These results also show that class-

vulnerability and class-security are major events that a majority of Americans in the middle class will experience. Our results document that class-vulnerability is more likely to occur in the early stage of adulthood, while class-security will more likely occur in the middle stage.

4.2 Demographic Differences

To evaluate the impact of race and education upon the risk of experiencing class-security and class-vulnerability, four life tables were built. To construct the tables, separate logit equations were estimated for each age cohorts, and then a series of logit coefficients were obtained which were transformed into age-specific and cumulative life table probabilities. In Table 5, we can see that the risk of experiencing class-vulnerability is dramatically stratified by race. The odds of experiencing class-vulnerability for Blacks is higher than that of Whites at every stage of adulthood. In Table 6, we see a reverse effect. Middle class Blacks are less secure in their class status across all age cohorts. In all cohorts, Whites hold over a 3 to 1 ratio of experiencing class-security. Strangely, middle class Blacks are less secure in the middle cohort than they are in the young and old cohort, a reverse of the results for middle class Whites.

Table 7 presents an analysis for the influence of education. Across all age cohorts, individuals with less than twelve years of education are more likely to experience class-vulnerability. In the middle cohort (prime years of earning), we see the profound effect of education on class-vulnerability, whereas 65.1 percent with less than 12 years of education experienced a year of class-vulnerability. Results in Table 8 show that individuals with twelve years of education or more have slightly higher odds of experiencing class-security than individuals with less than twelve years of education in the young cohort. Due the limitation of this analysis, we can only estimate that in the young cohort, middle class Americans have yet to

reap the full benefits of their social capital. Also, sample size limitations did not allow the effect of education stratified by race to be estimated.

4.3 Cox Regression

Table 9 presents the results from the Cox Proportional Hazard Models. To account for design effects, I estimate several models for class-security and class-vulnerability to test for the effect of race, education, and gender. I seek to determine which characteristics are important in increasing or decreasing the probability of experiencing class-security or class-vulnerability. Thus, the Cox models main purpose is to examine the role of heterogeneity within the middle class. A positive coefficient increases the chance of the event occurring holding all other variables constant, whereas a negative one reduces it.

Young Cohort

As shown by the Cox regression in Table 9, race is an important predictor in determining who experiences class-vulnerability and class-security in the middle class. Model 1 in the young cohort shows that being White decreased the odds of experiencing class-vulnerability by 31 percent. Model 2 and 3, indicates that the difference between having a high school diploma and not having one was statistically significant in determining who experienced class-vulnerability. In terms of class-security, having twelve years of education increased one's odds by 68 percent. Model 6 also shows that being White increased the odds of experiencing class-security by 155 percent.

Middle Cohort

Model 3 in the middle cohort indicates that being White decreased the odds of experiencing class-vulnerability by 62 percent. Having more than twelve years of education decreased one's odds of experiencing class-vulnerability also by 62 percent. In terms of class-

security, being White increased the odds by 171 percent in Model 6, which is a 16 percent increase from the young cohort. Model 6 also shows that having more than twelve years of education increased one's odds of experiencing class-security by 135 percent.

Old Cohort

In the old cohort, having twelve years of education decreased the odds of experiencing class-vulnerability by 49 percent in Model 3. Being White decreased the odds of experiencing class-vulnerability by 56 percent. Model 6 in this cohort shows that being White increased the odds of experiencing class-security by 56 percent. While this is still a high percentage, it is far lower than in the young and middle cohort.

Table 4: Life Table Analysis of Experiencing Class-Vulnerability (1 year**) and Class-Security (**3 years**) for Three Cohorts**

Age	Experiencing Class-Vulnerability		Experiencing Class-Security		Experiencing Either	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
Young Cohort (Born in 1955-59)						
25-29	.7401 (.010)	.7401 (.011)	.0377 (.004)	.0377 (.005)	.7778 (.009)	.7778 (.010)
30-34	.4136 (.008)	.8476 (.009)	.0381 (.006)	.0744 (.006)	.5172 (.007)	.8928 (.008)
35-39	.0000 (.008)	.8476 (.009)	.1377 (.011)	.2019 (.011)	.7747 (.004)	.9758 (.004)
40-44	.0000 (.008)	.8476 (.009)	.1021 (.013)	.2834 (.013)	.0000 (.004)	.9758 (.004)
45-49	.2397 (.008)	.8841 (.009)	.2784 (.016)	.4829 (.016)	1.000 (.000)	.9758 (.000)
50-54	.0000 (.008)	.8841 (.009)	.1795 (.017)	.5757 (.017)	.0000 (.000)	.9758 (.000)
N	3,355		5,909		2,445	
Middle Cohort (Born in 1940-44)						
40-44	.1358 (.013)	.1358 (.010)	.5492 (.019)	.5492 (.015)	.6850 (.018)	.6850 (.014)
45-49	.0398 (.016)	.1701 (.011)	.3120 (.017)	.6899 (.014)	.4662 (.015)	.8319 (.012)
50-54	.0730 (.018)	.2307 (.013)	.1148 (.017)	.7255 (.014)	.2541 (.014)	.8746 (.011)
55-59	.0000 (.019)	.2307 (.013)	.4138 (.015)	.8391 (.012)	.9945 (.001)	.9993 (.001)
60-64	.0000 (.020)	.2307 (.013)	.0000 (.015)	.8391 (.012)	.0000 (.001)	.9993 (.001)
65-69	.0419 (.021)	.2630 (.014)	.0000 (.015)	.8391 (.012)	.0000 (.001)	.9993 (.001)
N	2,078		1,530		919	
Old Cohort (Born in 1925-29)						
55-59	.2099 (.018)	.2099 (.013)	.6677 (.021)	.6677 (.015)	.8776 (.015)	.8776 (.011)
60-64	.0074 (.018)	.2158 (.013)	.0000 (.020)	.6677 (.015)	.0000 (.014)	.8776 (.011)
65-69	.0072 (.018)	.2214 (.014)	.0000 (.020)	.6677 (.015)	.0000 (.014)	.8776 (.011)
70-74	.0000 (.019)	.2214 (.014)	.0000 (.020)	.6677 (.015)	.0000 (.014)	.8776 (.011)
75-79	.0000 (.019)	.2214 (.014)	.1987 (.022)	.7338 (.016)	.5000 (.013)	.9388 (.011)
80-84	.0000 (.020)	.2214 (.014)	.0000 (.022)	.7338 (.016)	.0000 (.013)	.9388 (.009)
N	1,719		989		685	

Sample sizes (N) are the total number of un-weighted person-years.

Table 5: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (**1 year**) for Three Cohorts: White versus Black

Age	Experiencing Class-Vulnerability				Experiencing Either			
	White		Black		White		Black	
	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.
Young Cohort (Born in 1955-59)								
25-29	.6618 (.014)	.6618 (.013)	.9479 (.008)	.9479 (.011)	.7093 (.013)	.7093 (.013)	.9603 (.007)	.9603 (.010)
30-34	.3956 (.012)	.7956 (.012)	.7619 (.004)	.9876 (.006)	.5097 (.010)	.8575 (.010)	.6875 (.004)	.9876 (.006)
35-39	.0000 (.011)	.7956 (.012)	.0000 (.004)	.9876 (.006)	.7966 (.005)	.9710 (.005)	.0000 (.004)	.9876 (.006)
40-44	.0000 (.011)	.7956 (.012)	.0000 (.004)	.9876 (.006)	.0000 (.005)	.9710 (.005)	.0000 (.004)	.9876 (.006)
45-49	.2482 (.011)	.8463 (.011)	.0000 (.004)	.9876 (.006)	.0000 (.005)	.9710 (.005)	1.000 (.000)	1.000 (.000)
50-54	.0000 (.011)	.8463 (.011)	.0000 (.004)	.9876 (.006)	.0000 (.005)	.9710 (.005)	.0000 (.000)	1.000 (.000)
N	2,403		884		1,585		803	
Middle Cohort (Born in 1940-44)								
40-44	.1080 (.014)	.1080 (.010)	.8542 (.026)	.8542 (.051)	.6644 (.022)	.6644 (.015)	.8542 (.026)	.8542 (.051)
45-49	.0352 (.017)	.1394 (.011)	.8571 (.010)	.9792 (.021)	.4572 (.019)	.8179 (.012)	.8571 (.010)	.9792 (.021)
50-54	.0769 (.020)	.2056 (.013)	.0000 (.009)	.9792 (.021)	.2562 (.018)	.8645 (.012)	.0000 (.010)	.9792 (.021)
55-59	.0000 (.021)	.2056 (.013)	.0000 (.009)	.9792 (.021)	1.000 (.000)	1.000 (.000)	.0000 (.010)	.9792 (.021)
60-64	.0000 (.021)	.2056 (.013)	.0000 (.009)	.9792 (.021)	.0000 (.000)	1.000 (.000)	.0000 (.010)	.9792 (.021)
65-69	.0444 (.023)	.2409 (.014)	.0000 (.009)	.9792 (.021)	.0000 (.000)	1.000 (.000)	.0000 (.010)	.9792 (.021)
N	1,686		337		652		248	
Old Cohort (Born in 1925-29)								
55-59	.1741 (.020)	.1741 (.013)	.3878 (.042)	.3878 (.070)	.9250 (.014)	.9250 (.009)	.6327 (.042)	.6327 (.069)
60-64	.0079 (.020)	.1806 (.013)	.0000 (.041)	.3878 (.070)	.0000 (.013)	.9250 (.009)	.0000 (.040)	.6327 (.069)
65-69	.0000 (.020)	.1806 (.013)	.3333 (.055)	.5918 (.095)	.0000 (.013)	.9250 (.009)	.0000 (.040)	.6327 (.069)
70-74	.0000 (.020)	.1806 (.013)	.0000 (.054)	.5918 (.095)	.0000 (.013)	.9250 (.009)	.0000 (.040)	.6327 (.069)
75-79	.0000 (.021)	.1806 (.013)	.0000 (.054)	.5918 (.095)	.5000 (.010)	.9625 (.007)	.0000 (.040)	.6327 (.069)
80-84	.0000 (.021)	.1806 (.013)	.0000 (.054)	.5918 (.095)	.0000 (.010)	.9625 (.007)	.0000 (.040)	.6327 (.069)
N	1,383		301		478		194	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of Whites experiencing class-vulnerability was significantly different from that of Blacks for all age cohorts at the .10 level.

Table 6: Bivariate Life Table Analysis of Experiencing Class-Security (**3 years**) for Three Cohorts: White versus Black

Age	Experiencing Class-Security					Experiencing Either				
	White		Black		Age-S.P.	Cum. Prop.	White		Black	
	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.			Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.
Young Cohort (Born in 1955-59)										
25-29	.0475 (.006)	.0475 (.006)	.0124 (.004)	.0124 (.006)	.7093 (.013)	.7093 (.013)	.9603 (.007)	.9603 (.010)		
30-34	.0522 (.009)	.0973 (.009)	.0000 (.004)	.0124 (.006)	.5097 (.010)	.8575 (.010)	.6875 (.004)	.9876 (.006)		
35-39	.1897 (.015)	.2685 (.014)	.0000 (.004)	.0124 (.006)	.7966 (.005)	.9710 (.005)	.0000 (.004)	.9876 (.006)		
40-44	.1202 (.017)	.3564 (.015)	.0663 (.013)	.0779 (.016)	.0000 (.005)	.9710 (.005)	.0000 (.004)	.9876 (.006)		
45-49	.3519 (.021)	.5829 (.018)	.1289 (.022)	.1967 (.026)	.0000 (.005)	.9710 (.005)	1.000 (.000)	1.000 (.000)		
50-54	.2935 (.020)	.7053 (.018)	.0000 (.023)	.1967 (.026)	.0000 (.005)	.9710 (.005)	.0000 (.000)	1.000 (.000)		
N	3,477		2,312		1,585		803			
Middle Cohort (Born in 1940-44)										
40-44	.5564 (.023)	.5564 (.015)	.0000 (.000)	.0000 (.000)	.6644 (.022)	.6644 (.015)	.8542 (.026)	.8542 (.051)		
45-49	.3362 (.021)	.7055 (.015)	.1042 (.024)	.1042 (.044)	.4572 (.019)	.8179 (.012)	.8571 (.010)	.9792 (.021)		
50-54	.1360 (.020)	.7456 (.014)	.0000 (.025)	.1042 (.044)	.2562 (.018)	.8645 (.012)	.0000 (.010)	.9792 (.021)		
55-59	.5000 (.017)	.8728 (.012)	.0000 (.027)	.1042 (.044)	1.000 (.000)	1.000 (.000)	.0000 (.010)	.9792 (.021)		
60-64	.0000 (.017)	.8728 (.012)	.0000 (.028)	.1042 (.044)	.0000 (.000)	1.000 (.000)	.0000 (.010)	.9792 (.021)		
65-69	.0000 (.017)	.8728 (.012)	.0000 (.030)	.1042 (.044)	.0000 (.000)	1.000 (.000)	.0000 (.010)	.9792 (.021)		
N	962		543		652		248			
Old Cohort (Born in 1925-29)										
55-59	.7509 (.023)	.7509 (.015)	.2449 (.037)	.2449 (.061)	.9250 (.014)	.9250 (.009)	.6327 (.042)	.6327 (.069)		
60-64	.0000 (.022)	.7509 (.015)	.0000 (.035)	.2449 (.061)	.0000 (.013)	.9250 (.009)	.0000 (.040)	.6327 (.069)		
65-69	.0000 (.023)	.7509 (.015)	.0000 (.033)	.2449 (.061)	.0000 (.013)	.9250 (.009)	.0000 (.040)	.6327 (.069)		
70-74	.0000 (.023)	.7509 (.015)	.0000 (.033)	.2449 (.061)	.0000 (.013)	.9250 (.009)	.0000 (.040)	.6327 (.069)		
75-79	.2246 (.023)	.8069 (.015)	.0000 (.033)	.2449 (.061)	.5000 (.010)	.9625 (.007)	.0000 (.040)	.6327 (.069)		
80-84	.0000 (.024)	.8069 (.015)	.0000 (.033)	.2449 (.061)	.0000 (.010)	.9625 (.007)	.0000 (.040)	.6327 (.069)		
N	599		372		478		194			

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of Whites experiencing class-security was significantly different from that of Blacks for all age cohorts at the .10 level.

Table 7: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (**1 year**) for Three Cohorts: By Educational Attainment

Age	<High School		High School		>High School	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
<u>Young Cohort (Born in 1955-59)</u>						
25-29	.9424 (.014)	.9424 (.011)	.6107 (.017)	.6107 (.017)	.7884 (.015)	.7884 (.021)
30-34	.1481 (.012)	.9510 (.010)	.4559 (.015)	.7882 (.014)	.2687 (.013)	.8452 (.019)
35-39	.0000 (.012)	.9510 (.010)	.0000 (.015)	.7882 (.014)	.0000 (.013)	.8452 (.019)
40-44	.0000 (.012)	.9510 (.010)	.0000 (.015)	.7882 (.014)	.0000 (.012)	.8452 (.019)
45-49	.0000 (.012)	.9510 (.010)	.2397 (.014)	.8389 (.013)	.0000 (.012)	.8452 (.019)
50-54	.0000 (.012)	.9510 (.010)	.0000 (.014)	.8389 (.013)	.0000 (.012)	.8452 (.019)
N	348		1,465		1,449	
<u>Middle Cohort (Born in 1940-44)</u>						
40-44	.6513 (.037)	.6513 (.000)	.0906 (.018)	.0906 (.012)	.0115 (.007)	.0115 (.005)
45-49	.0000 (.034)	.6513 (.039)	.0000 (.019)	.0906 (.012)	.0895 (.022)	.1000 (.015)
50-54	.0000 (.031)	.6513 (.039)	.1273 (.028)	.2064 (.017)	.0000 (.022)	.1000 (.015)
55-59	.0000 (.030)	.6513 (.039)	.0000 (.029)	.2064 (.017)	.0000 (.023)	.1000 (.015)
60-64	.0000 (.030)	.6513 (.039)	.0000 (.030)	.2064 (.017)	.0000 (.024)	.1000 (.015)
65-69	.0000 (.030)	.6513 (.039)	.0000 (.031)	.2064 (.017)	.0938 (.033)	.1844 (.020)
N	332		905		805	
<u>Old Cohort (Born in 1925-29)</u>						
55-59	.3588 (.033)	.3588 (.026)	.1079 (.023)	.1079 (.015)	.1711 (.038)	.1711 (.028)
60-64	.0265 (.032)	.3758 (.026)	.0000 (.023)	.1079 (.015)	.0000 (.038)	.1711 (.028)
65-69	.0000 (.032)	.3758 (.026)	.0000 (.023)	.1079 (.015)	.0000 (.037)	.1711 (.028)
70-74	.0000 (.033)	.3758 (.026)	.0000 (.023)	.1079 (.015)	.0000 (.037)	.1711 (.028)
75-79	.0000 (.034)	.3758 (.026)	.0000 (.024)	.1079 (.015)	.0000 (.037)	.1711 (.028)
80-84	.0000 (.035)	.3758 (.026)	.0000 (.024)	.1079 (.015)	.0000 (.038)	.1711 (.028)
N	604		716		374	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of individuals with different levels of education experiencing class-vulnerability was significantly different in all age cohorts at the .10 level, except for individuals with twelve years of education and individuals with more than twelve years of education in the middle age cohort.

Table 8: Bivariate Life Table Analysis of Experiencing Class-Security (**3 years**) for Three Cohorts: By Educational Attainment

Age	<High School		High School		>High School	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
Young Cohort (Born in 1955-59)						
25-29	.0000 (.000)	.0000 (.000)	.0391 (.007)	.0391 (.007)	.0688 (.009)	.0688 (.013)
30-34	.0529 (.014)	.0529 (.011)	.0000 (.007)	.0391 (.007)	.0994 (.014)	.1614 (.019)
35-39	.0000 (.015)	.0529 (.011)	.2919 (.019)	.3195 (.018)	.0000 (.015)	.1614 (.019)
40-44	.0000 (.015)	.0529 (.011)	.1331 (.021)	.4101 (.020)	.1610 (.020)	.2964 (.025)
45-49	.2532 (.049)	.2927 (.034)	.2295 (.023)	.5455 (.022)	.3613 (.025)	.5506 (.029)
50-54	.3111 (.056)	.5128 (.039)	.2251 (.024)	.6478 (.023)	.0000 (.025)	.5506 (.029)
N	854		2,709		2,190	
Middle Cohort (Born in 1940-44)						
40-44	.0000 (.000)	.0000 (.000)	.6192 (.030)	.6192 (.021)	.6544 (.000)	.6544 (.023)
45-49	.2460 (.037)	.2460 (.038)	.1542 (.027)	.6780 (.020)	.6097 (.033)	.8651 (.017)
50-54	.0000 (.036)	.2460 (.038)	.0000 (.027)	.6780 (.020)	.8378 (.023)	.9781 (.009)
55-59	.0000 (.036)	.2460 (.038)	.5521 (.022)	.8558 (.015)	.0000 (.011)	.9781 (.009)
60-64	.0000 (.036)	.2460 (.038)	.0000 (.022)	.8558 (.015)	.0000 (.011)	.9781 (.009)
65-69	.0000 (.037)	.2460 (.038)	.0000 (.022)	.8558 (.015)	.0000 (.011)	.9781 (.009)
N	513		578		412	
Old Cohort (Born in 1925-29)						
55-59	.3912 (.033)	.3912 (.026)	.8177 (.028)	.8177 (.019)	.8289 (.038)	.8289 (.028)
60-64	.0000 (.032)	.3912 (.026)	.0000 (.027)	.8177 (.019)	.0000 (.036)	.8289 (.028)
65-69	.0000 (.033)	.3912 (.026)	.0000 (.028)	.8177 (.019)	.0000 (.036)	.8289 (.028)
70-74	.0000 (.034)	.3912 (.026)	.0000 (.029)	.8177 (.019)	.0000 (.036)	.8289 (.028)
75-79	.0000 (.034)	.3912 (.026)	.4079 (.024)	.8921 (.015)	.0000 (.036)	.8289 (.028)
80-84	.0000 (.034)	.3912 (.026)	.0000 (.024)	.8921 (.015)	.0000 (.036)	.8289 (.028)
N	536		296		133	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of individuals with different levels of education experiencing class-vulnerability was significantly different in all age cohorts at the .10 level, except for individuals with twelve years of education and individuals with more than twelve years of education in the young and middle age cohort.

Table 9: Cox Proportional Hazard Models (1 year and 3 years)

Young Cohort (Born in 1955-59)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-.3699**+	.6908	-.3522**+	.7032	-.3521**+	.7032	1.005**+	2.731	.9435**+	2.569	.9348**+	2.547
	(.046)		(.045)		(.045)		(.165)		(.164)		(.164)	
H.S.			-.1357*	.8731	-.1359**	.8730			.4838**	1.622	.5171**+	1.677
			(.069)		(.069)				(.197)		(.197)	
>H.S.			-.2316**+	.7933	-.2318**+	.7931			.9685**+	2.633	.9991**+	2.716
			(.075)		(.075)				(.193)		(.193)	
Male					-.0010	.9990					.1376	1.148
					(.055)						(.089)	

*p<.10; **p <.05; ***p<.01

*p<.10; **p <.05; ***p<.01

Middle Cohort (Born in 1940-44)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-1.137**+	.3208	-.9474**+	.3878	-.9549**+	.3848	1.095**+	2.988	.9981**+	2.713	.9959**+	2.707
	(.175)		(.166)		(.168)		(.250)		(.254)		(.255)	
H.S.			-.9748**+	.3773	-.9682**+	.3798			.7568**+	2.131	.7584**+	2.134
			(.175)		(.175)				(.167)		(.167)	
>H.S.			-1.092**+	.3354	-1.105**+	.3312			.8550**+	2.351	.8544**+	2.350
			(.195)		(.197)				(.165)		(.165)	
Male					-.1498	1.162					.0181	1.018
					(.150)						(.091)	

*p<.10; **p <.05; ***p<.01

*p<.10; **p <.05; ***p<.01

Old Cohort (Born in 1925-29)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-.9769**+	.3764	-.8395**+	.4319	-.8279**+	.4370	.5597**+	1.750	.4554**	1.577	.4450**	1.560
	(.265)		(.278)		(.275)		(.182)		(.185)		(.181)	
H.S.			-.5946**	.5518	-.6730**	.5102			.4677**+	1.596	.4950**+	1.641
			(.253)		(.264)				(.111)		(.112)	
>H.S.			-.2908	.7477	-.3109	.7328			.5695**+	1.767	.5717**+	1.771
			(.264)		(.264)				(.108)		(.108)	
Male					-.3335	.7164					.1096	1.116
					(.221)						(.075)	

*p<.10; **p <.05; ***p<.01

*p<.10; **p <.05; ***p<.01

CHAPTER 5 (DISCUSSION AND CONCLUSION)

5.1 Discussion

In this paper, I sought to use a life course perspective to examine the economic stability of the American middle class. This study is situated in the context that the achievement of the American Dream and a middle class status are synonymous. Historically, the middle class has been viewed as a class of stability. However, the results from this study suggest that this ideology may be in jeopardy. My results show that during a twenty-five year period, over 90 percent of Americans in the middle class in 1984 experienced either a year of class-vulnerability or class-security. Suggesting that we must take a new look at the middle class in terms of its place in a global economy. Because ultimately, what we see within the American middle class is a seesaw effect, whereas one year middle class Americans are in a good economic position to retain the American Dream or their middle class status and the next year they are treading slightly above water. While income may purchase a ticket into the middle class, past research has shown that economic assets are needed to guarantee that spot in dire economic times. From this study, I cannot predict the economic or political future or determine which Americans will fall out of the middle class. But what I can determine is how many Americans, who work hard and get the right education, will be vulnerable to losing their middle class status in terms of their asset holdings over the life course.

In this section, I will address my three research questions:

- 1. What proportion of Americans in the middle class will experience at least one year of class-vulnerability and/or class-security on the basis of their net-worth? Does the proportion remain persistent over time?*

As expected, there is an age effect in terms of who experiences class-vulnerability and/or class-security. Individuals in the middle class are more vulnerable at younger and older ages and

more secure in the middle stages of life. Between 1984 and 2009, 88 percent of the young cohort, 26 percent of the middle cohort, and 22 percent of the old cohort experienced a year where they were vulnerable to losing their middle class status. While I expected the middle class to be vulnerable in the young and old cohort, I did not expect over 25 percent to be experiencing class-vulnerability in the middle cohort or the prime years of job stability and wage earning. My results suggest an important implication for the American middle class in that a number of Americans in the middle class are vulnerable to losing their middle class status over the life course and that an income examination of the middle class may miss those individuals who are dangling above the given income threshold. Furthermore, what this paper adds to the conversation on the American middle class is that the American Dream is alive and well for many in the middle class. My results show that in the middle and old age cohort, more middle class Americans will experience class-security than class-vulnerability. The fact that, between the ages of 40-69, 84 percent of the 1984 middle class would have acquired enough assets to experience a year of class-security is a testament to the availability of security and upper mobility in the country. Fundamentally, what these results suggest is that proclamations about the death or the end of the American middle class may be inaccurate; if anything, in the twenty-first century, what we are seeing is a pronounced end to a homogeneous middle class if one ever existed.

2. Within the American middle class, is race significant in determining who experiences class-vulnerability and class-security?

What the results from this study reveal is that the burden of class-vulnerability and the benefit of class-security are not equally shared across the middle class. By 2009, the Civil Rights Act of 1964 had been in existence for over four decades and more Blacks were enrolled in college than ever before; yet at every stage in the life course, Blacks in the middle class are more

likely to be vulnerable in their class status in comparison to their White counterparts. These results complement other studies that suggest that Blacks are more frequently employed in lower middle class occupations, are more likely to have poorer siblings, and are disproportionately located in residential areas with poorer neighbors and lower home values. However, my results stand in stark contrast to Wilson's (1978) argument that "that talented and educated blacks, like talented and educated whites, [would] continue to enjoy the advantages and privileges of their class status" (p. 153). My results show that between the ages 40-69, three-fourths more middle class Blacks experienced class-vulnerability. Furthermore, the fact that 97 percent of Blacks in the middle class within earning capacity ages are experiencing class-vulnerability is a major indication to consider when studying the future of the Black middle class. In terms of class-security, the role of race is even more pronounced. Only 10 percent of Blacks in the middle cohort experienced a year of class-security, whereas Whites were eight times more likely to experience class-security. Similar to arguments made by other scholars, race is still an important variable in American society and especially in the middle class.

3. Does the risk of experiencing class-vulnerability and/or class-security vary according to educational attainment?

As expected, my results show that the more education one has in the middle class, the less likely they are to experience class-vulnerability. Having more than twelve years of education is a valuable asset to members of the American middle class. The effect of education attainment is most pronounced at the middle stage of life; whereas 65 percent of the middle class with less than a high school degree experienced a year of class-vulnerability versus 18 percent of individuals with more than a high school degree. One significant observation is that the role of education is less pronounced in the young cohort. I can only estimate that between the ages 25-39, members in the middle class with a high school degree or more have yet to reap the full

benefits of their education. Overall, these results show that in terms of vulnerability and security, the middle class is highly stratified by education.

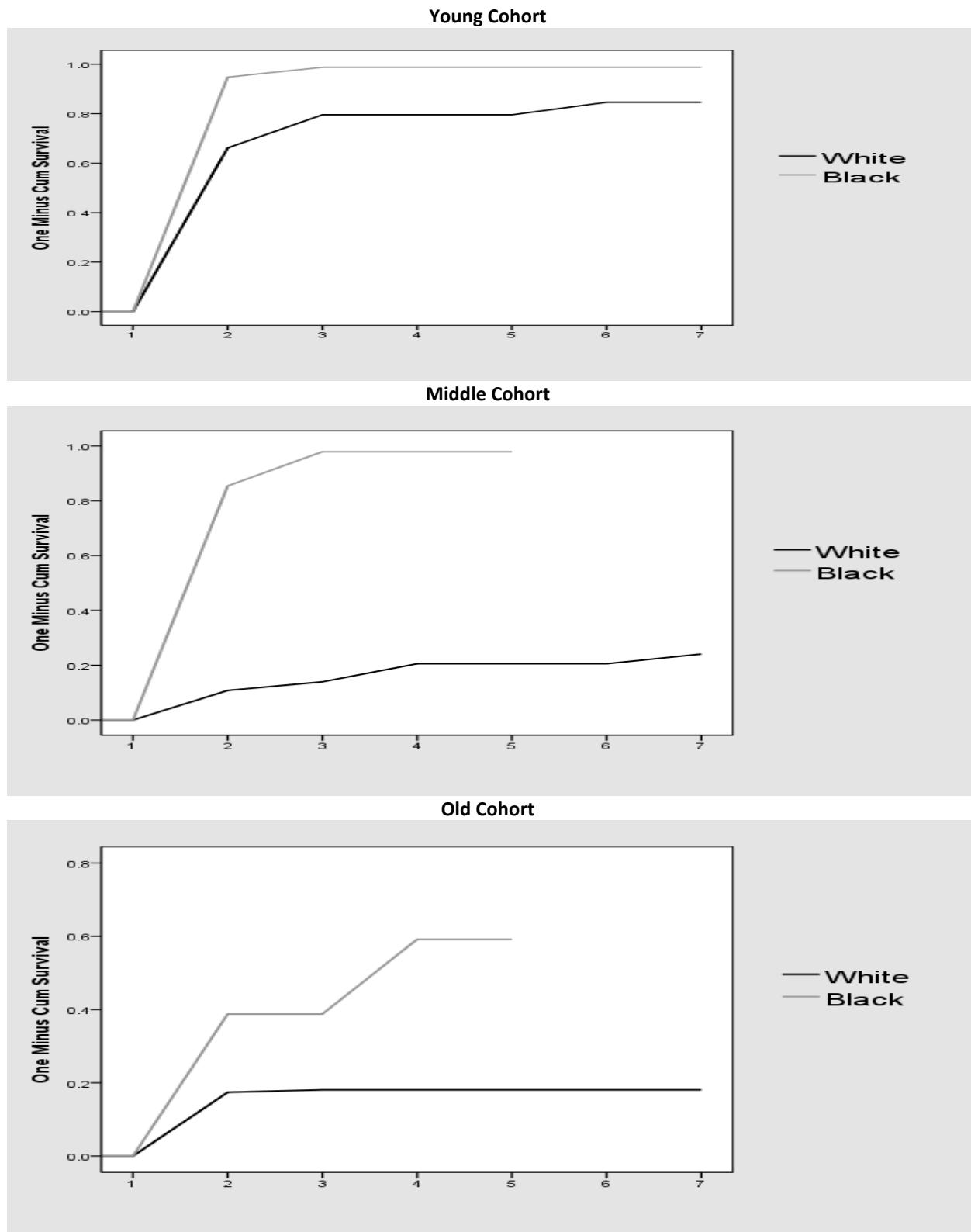
5.2 Conclusion

This study attempted to explore the ability of middle class Americans to hold fast to the American Dream by estimating the extent to which they experience class-vulnerability and/or class-security. Overall, the findings suggest that the American middle class is not static and that class-vulnerability and class-security are major events that a majority of Americans in the middle class will experience. Furthermore, this study complements other studies (Pattillo-McCoy, 1999; Lacy, 2007) that are critical of not only the notion of a homogenous American middle class but also a homogenous Black middle class. Also, my analysis reveals that the American middle class in terms of economic stability is highly stratified by race and education. However, on a positive note, the middle class remains a place where more Americans will experience security than vulnerability. Despite these findings, major questions and issues are still left to be addressed in terms of class-vulnerability and class-security in the middle class. For one, what role does occupational prestige play? Are individuals in certain occupational sectors more susceptible to experiencing class-vulnerability over others? Secondly, is there a geographical effect? Historically, poorer Blacks have resided in Southern regions. Thirdly, there is the need for a further examination of the role of race in terms of economic stability in the middle class. For example, as the number of Hispanics in the middle class increase, do Blacks and Whites become less secure in terms of net worth? Finally, what role do intergenerational assets play in terms of deciding who experiences class-vulnerability and/or class-security? Results from this study indicate that Blacks have less net worth than Whites in the older stages of life; yet we do not

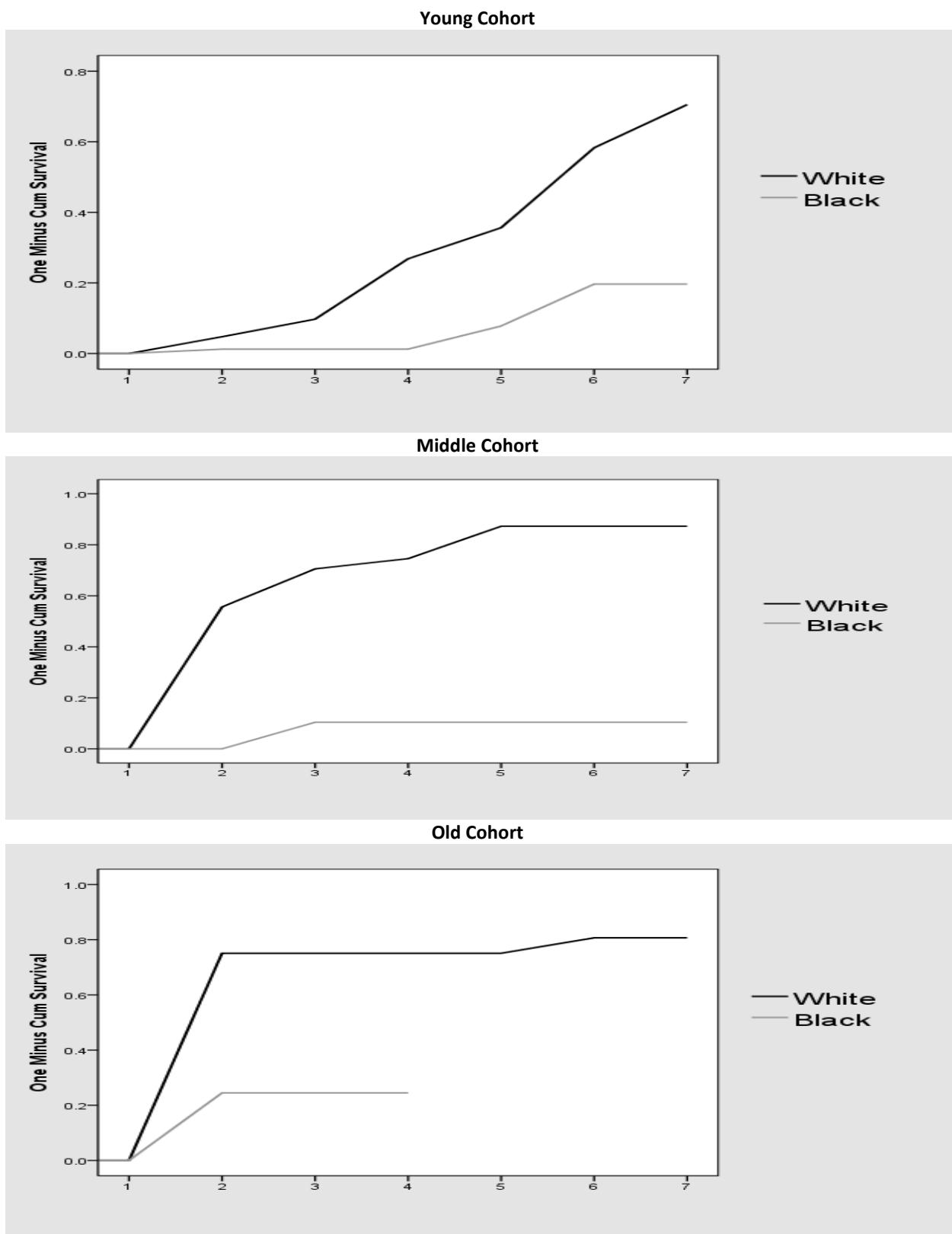
know if they lack assets because of historical factors or because they are forced to pass on their assets to their children before their death.

APPENDIX A

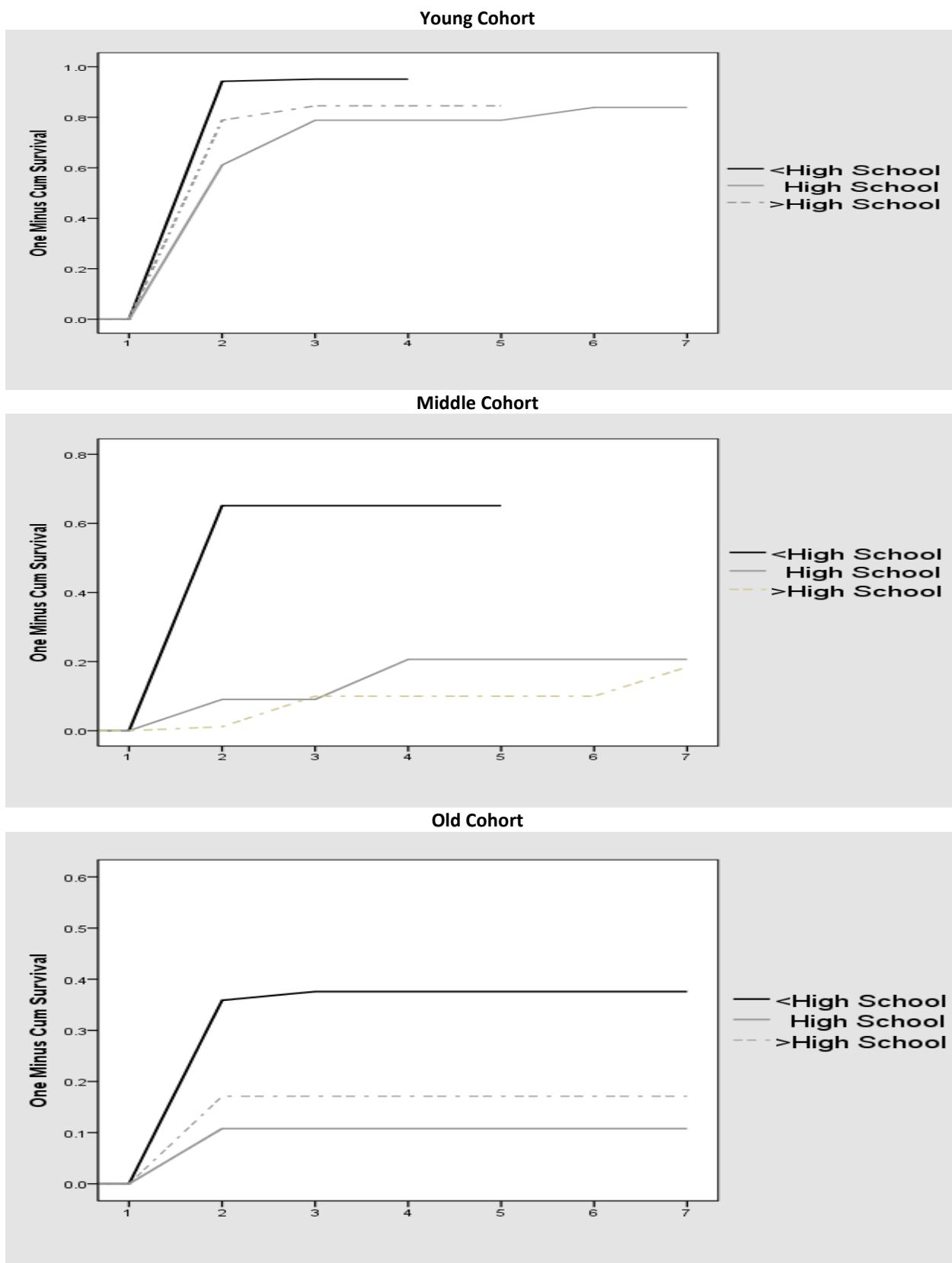
Appendix A Figure 1: Fitted Models for Experiencing Class-Vulnerability by Race



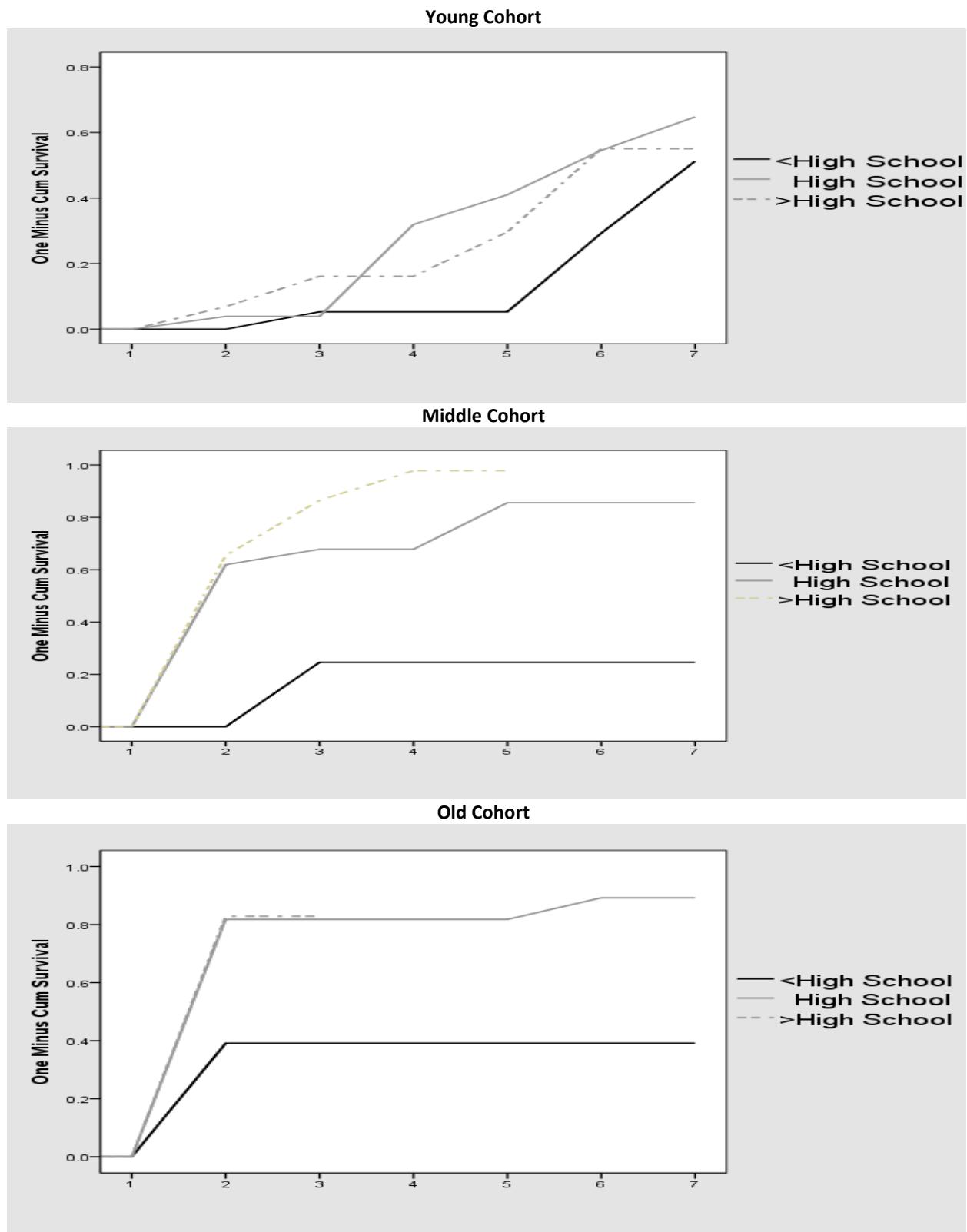
Appendix A Figure 2: Fitted Models for Experiencing Class-Security by Race



Appendix A Figure 3: Fitted Models for Experiencing Class-Vulnerability by Education



Appendix A Figure 4: Fitted Models for Experiencing Class-Security by Education



APPENDIX B

Appendix B Table 1: Life Table Analysis of Experiencing Class-Vulnerability (6 months**) and Class-Security (**1.5 years**) for Three Cohorts**

Age	Experiencing Class-Vulnerability		Experiencing Class-Security		Experiencing Either	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
<u>Young Cohort (Born in 1955-59)</u>						
25-29	.5975 (.011)	.5975 (.012)	.1603 (.008)	.1603 (.009)	.7578 (.010)	.7578 (.010)
30-34	.4338 (.010)	.7721 (.010)	.0982 (.010)	.2428 (.011)	.6904 (.006)	.9250 (.007)
35-39	.0311 (.009)	.7792 (.010)	.3013 (.013)	.4709 (.013)	.8488 (.003)	.9887 (.003)
40-44	.0000 (.009)	.7792 (.010)	.1417 (.014)	.5459 (.014)	.0000 (.003)	.9887 (.003)
45-49	.0000 (.009)	.7792 (.010)	.1779 (.016)	.6267 (.016)	.0000 (.003)	.9887 (.003)
50-54	.0099 (.009)	.7814 (.010)	.1874 (.016)	.6966 (.016)	.0000 (.003)	.9887 (.003)
<i>N</i>	<i>4,078</i>		<i>4,944</i>		<i>2,430</i>	
<u>Middle Cohort (Born in 1940-44)</u>						
40-44	.0781 (.010)	.0781 (.008)	.7986 (.016)	.7986 (.012)	.8767 (.013)	.8767 (.010)
45-49	.0372 (.013)	.1124 (.009)	.1792 (.013)	.8347 (.011)	.3554 (.011)	.9205 (.008)
50-54	.0678 (.016)	.1726 (.012)	.0000 (.013)	.8347 (.011)	.5167 (.008)	.9616 (.007)
55-59	.0000 (.017)	.1726 (.012)	.0709 (.013)	.8464 (.011)	.0000 (.008)	.9616 (.007)
60-64	.0000 (.017)	.1726 (.012)	.2551 (.013)	.8856 (.011)	.0000 (.008)	.9616 (.007)
65-69	.0000 (.018)	.1726 (.012)	.5753 (.010)	.9514 (.008)	.0000 (.008)	.9616 (.007)
<i>N</i>	<i>2,269</i>		<i>1,234</i>		<i>817</i>	
<u>Old Cohort (Born in 1925-29)</u>						
55-59	.0918 (.013)	.0918 (.009)	.7194 (.020)	.7194 (.015)	.8112 (.017)	.8112 (.013)
60-64	.1032 (.018)	.1855 (.013)	.1336 (.019)	.7569 (.014)	.6646 (.012)	.9367 (.008)
65-69	.0067 (.018)	.1910 (.013)	.2286 (.019)	.8125 (.014)	1.000 (.000)	1.000 (.000)
70-74	.0000 (.018)	.1910 (.013)	.4787 (.017)	.9022 (.012)	1.000 (.000)	1.000 (.000)
75-79	.0000 (.018)	.1910 (.013)	.0000 (.017)	.9022 (.012)	1.000 (.000)	1.000 (.000)
80-84	.0000 (.019)	.1910 (.013)	.0000 (.017)	.9022 (.012)	1.000 (.000)	1.000 (.000)
<i>N</i>	<i>1,823</i>		<i>778</i>		<i>590</i>	

Sample sizes (*N*) are the total number of un-weighted person-years.

Appendix B Table 2: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (**6 months**) for Three Cohorts:
White versus Black

Age	Experiencing Class-Vulnerability				Experiencing Either			
	White		Black		White		Black	
	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.
Young Cohort (Born in 1955-59)								
25-29	.5700 (.014)	.5700 (.014)	.6948 (.017)	.6948 (.023)	.7810 (.012)	.7810 (.012)	.7196 (.017)	.7196 (.022)
30-34	.3654 (.013)	.7272 (.013)	.7623 (.010)	.9274 (.013)	.5933 (.008)	.9109 (.008)	.9911 (.002)	.9975 (.003)
35-39	.0345 (.012)	.7366 (.013)	.0000 (.010)	.9274 (.013)	.8488 (.004)	.9865 (.004)	.0000 (.002)	.9975 (.003)
40-44	.0000 (.012)	.7366 (.013)	.0000 (.010)	.9274 (.013)	.0000 (.004)	.9865 (.004)	.0000 (.002)	.9975 (.003)
45-49	.0000 (.012)	.7366 (.013)	.0000 (.010)	.9274 (.013)	.0000 (.004)	.9865 (.004)	.0000 (.002)	.9975 (.003)
50-54	.0000 (.012)	.7366 (.013)	.0714 (.010)	.9326 (.013)	.0000 (.004)	.9865 (.004)	.0000 (.002)	.9975 (.003)
N	2,973		1,023		1,566		800	
Middle Cohort (Born in 1940-44)								
40-44	.0501 (.010)	.0501 (.007)	.7500 (.032)	.7500 (.063)	.8775 (.015)	.8775 (.010)	.7500 (.032)	.7500 (.063)
45-49	.0329 (.013)	.0814 (.009)	.5000 (.023)	.8750 (.048)	.2844 (.013)	.9124 (.009)	1.000 (.000)	1.000 (.000)
50-54	.0716 (.018)	.1472 (.011)	.0000 (.022)	.8750 (.048)	.5167 (.010)	.9576 (.007)	.0000 (.000)	1.000 (.000)
55-59	.0000 (.018)	.1472 (.011)	.0000 (.021)	.8750 (.048)	.0000 (.010)	.9576 (.007)	.0000 (.000)	1.000 (.000)
60-64	.0000 (.019)	.1472 (.011)	.0000 (.021)	.8750 (.048)	.0000 (.010)	.9756 (.007)	.0000 (.000)	1.000 (.000)
65-69	.0000 (.019)	.1472 (.011)	.0000 (.022)	.8750 (.048)	.0000 (.010)	.9756 (.007)	.0000 (.000)	1.000 (.000)
N	1,819		395		568		234	
Old Cohort (Born in 1925-29)								
55-59	.0822 (.014)	.0822 (.010)	.3878 (.042)	.3878 (.070)	.8706 (.018)	.8706 (.012)	1.000 (.000)	1.000 (.000)
60-64	.1141 (.021)	.1869 (.014)	.0000 (.040)	.3878 (.070)	1.000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
65-69	.0000 (.021)	.1869 (.014)	.3333 (.052)	.5918 (.095)	.0000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
70-74	.0000 (.021)	.1869 (.014)	.0000 (.050)	.5918 (.095)	.0000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
75-79	.0000 (.021)	.1869 (.014)	.0000 (.050)	.5918 (.095)	.0000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
80-84	.0000 (.021)	.1869 (.014)	.0000 (.050)	.5918 (.095)	.0000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
N	1,420		363		405		169	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of Whites experiencing class-security was significantly different from that of Blacks for all age cohorts at the .10 level.

Appendix B Table 3: Bivariate Life Table Analysis of Experiencing Class-Security (**1.5 years**) for Three Cohorts: White versus Black

Age	Experiencing Class-Security				Experiencing Either			
	White		Black		White		Black	
	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.
Young Cohort (Born in 1955-59)								
25-29	.2110 (.012)	.2110 (.012)	.0248 (.006)	.0248 (.008)	.7810 (.012)	.7810 (.012)	.7196 (.017)	.7196 (.022)
30-34	.1168 (.014)	.3031 (.013)	.0627 (.011)	.0859 (.014)	.5933 (.008)	.9109 (.008)	.9911 (.002)	.9975 (.003)
35-39	.4313 (.017)	.6037 (.015)	.0304 (.014)	.1137 (.017)	.8488 (.004)	.9865 (.004)	.0000 (.002)	.9975 (.003)
40-44	.1375 (.017)	.6582 (.016)	.1549 (.022)	.2510 (.026)	.0000 (.004)	.9865 (.004)	.0000 (.002)	.9975 (.003)
45-49	.2482 (.019)	.7430 (.017)	.1071 (.026)	.3313 (.030)	.0000 (.004)	.9865 (.004)	.0000 (.002)	.9975 (.003)
50-54	.3302 (.018)	.8279 (.016)	.0465 (.028)	.3624 (.032)	.0000 (.004)	.9865 (.004)	.0000 (.002)	.9975 (.003)
N	2,784		2,055		1,566		800	
Middle Cohort (Born in 1940-44)								
40-44	.8274 (.018)	.8274 (.012)	.0000 (.000)	.0000 (.000)	.8775 (.015)	.8775 (.010)	.7500 (.032)	.7500 (.063)
45-49	.1956 (.015)	.8611 (.011)	.1250 (.027)	.1250 (.048)	.2844 (.013)	.9124 (.009)	1.000 (.000)	1.000 (.000)
50-54	.0000 (.015)	.8611 (.011)	.0000 (.029)	.1250 (.048)	.5167 (.010)	.9576 (.007)	.0000 (.000)	1.000 (.000)
55-59	.0000 (.015)	.8611 (.011)	.2432 (.046)	.3378 (.072)	.0000 (.010)	.9576 (.007)	.0000 (.000)	1.000 (.000)
60-64	.0000 (.015)	.8611 (.011)	1.000 (.000)	1.000 (.000)	.0000 (.010)	.9756 (.007)	.0000 (.000)	1.000 (.000)
65-69	.5753 (.015)	.9410 (.009)	.0000 (.000)	1.000 (.000)	.0000 (.010)	.9756 (.007)	.0000 (.000)	1.000 (.000)
N	761		453		568		234	
Old Cohort (Born in 1925-29)								
55-59	.7884 (.021)	.7884 (.014)	.6122 (.042)	.6122 (.070)	.8706 (.018)	.8706 (.012)	1.000 (.000)	1.000 (.000)
60-64	.1950 (.020)	.8296 (.013)	.0000 (.041)	.6122 (.070)	1.000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
65-69	.0000 (.021)	.8296 (.013)	.0000 (.039)	.6122 (.070)	.0000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
70-74	.4787 (.018)	.9112 (.011)	.0000 (.039)	.6122 (.070)	.0000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
75-79	.0000 (.018)	.9112 (.011)	.0000 (.039)	.6122 (.070)	.0000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
80-84	.0000 (.018)	.9112 (.011)	.0000 (.039)	.6122 (.070)	.0000 (.000)	1.000 (.000)	1.000 (.000)	1.000 (.000)
N	479		283		405		169	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of Whites experiencing class-security was significantly different from that of Blacks for all age cohorts at the .10 level.

Appendix B Table 4: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (**6 months**) for Three Cohorts: By Educational Attainment

Age	<High School		High School		>High School	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
Young Cohort (Born in 1955-59)						
25-29	.7271 (.027)	.7271 (.021)	.5491 (.017)	.5491 (.017)	.5529 (.018)	.5529 (.026)
30-34	.4103 (.023)	.8390 (.018)	.5263 (.014)	.7864 (.014)	.2051 (.018)	.6446 (.025)
35-39	.2581 (.028)	.8806 (.022)	.0000 (.014)	.7864 (.014)	.0450 (.018)	.6606 (.025)
40-44	.0000 (.028)	.8806 (.022)	.0000 (.014)	.7864 (.014)	.0000 (.017)	.6606 (.025)
45-49	.0000 (.028)	.8806 (.022)	.0000 (.014)	.7864 (.014)	.0000 (.017)	.6606 (.025)
50-54	.0000 (.028)	.8806 (.022)	.0000 (.014)	.7864 (.014)	.0351 (.018)	.6725 (.025)
N	405		1,811		1,756	
Middle Cohort (Born in 1940-44)						
40-44	.2566 (.034)	.2566 (.035)	.0906 (.018)	.0906 (.012)	.0000 (.000)	.0000 (.000)
45-49	.0000 (.035)	.2566 (.035)	.0000 (.018)	.0906 (.012)	.0884 (.021)	.0884 (.014)
50-54	.0000 (.035)	.2566 (.035)	.1273 (.027)	.2064 (.017)	.0000 (.021)	.0884 (.014)
55-59	.0000 (.035)	.2566 (.035)	.0000 (.028)	.2064 (.017)	.0000 (.022)	.0884 (.014)
60-64	.0000 (.035)	.2566 (.035)	.0000 (.029)	.2064 (.017)	.0000 (.022)	.0884 (.014)
65-69	.0000 (.036)	.2566 (.035)	.0000 (.029)	.2064 (.017)	.0000 (.023)	.0844 (.014)
N	399		983		850	
Old Cohort (Born in 1925-29)						
55-59	.1618 (.025)	.1618 (.020)	.0000 (.000)	.0000 (.000)	.1711 (.038)	.1711 (.028)
60-64	.1409 (.032)	.2799 (.025)	.1166 (.025)	.1166 (.016)	.0000 (.037)	.1711 (.028)
65-69	.0000 (.032)	.2799 (.025)	.0000 (.025)	.1166 (.016)	.0000 (.036)	.1711 (.028)
70-74	.0000 (.032)	.2799 (.025)	.0000 (.025)	.1166 (.016)	.0000 (.036)	.1711 (.028)
75-79	.0000 (.033)	.2799 (.025)	.0000 (.026)	.1166 (.016)	.0000 (.037)	.1711 (.028)
80-84	.0000 (.034)	.2799 (.025)	.0000 (.027)	.1166 (.016)	.0000 (.037)	.1711 (.028)
N	679		730		387	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of individuals with different levels of education experiencing class-vulnerability was significantly different in all age cohorts at the .10 level.

Appendix B Table 5: Bivariate Life Table Analysis of Experiencing Class-Security (**1.5 years**) for Three Cohorts: By Educational Attainment

Age	<High School		High School		>High School	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
Young Cohort (Born in 1955-59)						
25-29	.0490 (.013)	.0490 (.010)	.2521 (.015)	.2521 (.015)	.0820 (.010)	.0820 (.014)
30-34	.0000 (.013)	.0490 (.010)	.0631 (.016)	.2993 (.016)	.2709 (.019)	.3307 (.024)
35-39	.2210 (.031)	.2592 (.022)	.2990 (.019)	.5088 (.020)	.4254 (.020)	.6154 (.025)
40-44	.0000 (.031)	.2592 (.022)	.2062 (.021)	.6101 (.021)	.2427 (.020)	.7087 (.024)
45-49	.5342 (.063)	.6550 (.044)	.0846 (.021)	.6431 (.022)	.0000 (.020)	.7087 (.024)
50-54	.0000 (.062)	.6550 (.044)	.3846 (.021)	.7803 (.022)	.0000 (.020)	.7087 (.024)
N	782		2,269		1,772	
Middle Cohort (Born in 1940-44)						
40-44	.3421 (.037)	.3421 (.038)	.8429 (.022)	.8429 (.016)	.9032 (.020)	.9032 (.014)
45-49	.3200 (.038)	.5526 (.040)	.0000 (.020)	.8429 (.016)	.1887 (.018)	.9215 (.014)
50-54	.0000 (.038)	.5526 (.040)	.0000 (.020)	.8429 (.016)	.0000 (.017)	.9215 (.014)
55-59	.1765 (.040)	.6316 (.041)	.0000 (.021)	.8429 (.016)	.0000 (.017)	.9215 (.014)
60-64	1.000 (.000)	1.000 (.000)	.0000 (.021)	.8429 (.016)	.0000 (.017)	.9215 (.014)
65-69	.0000 (.000)	1.000 (.000)	.5753 (.016)	.9333 (.011)	.0000 (.017)	.9215 (.014)
N	436		463		313	
Old Cohort (Born in 1925-29)						
55-59	.4441 (.034)	.4441 (.027)	.8291 (.023)	.8921 (.015)	.8289 (.038)	.8289 (.028)
60-64	.1813 (.036)	.5449 (.027)	.0000 (.023)	.8921 (.015)	.0000 (.038)	.8289 (.028)
65-69	.3200 (.036)	.6905 (.027)	.0000 (.023)	.8921 (.015)	.0000 (.038)	.8289 (.028)
70-74	.0000 (.036)	.6905 (.027)	1.000 (.000)	1.000 (.000)	.0000 (.038)	.8289 (.028)
75-79	.0000 (.037)	.6905 (.027)	.0000 (.000)	1.000 (.000)	.0000 (.038)	.8289 (.028)
80-84	.0000 (.037)	.6905 (.027)	.0000 (.000)	1.000 (.000)	.0000 (.038)	.8289 (.028)
N	401		238		116	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of individuals with different levels of education experiencing class-vulnerability was significantly different in all age cohorts at the .10 level, except for individuals with twelve years of education and individuals with more than twelve years of education in the young cohort.

Appendix B Table 6: Life Table Analysis of Experiencing Class-Vulnerability (**9 months**) and Class-Security (**2 years**) for Three Cohorts

Age	Experiencing Class-Vulnerability		Experiencing Class-Security		Experiencing Either	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
Young Cohort (Born in 1955-59)						
25-29	.6676 (.011)	.6676 (.011)	.1161 (.007)	.1161 (.008)	.7837 (.009)	.7837 (.010)
30-34	.3657 (.009)	.7892 (.010)	.0929 (.009)	.1982 (.010)	.5574 (.007)	.9043 (.007)
35-39	.0000 (.009)	.7892 (.010)	.2449 (.013)	.3946 (.013)	.5983 (.005)	.9615 (.005)
40-44	.0000 (.009)	.7892 (.010)	.1954 (.014)	.5128 (.014)	.8395 (.002)	.9938 (.002)
45-49	.1944 (.009)	.8302 (.010)	.0475 (.015)	.5360 (.015)	.0000 (.002)	.9938 (.002)
50-54	.0000 (.009)	.8302 (.010)	.2632 (.017)	.6581 (.017)	.0000 (.002)	.9938 (.002)
N	3,630		5,353		2,386	
Middle Cohort (Born in 1940-44)						
40-44	.1100 (.012)	.1100 (.009)	.7161 (.018)	.7161 (.013)	.8261 (.015)	.8261 (.011)
45-49	.0386 (.015)	.1444 (.011)	.3272 (.014)	.8090 (.012)	.5562 (.011)	.9228 (.008)
50-54	.0706 (.018)	.2048 (.012)	.1778 (.013)	.8429 (.011)	.5246 (.008)	.9633 (.006)
55-59	.0000 (.018)	.2048 (.012)	.0000 (.013)	.8429 (.011)	.0000 (.008)	.9633 (.006)
60-64	.0000 (.019)	.2048 (.012)	.2336 (.013)	.8796 (.011)	.0000 (.008)	.9633 (.006)
65-69	.0419 (.020)	.2381 (.013)	.0000 (.013)	.8796 (.011)	.0000 (.008)	.9633 (.006)
N	2,173		1,360		852	
Old Cohort (Born in 1925-29)						
55-59	.1624 (.016)	.1624 (.012)	.7194 (.020)	.7194 (.015)	.8819 (.014)	.8819 (.010)
60-64	.0696 (.019)	.2208 (.014)	.1336 (.019)	.7569 (.014)	.8085 (.007)	.9774 (.005)
65-69	.0072 (.019)	.2264 (.014)	.2286 (.018)	.8125 (.014)	.0000 (.007)	.9774 (.005)
70-74	.0000 (.019)	.2264 (.014)	.0000 (.018)	.8125 (.014)	.0000 (.007)	.9774 (.005)
75-79	.0000 (.020)	.2264 (.014)	.0000 (.018)	.8125 (.014)	.0000 (.007)	.9774 (.005)
80-84	.0000 (.020)	.2264 (.014)	.0000 (.019)	.8125 (.014)	.0000 (.007)	.9774 (.005)
N	1,777		842		612	

Sample sizes (N) are the total number of un-weighted person-years.

Appendix B Table 7: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (**9 months**) for Three Cohorts:
White versus Black

Age	Experiencing Class-Vulnerability				Experiencing Either			
	White		Black		White		Black	
	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.
Young Cohort (Born in 1955-59)								
25-29	.6063 (.014)	.6063 (.014)	.8784 (.012)	.8784 (.016)	.7568 (.013)	.7568 (.012)	.9032 (.011)	.9032 (.015)
30-34	.3228 (.013)	.7334 (.013)	.8750 (.005)	.9848 (.006)	.5272 (.010)	.8850 (.009)	.9737 (.002)	.9975 (.003)
35-39	.0000 (.013)	.7334 (.013)	.0000 (.004)	.9848 (.006)	.5983 (.007)	.9538 (.006)	.0000 (.002)	.9975 (.003)
40-44	.0000 (.012)	.7734 (.013)	.0000 (.004)	.9848 (.006)	.8395 (.003)	.9926 (.003)	.0000 (.002)	.9975 (.003)
45-49	.2000 (.013)	.7867 (.013)	.0000 (.004)	.9848 (.006)	.0000 (.003)	.9926 (.003)	.0000 (.002)	.9975 (.003)
50-54	.0000 (.013)	.7867 (.013)	.0000 (.004)	.9848 (.006)	.0000 (.003)	.9926 (.003)	.0000 (.002)	.9975 (.003)
N	2,632		921		1,537		786	
Middle Cohort (Born in 1940-44)								
40-44	.0800 (.013)	.0800 (.008)	.8542 (.026)	.8542 (.051)	.8177 (.018)	.8177 (.012)	.8542 (.026)	.8542 (.051)
45-49	.0341 (.015)	.1114 (.010)	.8571 (.010)	.9792 (.021)	.5439 (.013)	.9169 (.009)	.8571 (.010)	.9792 (.021)
50-54	.0743 (.019)	.1774 (.012)	.0000 (.009)	.9792 (.021)	.5167 (.010)	.9598 (.007)	1.000 (.000)	1.000 (.000)
55-59	.0000 (.020)	.1774 (.012)	.0000 (.008)	.9792 (.021)	.0000 (.010)	.9598 (.007)	.0000 (.000)	1.000 (.000)
60-64	.0000 (.020)	.1774 (.012)	.0000 (.008)	.9792 (.021)	.0000 (.010)	.9598 (.007)	.0000 (.000)	1.000 (.000)
65-69	.0444 (.022)	.2139 (.013)	.0000 (.008)	.9792 (.021)	.0000 (.010)	.9598 (.007)	.0000 (.000)	1.000 (.000)
N	1,750		368		586		250	
Old Cohort (Born in 1925-29)								
55-59	.1197 (.017)	.1197 (.011)	.3878 (.042)	.3878 (.070)	.9081 (.015)	.9081 (.010)	1.000 (.000)	1.000 (.000)
60-64	.0736 (.021)	.1845 (.014)	.0000 (.040)	.3878 (.070)	1.000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
65-69	.0000 (.020)	.1845 (.014)	.3333 (.053)	.5918 (.095)	.0000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
70-74	.0000 (.021)	.1845 (.014)	.0000 (.051)	.5918 (.095)	.0000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
75-79	.0000 (.021)	.1845 (.014)	.0000 (.051)	.5918 (.095)	.0000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
80-84	.0000 (.022)	.1845 (.014)	.0000 (.051)	.5918 (.095)	.0000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
N	1,400		340		418		179	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of Whites experiencing class-security was significantly different from that of Blacks for all age cohorts at the .10 level.

Appendix B Table 8: Bivariate Life Table Analysis of Experiencing Class-Security (**2 years**) for Three Cohorts: White versus Black

Age	Experiencing Class-Security				Experiencing Either			
	White		Black		White		Black	
	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.	Age-S.P.	Cum. Prop.
Young Cohort (Born in 1955-59)								
25-29	.1506 (.010)	.1506 (.010)	.0248 (.006)	.0248 (.008)	.7568 (.013)	.7568 (.012)	.9032 (.011)	.9032 (.015)
30-34	.1079 (.013)	.2422 (.012)	.0627 (.011)	.0859 (.014)	.5272 (.010)	.8850 (.009)	.9737 (.002)	.9975 (.003)
35-39	.3378 (.017)	.4982 (.015)	.0304 (.013)	.1137 (.017)	.5983 (.007)	.9538 (.006)	.0000 (.002)	.9975 (.003)
40-44	.2279 (.018)	.6125 (.016)	.1549 (.021)	.2510 (.026)	.8395 (.003)	.9926 (.003)	.0000 (.002)	.9975 (.003)
45-49	.0000 (.018)	.6125 (.016)	.1071 (.025)	.3313 (.030)	.0000 (.003)	.9926 (.003)	.0000 (.002)	.9975 (.003)
50-54	.4416 (.019)	.7837 (.018)	.0000 (.025)	.3313 (.030)	.0000 (.003)	.9926 (.003)	.0000 (.002)	.9975 (.003)
N	3,078		2,164		1,537		786	
Middle Cohort (Born in 1940-44)								
40-44	.7377 (.020)	.7377 (.014)	.0000 (.000)	.0000 (.000)	.8177 (.018)	.8177 (.012)	.8542 (.026)	.8542 (.051)
45-49	.3698 (.017)	.8347 (.012)	.1042 (.024)	.1042 (.044)	.5439 (.013)	.9169 (.009)	.8571 (.010)	.9792 (.021)
50-54	.2246 (.015)	.8718 (.011)	.0238 (.028)	.1255 (.048)	.5167 (.010)	.9598 (.007)	1.000 (.000)	1.000 (.000)
55-59	.0000 (.015)	.8718 (.011)	.0000 (.030)	.1255 (.048)	.0000 (.010)	.9598 (.007)	.0000 (.000)	1.000 (.000)
60-64	.0000 (.015)	.8718 (.011)	.7353 (.044)	.7685 (.067)	.0000 (.010)	.9598 (.007)	.0000 (.000)	1.000 (.000)
65-69	.0000 (.015)	.8718 (.011)	.0000 (.044)	.7685 (.067)	.0000 (.010)	.9598 (.007)	.0000 (.000)	1.000 (.000)
N	837		503		586		250	
Old Cohort (Born in 1925-29)								
55-59	.7884 (.021)	.7884 (.014)	.6122 (.042)	.6122 (.070)	.9081 (.015)	.9081 (.010)	1.000 (.000)	1.000 (.000)
60-64	.1950 (.020)	.8296 (.013)	.0000 (.039)	.6122 (.070)	1.000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
65-69	.0000 (.020)	.8296 (.013)	.0000 (.038)	.6122 (.070)	.0000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
70-74	.0000 (.021)	.8296 (.013)	.0000 (.038)	.6122 (.070)	.0000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
75-79	.0000 (.021)	.8296 (.013)	.0000 (.038)	.6122 (.070)	.0000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
80-84	.0000 (.022)	.8296 (.013)	.0000 (.038)	.6122 (.070)	.0000 (.000)	1.000 (.000)	.0000 (.000)	1.000 (.000)
N	507		318		418		179	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of Whites experiencing class-security was significantly different from that of Blacks for all age cohorts at the .10 level.

Appendix B Table 9: Bivariate Life Table Analysis of Experiencing Class-Vulnerability (**9 months**) for Three Cohorts: By Educational Attainment

Age	<High School		High School		>High School	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
Young Cohort (Born in 1955-59)						
25-29	.8124 (.023)	.8124 (.018)	.6024 (.017)	.6024 (.017)	.6429 (.018)	.6429 (.025)
30-34	.0696 (.023)	.8254 (.018)	.4627 (.014)	.7863 (.014)	.2131 (.017)	.7190 (.023)
35-39	.0000 (.023)	.8254 (.018)	.0000 (.014)	.7863 (.014)	.0000 (.017)	.7190 (.023)
40-44	.0000 (.023)	.8254 (.018)	.0000 (.014)	.7863 (.014)	.0000 (.016)	.7190 (.023)
45-49	.0000 (.023)	.8254 (.018)	.2397 (.014)	.8376 (.013)	.0000 (.016)	.7190 (.023)
50-54	.0000 (.023)	.8254 (.018)	.0000 (.014)	.8376 (.013)	.0000 (.016)	.7190 (.023)
N	369		1,615		1,550	
Middle Cohort (Born in 1940-44)						
40-44	.4605 (.038)	.4605 (.040)	.0906 (.018)	.0906 (.012)	.0115 (.007)	.0115 (.005)
45-49	.0000 (.037)	.4605 (.040)	.0000 (.019)	.0906 (.012)	.0895 (.022)	.1000 (.015)
50-54	.0000 (.036)	.4605 (.040)	.1273 (.028)	.2064 (.017)	.0000 (.022)	.1000 (.015)
55-59	.0000 (.035)	.4605 (.040)	.0000 (.028)	.2064 (.017)	.0000 (.023)	.1000 (.015)
60-64	.0000 (.035)	.4605 (.040)	.0000 (.029)	.2064 (.017)	.0000 (.024)	.1000 (.015)
65-69	.0000 (.035)	.4605 (.040)	.0000 (.030)	.2064 (.017)	.0938 (.033)	.1844 (.020)
N	381		946		809	
Old Cohort (Born in 1925-29)						
55-59	.3588 (.033)	.3588 (.026)	.0000 (.000)	.0000 (.000)	.1711 (.038)	.1711 (.028)
60-64	.0265 (.032)	.3758 (.026)	.1166 (.025)	.1166 (.016)	.0000 (.037)	.1711 (.028)
65-69	.0000 (.032)	.3758 (.026)	.0000 (.025)	.1166 (.016)	.0000 (.037)	.1711 (.028)
70-74	.0000 (.032)	.3758 (.026)	.0000 (.025)	.1166 (.016)	.0000 (.037)	.1711 (.028)
75-79	.0000 (.033)	.3758 (.026)	.0000 (.026)	.1166 (.016)	.0000 (.037)	.1711 (.028)
80-84	.0000 (.034)	.3758 (.026)	.0000 (.026)	.1166 (.016)	.0000 (.037)	.1711 (.028)
N	647		725		378	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of individuals with different levels of education experiencing class-vulnerability was significantly different in all age cohorts at the .10 level, except for individuals with twelve years of education and individuals with more than twelve years of education in the young and middle age cohort.

Appendix B Table 10: Bivariate Life Table Analysis of Experiencing Class-Security (**2 years**) for Three Cohorts: By Educational Attainment

Age	<High School		High School		>High School	
	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion	Age-Specific Proportion	Cumulative Proportion
Young Cohort (Born in 1955-59)						
25-29	.0490 (.013)	.0490 (.010)	.1692 (.013)	.1692 (.013)	.0688 (.009)	.0688 (.013)
30-34	.0000 (.013)	.0490 (.010)	.0560 (.014)	.2158 (.014)	.2670 (.018)	.3175 (.024)
35-39	.0955 (.013)	.1399 (.017)	.3450 (.020)	.4863 (.020)	.2806 (.020)	.5090 (.026)
40-44	.2096 (.038)	.3201 (.027)	.0240 (.021)	.4987 (.020)	.4038 (.020)	.7073 (.025)
45-49	.0548 (.044)	.3574 (.031)	.0667 (.024)	.5321 (.021)	.0000 (.020)	.7073 (.025)
50-54	.5263 (.059)	.6956 (.042)	.2881 (.024)	.6669 (.024)	.0000 (.020)	.7073 (.025)
N	819		2,476		1,925	
Middle Cohort (Born in 1940-44)						
40-44	.3421 (.037)	.3421 (.038)	.7856 (.025)	.7859 (.018)	.7604 (.029)	.7604 (.020)
45-49	.3100 (.038)	.5461 (.040)	.2793 (.020)	.8455 (.016)	.4068 (.024)	.8578 (.017)
50-54	.0145 (.038)	.5526 (.040)	.0000 (.020)	.8455 (.016)	.8378 (.012)	.9769 (.009)
55-59	.0000 (.038)	.5526 (.040)	.0000 (.020)	.8455 (.016)	.0000 (.012)	.9769 (.009)
60-64	.7353 (.034)	.8816 (.035)	.0000 (.021)	.8455 (.016)	.0000 (.012)	.9769 (.009)
65-69	.0000 (.033)	.8816 (.035)	.0000 (.021)	.8455 (.016)	.0000 (.012)	.9769 (.009)
N	475		513		347	
Old Cohort (Born in 1925-29)						
55-59	.4441 (.034)	.4441 (.027)	.8921 (.023)	.8921 (.015)	.8289 (.038)	.8289 (.028)
60-64	.1813 (.035)	.5449 (.027)	.0000 (.022)	.8921 (.015)	.0000 (.038)	.8289 (.028)
65-69	.3200 (.035)	.6905 (.027)	.0000 (.022)	.8921 (.015)	.0000 (.038)	.8289 (.028)
70-74	.0000 (.035)	.6905 (.027)	.0000 (.023)	.8921 (.015)	.0000 (.038)	.8289 (.028)
75-79	.0000 (.035)	.6905 (.027)	.0000 (.023)	.8921 (.015)	.0000 (.038)	.8289 (.028)
80-84	.0000 (.035)	.6905 (.027)	.0000 (.024)	.8921 (.015)	.0000 (.038)	.8289 (.028)
N	444		255		120	

Sample sizes (N) are the total number of un-weighted person-years.

The Wilcoxon (Gehan) statistic shows that the probability of individuals with different levels of education experiencing class-vulnerability was significantly different in all age cohorts at the .10 level, except for individuals with twelve years of education and individuals with more than twelve years of education in the middle age cohort.

Appendix B Table 11: Cox Proportional Hazard Models (6 months and 1.5 years)

Young Cohort (Born in 1955-59)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-.5159***+ (.069)	.5970	-.4944***+ (.067)	.6100	-.4955***+ (.068)	.6092	.9709***+ (.134)	2.640	.9263***+ (.132)	2.525	.9207***+ (.132)	2.511
H.S.			-.2922***+ (.085)	.7466	-.2885***+ (.085)	.7494			.4742***+ (.147)	1.607	.4932***+ (.148)	1.638
>H.S.			-.3535***+ (.092)	.7022	-.3487***+ (.093)	.7056			.7716***+ (.145)	2.163	.7884***+ (.145)	2.200
Male					.0266 (.070)	1.027					.0825 (.076)	1.086

*p<.10; **p <.05; ***+p<.01

*p<.10; **p <.05; ***+p<.01

Middle Cohort (Born in 1940-44)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-1.360***+ (.198)	.2567	-1.134***+ (.198)	.3216	-1.133***+ (.198)	.3222	.6948***+ (.158)	2.003	.6202***+ (.155)	1.859	.6192***+ (.154)	1.857
H.S.			-1.079***+ (.206)	.3400	-1.080***+ (.206)	.3395			.6093***+ (.129)	1.839	.6102***+ (.130)	1.841
>H.S.			-1.142***+ (.243)	.3191	-1.141***+ (.243)	.3194			.6615***+ (.133)	1.938	.6613***+ (.133)	1.937
Male					-.0233 (.176)	.9770					.0825 (.070)	1.008

*p<.10; **p <.05; ***+p<.01

*p<.10; **p <.05; ***+p<.01

Old Cohort (Born in 1925-29)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-.8591***+ (.295)	.4236	-.7052** (.319)	.4940	-.6959** (.312)	.4986	.3660***+ (.140)	1.442	.3170** (.139)	1.373	.3109** (.135)	1.365
H.S.			-.6078** (.286)	.5446	-.7102** (.300)	.4916			.2023***+ (.066)	1.224	.2144***+ (.069)	1.239
>H.S.			-.3507 (.294)	.7042	-.3769 (.295)	.6860			.2041***+ (.077)	1.226	.2044***+ (.077)	1.227
Male					-.4454* (.252)	.1618					.0510 (.054)	1.052

*p<.10; **p <.05; ***+p<.01

*p<.10; **p <.05; ***+p<.01

Appendix B Table 12: Cox Proportional Hazard Models (9 months and 2 years)

Young Cohort (Born in 1955-59)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-.4314***+ (.055)	.6496	-.4138***+ (.055)	.6611	-.4152***+ (.054)	.6602	.9609***+ (.143)	2.614	.9026***+ (.141)	2.466	.8948***+ (.141)	2.447
H.S.			-.2083***+ (.076)	.8120	-.2046***+ (.076)	.8150			.3957** (.161)	1.485	.4268***+ (.160)	1.532
>H.S.			-.2643***+ (.081)	.7677	-.2597***+ (.081)	.7713			.8223***+ (.157)	2.277	.8493***+ (.157)	2.338
Male					-.0241 (.060)	1.024					.1343 (.0820)	1.144

*p<.10; **p <.05; ***+p<.01

*p<.10; **p <.05; ***+p<.01

Middle Cohort (Born in 1940-44)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-.1248***+ (.191)	.2870	-.1072***+ (.186)	.3423	-.1076***+ (.186)	.3411	.8889***+ (.201)	2.432	.8074***+ (.207)	2.242	.8054***+ (.207)	2.238
H.S.			-.9862***+ (.195)	.3730	-.9839***+ (.195)	.3739			.5374***+ (.143)	1.712	.5394***+ (.143)	1.715
>H.S.			-.9455***+ (.213)	.3885	-.9483***+ (.214)	.3874			.6727***+ (.138)	1.959	.6722***+ (.138)	1.959
Male					-.0412 (.164)	1.042					.0176 (.078)	1.018

*p<.10; **p <.05; ***+p<.01

*p<.10; **p <.05; ***+p<.01

Old Cohort (Born in 1925-29)

Var.	Experiencing Class-Vulnerability						Experiencing Class-Security					
	Model 1	Exp(B)	Model 2	Exp(B)	Model 3	Exp(B)	Model 4	Exp(B)	Model 5	Exp(B)	Model 6	Exp(B)
White	-.8201***+ (.282)	.4404	-.6845** (.304)	.5044	-.6760** (.298)	.5086	.3673** (.152)	1.444	.3112** (.156)	1.365	.3035** (.152)	1.355
H.S.			-.5764** (.270)	.5619	-.6755** (.285)	.5089			.2150***+ (.080)	1.240	.2324***+ (.082)	1.262
>H.S.			-.2249***+ (.275)	.7986	-.2491 (.275)	.7795			.2769***+ (.080)	1.319	.2780***+ (.080)	1.321
Male					-.4139* (.239)	.6610					.0707 (.059)	1.073

*p<.10; **p <.05; ***+p<.01

*p<.10; **p <.05; ***+p<.01

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