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The Recession of 2008: For Better or for Worse

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Abstract

With nonstop discussion about the current recession in the government, news, classroom, social media, and any other type of communication outlet, there is seldom a minute that Americans are not impacted by our current economic condition. Constantly, we are faced with pitfalls of the recession, like job loss and a declining house market, but who is to say that the motion of our economy doesn't follow Newton's third law stating that "for every action, there is an equal and opposite reaction"? Meaning that for each negative this recession brings, might there also be a positive social effect as well? After reading *Eyes Wide Open, Wallet Half Shut,* I was intrigued to see that the American population is being forced to redefine success and happiness as a result of the recession. Previously, I was the skeptic thinking all that Americans wanted was more success and more money; therefore, this article shed a new light on my cynical ideas. As a thesis student in search of a meaningful research topic, the inability to escape the post-recession environment presented an interesting opportunity to explore this cynicism. My hypothesis is the recession became the long-needed reality check to remind Americans what true happiness means, and this reality check was the secondary outcome of original pains brought through the financial crisis of 2008. I will explore this hypothesis through four main themes:

- A brief overview of recession data, including economic effects of the recession on business
- A post-recession consumer is emerging
- This new, post-recession consumer is redefining values and embracing a new definition of happiness, security, and success
- Is there a new sense of meaning that has emerged post-recession offsetting the negative economic effects?

Although there are undoubtedly many detrimental economic hardships caused by the recession of 2008, but there also may be many other social benefits that were reaped. The themes above have been analyzed using primary research done within the Northwest Arkansas Area with some responses coming from other states as well as other secondary research. The results are presented in this paper.

Introduction

Let's cycle back eighty years: America is in the midst of the Great Depression. "Business houses closed their doors, factories shut down and banks failed. Farm income fell some 50 percent. By 1932 approximately one out of every four Americans was unemployed. The core of the problem was the immense disparity between the country's productive capacity and the ability of people to consume" (Nelson), the latter a predicament that our America today could never reproduce. Consumer confidence, or lack thereof, was deepening rapidly and it was almost as if the entire country needed some sort of morale boost, something to unify the country once more. Meanwhile, James Truslow Adams is writing his book *The Epic of America* in which he wanted to emphasize important history themes, and for Adams, "none was more important than what he called *that American dream of a better, richer, happier life for all our citizens of every rank… that dream or hope has been present from the start. Ever since we became an independent nation, each generation has seen an uprising of ordinary Americans to save that dream from the forces which appeared to be overwhelming it*" (Cullen 4). This "American Dream" is to be "understood as an ethical doctrine that is symptomatic of a crisis in national identity during the thirties. The newly invented dream calls out for a supplement to the outmoded narrative of individual uplift" (Vaughan). Eventually, the "American Dream" phrase took flight, and it was not only after “there emerged a profound sense that America had lost something that the term was actually coined. What was it that folks in the Depression felt they had lost? Perhaps the same things that people still list when describing the American Dream today: individual freedom, social justice, the ability to participate in the consumer economy, and the hope of a better place for one's children” (Vaughan).

Since then, the American Dream has spread like wildfire. During President Roosevelt’s time, the dream was an ideal toward which these citizens were duty-bound to strive together instead of something that was promised to hardworking individuals. Nonetheless, the dream remained largely a set of deeply held ideals rather than a checklist of goals or entitlements (Kamp 2). David Kamp highlights that no one understood this better than Norman Rockwell in Four Freedoms paintings, one of which was centered around the idea of *Freedom from Want* (the most popular of all), an idea that is worlds away from our current situation in which going shopping could be viewed as the “patriotic thing to do” (Kamp 3). In the 40s and 50s, “the American Dream was undergoing another recalibration. Now it really did translate into specific goals rather than Adams’ more broadly defined aspirations” (Kamp 3). The fundamental goal was home ownership, and between 1900 and 1960, the number of families that lived in homes they themselves owned increased from 45 percent to 62 percent. While the 50s dream seemed to be of modest scale, some social critics, like John Kenneth Galbraith, were already growing concerned. “In his 1958 book *The Affluent Society,* a best-seller, Galbraith posited that America had reached an almost unsurpassable and unsustainable degree of mass affluence because the average family owned a home, one car, and one TV. In pursuing these goals, Galbraith said, Americans had lost a sense of their priorities, focusing on consumerism at the expense of public-sector needs like parks, schools, and infrastructure maintenance. At the same time, they had lost their parents’ Depression-era sense of thrift, blithely taking out personal loans or enrolling in installment plans to buy their cars and refrigerators” (Kamp 3). Ironically, the same year that *The Affluent Society* was published, Bank of American introduced BankAmericard… the predecessor to Visa.

The next generation was named the “money generation”, according to Joe Nocera, author of *A Piece of the Action: How the Middle Class Joined the Money Class*. What followed was “the greatest standard-of-living upgrade that this country had ever experienced: an economic sea of change powered by the middle class’s newly sophisticated engagement in personal finance via credit cards, mutual funds, and discount brokerage houses—and its willingness to take on debt. Consumer credit, which had already rocketed upward from $2.6 billion to $45 billion in the postwar period (1945 to 1960), shot up to $105 billion by 1970” (Kamp 4). This “money revolution” really helped served the American Dream by making life “better and richer and fuller” for everyone. During the 60s, life became snazzier and the “wants” of the American people grew in pace. “By 1970, for the first time, more than half of all U.S. families held at least one credit card… But it was in the 80s that the American Dream began to take on hyperbolic connotations, to be conflated with extreme success: wealth, basically” (Kamp 4).

In later decades, according to *Rethinking the American Dream*, a strange phenomenon occurred. Americans were losing faith in the American Dream. A CNN poll taken in 2006 found that 54 percent considered the American Dream to be unachievable. And in 1995, in a *Business Week*/Harris poll found that two-thirds of those surveyed believed the American Dream had become harder to achieve in the past 10 years. However, to the writer Gregg Easterbrook, this was rather puzzling because “by the definition of any prior American generation, the American Dream had been more fully realized by more people than ever before. While acknowledging that an obscene amount of America's wealth was concentrated in the hands of a small group of ultra-rich, Easterbrook noted that 'the bulk of the gains in living standards—the gains that really matter—have occurred below the plateau of wealth'" (Kamp 4). Ironically, by every indicator (per capita income, home ownership, and education) life for the average American *had* gotten better (Kamp 4).

In his book, Jim Cullen notes that there is no *one* American Dream, but instead many American *Dreams* resting on that very idea of "better and richer and fuller". But what does that actually mean? While the answers vary, but in the contemporary United States, one might believe that defining it in terms of money is the *only* definition, possibly paired with a dream of upward mobility typically understood in terms of economic and/or social advancement (Cullen 7-8). Even David Kamp highlights in his article, *Rethinking the American Dream*, that Adams himself couldn't deny the material component to the American Dream (Kamp 2). However, this "American Dream is now almost by definition unattainable, a moving target that eluded people's grasp; nothing was ever enough" (Kamp 4). Additionally, the latest recalibration saw the American Dream "get decoupled from any concept of the common good" (Kamp 4).

These reasons are why I think the idea of the "American Dream" helped push America into the current crisis. From a very young age we are trained that more is always better and that is how our success will and should be defined as adults. "The term seems like the most lofty as well as the most immediate component of an American identity, a birthright" (Cullen 5). This idea of a "better and richer and fuller life" (as Adams would say) has been engrained into our minds as children since the day we started school. We are taught that the individual should always come first and that our success should be defined in the quantity of our material possessions. Yet, that idea is setting us up for failure because, like previously said, this has created a moving a target that will consistently elude us. We are no longer concerned with the greater good, and I think Hampton Roth from the movie *Definitely Maybe* says it best: "Beauty, ideals, love don't mean squat anymore. It's all about power and money." Eventually, this constantly elusive dream is destined for a wakeup call, one which I think could also be called the 2008 recession.

This study will focus on changing consumer values as a result of the 2008 recession. Four themes were used to analyze the question of, "Is there a new sense of meaning that has emerged post-recession that offsets the negative economic effects?"

Theme 1: Overview of recession data, including economic effects of the recession on business

The recession of 2008 can be marked by foreclosures, evictions, bankruptcies, layoffs, abandoned projects, and the deterioration of the people and industries caught in the middle. It was the worst in over 75 years and is likely to be more harmful than the slump of 1981-1982 (Altman). While the cause of this recession could be debated endlessly, according to Roger Altman in his article titled *The Great Crash, 2008*, the crisis' underlying cause was the combination of very low interest rates and unprecedented levels of liquidity. "Facing low yields, this mountain of liquidity naturally sought higher ones. One basic law of finance is that yields on loans are inversely proportional to credit quality: the stronger the borrower, the lower the yield, and vice versa. Huge amounts of capital thus flowed into the subprime mortgage sector and toward weak borrowers of all types in the United States… the annual volume of U.S. subprime and other securitized mortgages rose from a long-term average of approximately $100 billion to over $600 billion in 2005 and 2006" (Altman 4). This flood of mortgage money caused residential and commercial real estate prices to sky rocket. Normally, the average of U.S. home appreciated 1.4 percent annually between 1970 and 2000, that same rate exponentially grew to 7.6 through 2005 and then to 11 percent through 2006. This intense rise of housing prices undermined the value of the multi-trillion dollar pool of lower-value mortgages that had been created between 2003 and 2006. Compounding, subprime mortgages were structured to be artificially cheap and then convert to more expensive terms, causing innumerable borrowers to not be able to afford the adjusted terms leading to more delinquencies. This self-reinforcing downward cycle has caused markets to plunge (Altman 5). Four areas of our economy suffered through the recession, each with their own implications.

First, and debatably the greatest hardship felt by Americans was the increase in the unemployment rate, which then translated into a drop in household incomes. This period was even named by U.S. News and World Report writer, Mortimer B. Zuckerman, as the "Great Jobs Recession" (Zuckerman). "More jobs were lost in the recession of 2007-09 than in the previous four recessions combined" (Zuckerman), with actual levels at approximately 7 million in 2007, 9 million in 2008, and 14 million in 2009, according to the Bureau of Labor Statistics. Some might argue that there could be other factors contributing to the high unemployment levels, but "the labor force participation rate was essentially unchanged, indicating that much of the downturn in the labor market resulted from individuals losing jobs" (Borbely 3). According to Monthly Labor Review writer, James Borbely, the fourth quarter of 2008 brought the highest unemployment rate, since 1993, for persons of prime working age (25-54) at a level of 5.9 percent, a 2 percent increase from one year previous. Additionally, most of the increase in total unemployment was among "job losers". At the end of 2008, approximately 6.1 million people were unemployed due to losing their jobs involuntarily (Borbely 3-9). Lastly, Laura Kelter says in her article, in the *Monthly Labor Review*, only health care, mining, and government industries continued to add jobs, leaving out consumer-driven industries like retail, leisure, and hospitality (Kelter 20).

Obviously amidst all this unemployment there was, and is, drops in household income. This is where most American families felt the depths of this recession… through the loss, or shrinking, of their paycheck. According to the US Census Bureau, "the real (inflation-adjusted) income of the median household fell 3.6 percent, from $52,163 in 2007 to $50,303 in 2008… and the 3.6 percent decline was the largest one-year decline on record (since 1967)" (Shierholz). Shierholz notes that this decrease in income is just the "tip of the iceberg" of income declination. She states, "From 2007 to 2008, the average income for a typical household declined by $1,756. We project that it will likely decline by an additional $2,456 in 2009, and by an additional $601 in 2010, for a total decline of $4,813… this is a decline in income of 9.3%" (Shierholz). So, for the average American making $50,303 in 2008, his or her monthly income would decrease by about $500… which doesn't seem like much, until you consider that amount is probably the monthly utility bill. Furthermore, according to Shierholz's research, the two previous business cycles before 2000-2007, real median income grew, but over the business cycle of 2000-2007, incomes didn't rise. Thus, "working families are weathering the current economic recession without the cushion that robust expansion prior to the recession would have afforded them" (Shierholz). So in all realities, this decrease in incomes is worse that it appears. Another aspect that income level affects is the poverty line. In America, "poverty experts often use twice the poverty line as a more accurate threshold for material deprivation… and in 2008, 31.9 percent (96.1 million people) were living below twice the poverty threshold" (Shireholz). The poverty rate itself, defined by the US Census Bureau as $22,025 for a family of 4 in 2008, "increased from 12.5 percent in 2007 to 13.2 percent in 2008 (representing an additional 2.6 million people)" (Shierholz). Unfortunately, "it shows that there has been no recovery in terms of household income (recovery period is June 2009 to June 2011)… during the economic recovery, real median annual household income fell by an additional 6.7 percent (from 3.2%), from $53,518 in June 2009 to $49,909 in June 2011 (Green).

Next, we'll discuss the crowd favorite… the abysmal housing market. "Median price of homes sold in 2006 was at a record high of $245,000. That same number dropped in October of 2008 to $213,000 and even further in August 2009 to $195,000" (Paradis). This drop really hit wallets hard because a house is the greatest asset for most Americans and as seen as an investment move, or was. "Homeownership levels, meanwhile, continue to decline. New foreclosures filings are running about 300,000 a month, according to RealtyTrac. There are currently some 5 million homeowners that are 90 days or more past due on their mortgages, according to Fannie Mae chief economist Doug Duncan. Though the pace of foreclosures has recently begun to taper off, there are indications they may pick up again as lenders redouble efforts to work out bad loans, and mortgage defaults continue to bring new foreclosures" (Schoen). So what happens to those "lost households?" "It's widely assumed that many who lose a home to foreclosure become renters. But since the recession began, there has been a five-fold increase in "overcrowding" of remaining households — defined as more than one person per room, according to the study" (Schoen). Banks have been encouraged by the government to lower the principal amounts on those mortgages that are "underwater", but the process is still voluntary yielding not much participation from banks. According to Duncan, this is leading to high numbers of "strategic defaults", meaning that families walk away from their homes when they can't afford the mortgage anymore. The problem becomes contagious, he says, because other neighbors might end up jumping on the bandwagon. This problem becomes exponentially devastating because it can hurt a borrower's credit history, potentially hurting job prospects with a new employer or create barriers to renting (Schoen). Ultimately, the downfall of the housing market is not only yielding primary negative effects, but even worse, possibly hurting Americans' attempts to improve their financial stability through job hunts or renting ventures.

Lastly, the recession has affected consumers, their spending, and business. One of the alleged "fixes" for this recession is through business and the creation of jobs, to then later affect the employment levels. However, if consumers aren't spending their money, there aren't extra profits for business expansion. "A major drop in corporate profits might occur because U.S. consumers are deeply frightened and have stopped spending on discretionary terms. Shocked by the financial crisis, fearful about the security of their bank and money-market deposits, and rocked by the sense of doom pervading Washington and the U.S. media, they have quickly raised their savings by curtailing spending and paying down debt. This resulted in the biggest monthly drop ever recorded in the Consumer Confidence Index" (Altman 6). "Two years ago, consumer confidence was at 95.2. Reading above 90 means the economy is on solid footing; above 100 signals strong growth. Consumer confidence as of February 2009… 25.3" ("The Great Recession).Small businesses are a huge factor in a healthy recession for a recovery. "For most people, a vital component in opening a small business during a recession is receiving a loan from a bank or another external source. Since the recession has occurred, banks are limiting the amount of loans they are giving out. Small businesses depend on bank loans, 'which has tailed off 17% since last year [2008]'" (Sharples 7). Ultimately, the effect that the recession has had on consumer spending and business expansion could in fact be a reason that we're still recovering.

Theme 2: A post-recession consumer is emerging

According to a recent Strategy+Business article, "the wave of hyper-consumerism that propelled the U.S. economy through the last decades of the 20^{th} century and into the first years of the 21^{st} century has passed… Consumer spending patterns are changing as a part of a trend that has been quietly gathering strength over the past 10 years… They also realize that how they spend their money is a form of power, and are moving from mindless consumption to mindful consumption" (Gerzema). One way this wave of "hyper-consumerism" can be characterized is through extreme credit card debt. "In September 2008 [there] was approximately $975 billion" (Paradis), whereas the "average [revolving debt] per household was $7,394" (Index). What came next was a financial crisis that forced Americans to change the way they were living. According to *Household Income Trends during the Recession and Economic Recovery*, real median household income declined by 9.8 percent for period between December 2007 and June 2011. A decline of this magnitude represents a significant reduction in the American standard of living (Green). "This financial crisis has deeply frightened consumers, and in response they have sharply retrenched" (Altman 2). Retrenching is defined by Ogilvy & Mather in *Eyes Wide Open* as "shifting habits, spending patterns, rituals, and priorities to maintain the status quo".

Naturally, a forced life adjustment this drastic is bound to bring change into the one thing consumers have control of… their wallets. First, many consumers are doing the most natural thing when money runs low: cut back on spending. "In a recent poll, 62 percent of respondents said they had cut back on their spending since the start of the recession. Only 6 percent said they were spending more" ("How), essentially meaning that out of the approximate 313 million people in the United States about 194 million of them have cut back their spending. According to an Associated Press survey: "in June [2011], Americans cut their spending for the first time in nearly two years" (Wiseman). Not only are consumers cutting back on how much they spend, but they are also now making more conscious decisions with their money. According to *Eyes Wide Open, Wallet Half Shut*, consumers are switching from mindless, splurging, and extravagant shopping habits to ones that are mindful, sacrificial and frugal and "Consumers are going to look before they leap into purchase decisions with more research before they buy… What brands and marketers need to know is that the choices consumers are making are deliberate ones" ("Eyes). This new theory means that marketers need to make sure their brands are at the top of consumers' list in quality, value, and price.

Similarly, post-recession consumers are choosing to make "trade-offs"… trading one thing for another in their more deliberate shopping patterns. Consistent with *Eyes Wide Open, Wallet Half Shut*, consumers are making interesting switches across seemingly unrelated categories, in attempt to get their lives in balance while still feeling like they are treating themselves to those things that make them feel normal. One example given in the article is from Mark, a 27 year old from Texas. He said that he stopped using the internet on his phone to get a lower rate plan and utilize a better device for internet browsing-his laptop ("Eyes). In this example, Mark evaluated what his "must-haves" were and then chose an alternative to save on those things that weren't necessary to him. In the same way, consumers have also adopted new purchasing patterns when it comes to grocery purchase. While before the recession, most consumers chose national brands, generally resonating with their childhood or "it's just what I've always bought". Now, they are choosing to turn to "private label [brands] (90 percent), up their use of coupons (92 percent), and frequent discount stores (91 percent)", according to the study done in *Eyes Wide Open, Wallet Half Shut*. Now, retailers offering private brands are facing a huge competitive advantage to those that don't because they have what post-recession consumers are looking for. Offering coupons also provides an advantage because now, buying things on discount isn't frowned upon but instead considered to be a battle that can be won.

Finally, according to *Eyes Wide Open, Wallet Half Shut*, a new trend is emerging: *conscious recklessness*. Instead of an impromptu shopping spree, consumers are beginning to plan for the reckless and frivolous impulse items ("Eyes). At first read, this may seem like a strange dichotomy because it did to me too. Consumers are choosing when to be reckless? However, upon closer inspection, the idea doesn't seem quite as paradoxical. Instead of being able to give into impulse desires and overpriced options like before, consumers now have to choose which items are worth splurging for since their pockets are no longer as deep. Now, once they shop around for the product they want to "go reckless on (typically not a necessity item or a more glamorous option of a necessity)", they can save their money in order to have the means to responsibly purchase the luxury product.

The question is whether or not these trends will last. "Many consumers who cut back on new clothes, out-of-home entertainment and take-away meals and switched to cheaper grocery brands to make ends meet plan to stick to these new habits even when economic conditions improve… The severity of this recession has brought about a change in consumer values, spending habits and lifestyle choices… with some indication that consumers will continue to refrain from excessive or unnecessary spending across all aspects of their lifestyles – at least in the short term" ("The Global 5). This is an important insight for retailers, showing some evidence that these new consumer trends aren't just a temporary fad. The re-trenching done by consumers and their conscious recklessness could quite possibly become the new norm.

Theme 3: A new, post-recession consumer is redefining values and embracing a new definition of happiness, security, and success

As mentioned above, the Great Recession has brought about a change in consumer values. It can be argued that working Americans had become overly focused on work and money and landing the next promotion. Their success could be determined by the amount of money they make or having the ability to one-up the Jones. Success, too, was achieved at "x" amount of money. A cycle was then established that only more would make us happier, more successful and feel more secure… the common denominator being a paycheck. But what happens when that one thing is alleviated? "Say hello to a lifestyle more focused on community, connection, quality, and creativity. People are returning to old-fashioned values to build new lives of purpose and connection" (Gerzema). Now, "having it all" seems to be an unrealistic goal, as said in *Eyes Wide Open, Wallet Half Shut*. Seventy five percent of those surveyed saying they would rather get out of the rat race than climb the corporate ladder – and instead, 76% said they would rather spend more time with family than make more money. Moreover, Americans are showing disenchantment with the pursuit of money with 75% again saying they would trade job security over a job that offered an opportunity for raises ("Eyes). Strangely enough, Americans are "reconsidering and deprioritizing the value of work in and of itself, and the work/life balance is a revitalized aspiration" ("Eyes).

So if people are becoming less enchanted by work and its salary, then what are they focusing on? It seems that they are almost redefining their lives, even by choosing the words they use to describe the brands they are searching for. "Among the once-prized brand attributes that declined in this period were: 'exclusive' (down 60 percent), 'arrogant' (down 41 percent), 'sensuous' (down 30 percent), and 'daring' (down 20 percent). On the opposite side of the scale, the brand attributes Americans found more important as they began to sense the impending recession and then suffered through the crisis were: 'kindness and empathy' (up 391 percent), 'friendly' (up 148 percent), 'high-quality' (up 124 percent), and 'socially responsible' (up 63 percent)" (Gerzema). Likewise, in the consumer survey of *Eyes Wide Open, Wallet Half Shut*, 90 percent of people that have changed their habits have chosen to "kick up" kindness ("Eyes).

Happiness now isn't being defined by how much you have. In fact, consistent with *The Power of the Post-Recession Consumer*, sheer desire for goods themselves has been declining sharply. People are making dramatic shifts in what they expect in the consumer marketplace and how they define and pursue what they considered to be the "good life" (Gerzema). Furthermore, it's almost as if money has been taken out of the happiness equation altogether. "The most surprising thing about our study was how much consumers were saying what they would NOT do for money, even when money worries are high on the list… 75 percent would rather 'have a secure job, but without the opportunity for raises' than 'have a less secure job, but with consistent raises' and 76 percent would rather 'spend more time with your family' than 'make more money'" ("Eyes). As in the article, *The Global Consumer in a Post-Recession World*, consumers are returning to traditional and social values, including choosing to allow family and friends to affect their happiness. In response, consumers have decreased their out-of-home entertainment and are spending more time at home with the family ("The Global 12).

Lastly, definitions of security and success are being reconstructed. According to *Eyes Wide Open, Wallet Half Shut*, many people are still aspiring to the familiar facets of the American Dream (comfortable retirement) but others, like furthering one's education, are being abandoned. Even more surprisingly is that goals like "good health" and "safe country" were among the top two ("Eyes). So, as an alternative to pursuing the "better and richer and fuller" life that James Truslow Adams' American Dream promised, Americans are finding security in more intangible things. By the same token, an intangible of sustainability is becoming of more value. "Many consumers' stories focus on reducing and reusing. And their efforts are not geared toward the environment, necessarily, but more toward developing "sustainable living" in every aspect of their lives. The traditional pursuit of happiness-which is bound up with accumulation of material wealth-is being relinquished in favor of the pursuit of peace of mind" ("Eyes). People began, or were forced, to realize the lives they were living were not sustainable in the long term. Success has also had the opportunity to be redefined because consumers have "been able to 're-imagine' their lives, creating a whole new system of values and behaviors" ("Eyes), giving them new things to rate their lives by. As a result of this new re-imagining, some people are "forging new career paths out of choice, necessity, or some combination of both" ("Eyes) which could mean anything from having the chance to volunteer more or choose a new job that is more fulfilling ("Eyes). Americans are now being given the chance to decide for themselves what success will mean and, for some people, that means pursuing a dream that was once lost.

Theme 4: Is there a new sense of meaning that has merged post-recession that offsets the negative economic effects?

After reading the facts, most of which are depressing, about the recession of 2008, there is no doubt that what is left are many defeated or angry people. In no way could I argue that the recession wasn't devastating; however, my theory is that the redefining of values and how people are spending their time post-recession are much more beneficial and rewarding, both personally and for society. We had become a greedy country, one that didn't look out for each other and consistently put ourselves first. Families have been sacrificing for years, not to mention the institution of marriage. So what if this heartbreaking event is exactly what we needed to "wake us up" and provide a long overdue reality check?

Two major areas of society have been affected positively throughout this process. First, there is the subsection of society that deals with anyone besides one personal self, ultimately meaning all types of relationships. One respondent in *Eyes Wide Open, Wallet Half Shut* said: "Remember that all that time you spent shopping was retrieved and put to better use; use that made you feel more uplifted, a better person and a person who could devote more time to relationship building. The recession forced you to rethink priorities and created a more rounded, satisfying life' –Elle, 41" ("Eyes). Elle, and many other Americans, are getting the best of both worlds in this scenario… Not only is she cutting back on spending, but more importantly, she now found time to devote to relationships and her family. "Research does show that children living with their married, biological (or adoptive) parents are less likely to be poor, to use drugs, to experience educational, health, emotional and behavioral problems, to be victims of child abuse, and to engage in criminal behavior than their peers" ("Dads). Children with parents that are more devoted to their work than their family might as well be considered absent parents, potentially yielding opposite results on their kids. Likewise in the family dynamics, post-recession Americans are translating sustainability into a new definition. : According to Manila Austin Ph.D., Communispace's Director of Research, "Consumers didn't fully understand the idea of sustainability until they found themselves living unsustainable lives – working too hard, carrying too much debt, and not living or planning for the long term. Now consumers are re-imagining their lives for a sustainable future for themselves and their families" ("Eyes). This behavior of building a more sustainable future only produces greater compounding returns on the initial act of investing more time in the family.

Even more surprising was the evidence of how the recession has changed Americans personally. "Today's consumer is emerging from the recession with a radically new definition of the American Dream and a renewed sense in their own resourcefulness and priorities ("Eyes) and "68 percent of consumers agree the recession has caused them to rethink their perspective and/or values" ("Eyes). "Many Americans we've talked to are using this recession as not only a financial wake-up call, but a general wake-up call to get their lives in order… We hear the recession has been a source of personal epiphanies; people have discovered what they are made of… and we also heard stories about new-found confidence, the development of healthier habits, and a heightened awareness of how important it is to be able to rely on yourself" ("Eyes). More confident, positive, self-motivated American individuals can only create a stronger America as a whole.

I believe that the endless list of positive consequences that have come from the recession is nothing that can be ignored. While there is no doubt that the recession has been painful, it has also brought people's lifestyles more in line with what really matters. So many personal areas of lives had been suffering from the hyper-consumerism and over-worked pre-recession America that needed something to remind people how much was lacking. Where might we be now if the recession hadn't have happened? Yes, endless amounts of people would still be employed, but how would their personal lives and their families be suffering emotionally because of that? What if these necessary adjustments would have never happened? "Individuals who have lost their job, or know someone close to them that has, have kicked up every virtue more than those who don't know anyone who has lost their job in the recession" ("Eyes). Maybe without the recession we would still be stuck in the greedy, all for me, I come first cycle that we were in before.

All that being said, where do we stand now with the American Dream? No matter what eloquence I luck into, I couldn't say it better than Ogilvy & Mather: "In regards to the American Dream… The social idea that, with hard work and perseverance, every American can be rich, happy, secure, and better off than their parents is no longer a certainty… With material wealth and upward mobility being uncertain goals, people have expanded their aspirations to intangibles. Family, health, safety as a country, and a humble appreciate attitude toward life are goals for today and the near future" ("Eyes).

Research Methods

After completing the secondary research, I was beyond intrigued to find out if in fact post-recession Americans have redefined their lives. The previous research left a dismal spotlight amongst us and I was anxious to execute this survey. Using a two-tiered study involving a literature search and survey research, I explored the aforementioned themes. First I used a thorough literature search, focusing on popular business, government, and sociology sources as well as other media articles, books, university websites, and several sites about investment. The information gleaned from the various sources helped to develop my second research method: a survey targeted at both college-aged students and out-of-college aged adults. I wanted to target these two different ages primarily because I was curious to see if there was a difference in the results of those who were more likely to be effected by the recession (out-of-college adults) and those who were less likely to feel the effects (college students). The survey was issued via Qualtrics, an online survey medium.

Both a convenience sample and a snowball sample were gathered through the completion of the survey. First, a convenience sample was used, utilizing professors' classes (Dr. Rapert in the Sam M. Walton College of Business and Dr. Popp in the Dale Bumpers College of Agriculture, Food, and Life Sciences) in which students were offered credit to take the survey. Finally, a snowball sample was used based on my friends and family, and then they forwarding it to their friends and family too.

This survey was completed by 284 respondents from various locations around the U.S. Those that completed the survey encompassed a wide array of demographics such as age, gender, state of residence, income, highest level of education completed, and current status (student, full time, or part time work). Fifty eight percent of those that responded were in the 18-25 age category, 9 percent in 26-34, 24 percent in 35-54, 8 percent in 55-64, and 1 percent at 65 and older. Sixty seven percent of those that responded were female, leaving the remaining 33 percent to be male. While the majority of respondents live in the state of Arkansas (70 percent), 6 percent were from Oklahoma and 6 percent were from Texas. In total, 27 states were represented in the sample. I also asked what the respondent's level of income is and if they are supported by their parents (ex: some college students) to use their parents' income; "prefer not to answer or do not know" was also given as an option, totaling about 9 percent of respondents. 38 percent said they made under $50,000; 20 percent in $50,000-99,000; 14 percent at $100,000-149,000; 8 percent at $150,000-199,000; and 12 percent at $200,000+. Concerning the highest level of education completed, 4 percent had at least a high school diploma, 46 percent have completed some college, 9 percent have an associate's degree, 24 percent have a college diploma, and 16 percent have a graduate's degree. Lastly, I surveyed what their "current status" was: either a college student (undergraduate or masters) (57 percent), currently in the workforce full time (34 percent), currently choosing to stay at home full time (4 percent) or other (5 percent).

A research matrix was created by breaking down the main thesis question, is there a new sense of meaning that has merged post-recession that offsets the negative economic effects?, into four sub-themes:

- Overview of recession data, including economic effects of the recession on business
- A post-recession consumer is emerging
- The new, post-recession consumer is redefining values and embracing a new definition of happiness, security, and success
- And the research question itself: Is there a new sense of meaning that has merged post-recession offsets the negative economic effects?

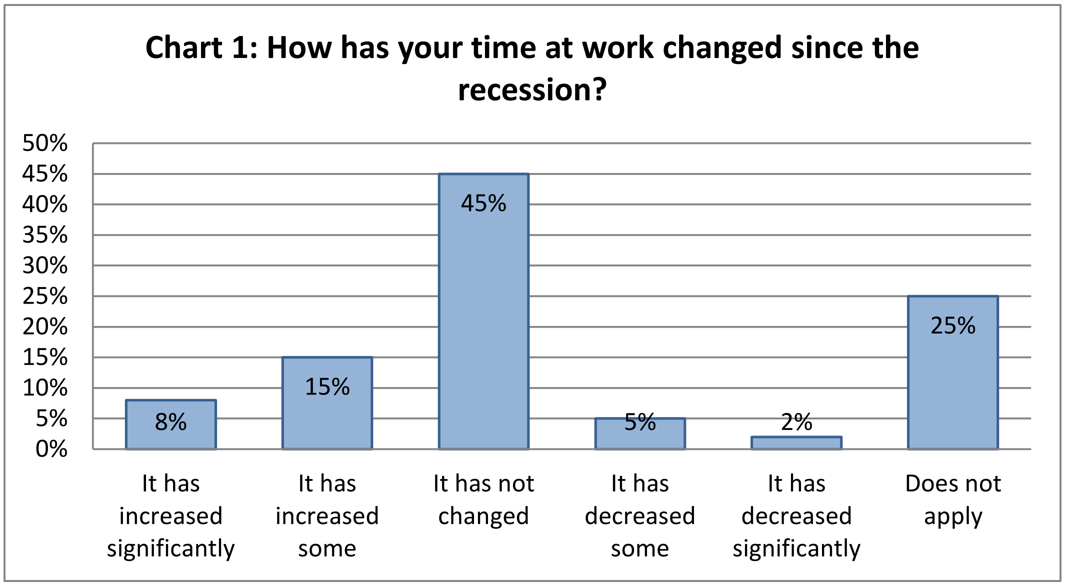
Using the matrix, I was able to categorize my data in order to ensure that the questions I used and the information I had gathered specifically addressed each of my research themes. Based on my findings from both the surveys and the research, I have made and will present insights gathered from my research.

Theme 1: A brief overview of recession data

Earlier, we discussed the four major areas affected by the recession: unemployment rate, household income and poverty, housing market, and consumer spending. This period was named the "Great Jobs Recession", reaching a high level of 9 million unemployed in 2009. Only industries that continued to add jobs through this time were heath care, mining, and government industries, leaving out consumer-driven ones. Secondly, real income of the average household fell 3.6 percent during 2007 and 2008, the largest one year decline on record. It is projected that total income decline during the recession could end up around 9.3 percent. Additionally, 2.6 million people stared living below the poverty line during this time. The housing market plummeted, and with all the subprime mortgages run about 300,000 foreclosures a month due to people being unable to pay their bills. Lastly, consumers have had to curtail their spending, hurting business.

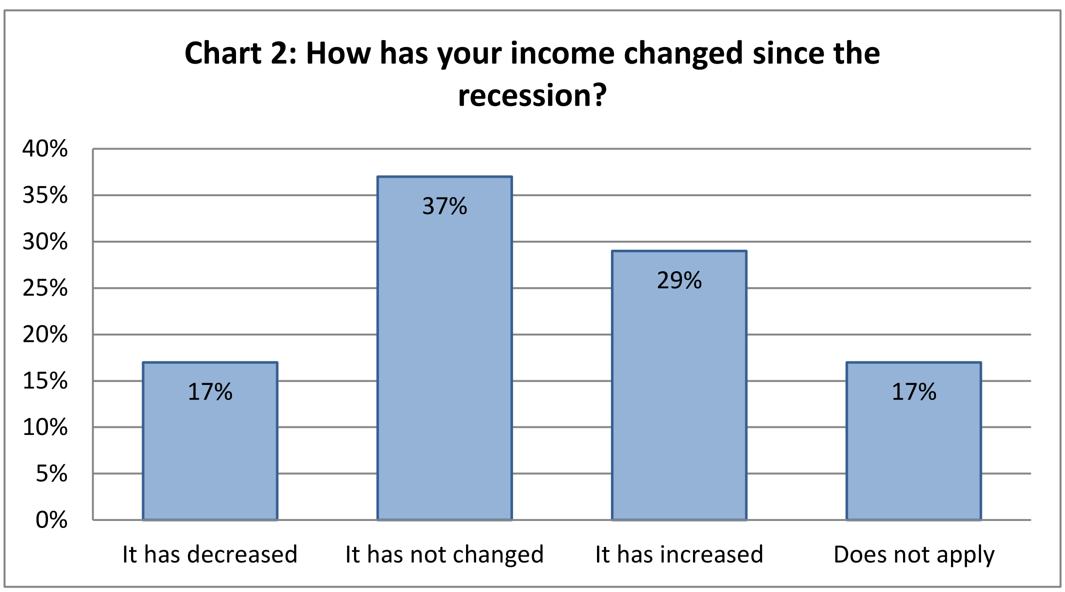
With this in mind, I wanted to explore how much the recession was felt by consumers. In order to better understand how consumers' wallets might have been effected by the recession and what their thoughts were on the recession in general, I asked a serious of questions which measured their income since the recession, how detrimental they felt the recession was, and how much they felt personally effected.

First, to understand how work life might have changed due to the recession, a 5-point likert scale question asked: "has your time at work changed since the recession?" The answers ranged from "it has increased significantly" to "it has decreased significantly", including an option of "does not apply". The results can be seen in Chart 1.



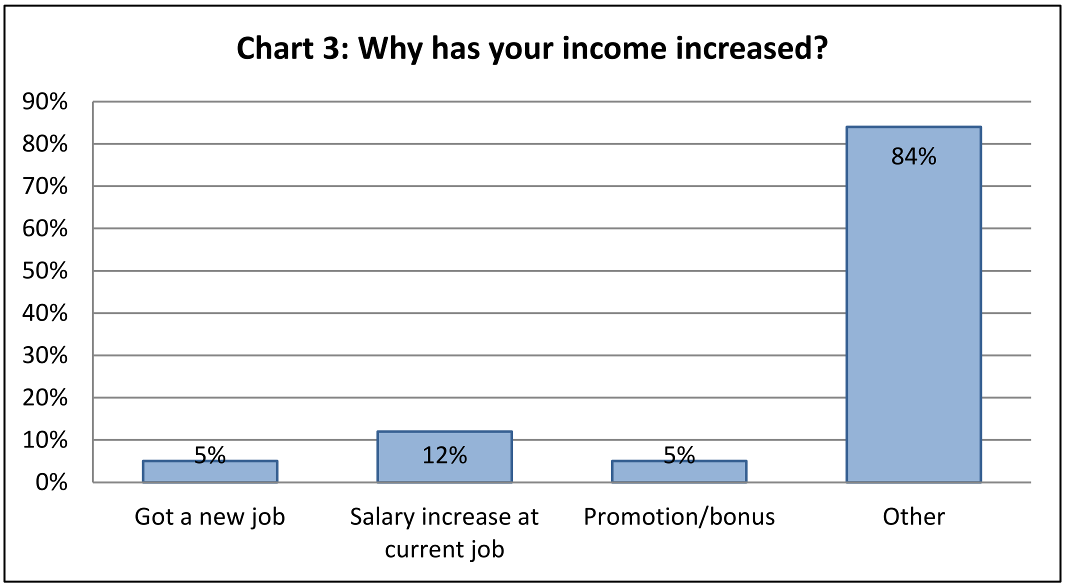
As seen above, the majority of respondents (45 percent) indicated that their time at work has not changed. 23 percent indicated that their time at work increased at least a little, 7 percent indicated it has decreased at least some, and 25 percent indicated "does not apply". The "does not apply" category is most likely either college students without jobs or those that have chosen to stay at home (ex: stay at home moms, etc).

Next, a multiple choice question asked respondents whether or not their income had changed since the recession. The available options were: "it has decreased", "it has not changed", and "it has increased". The option "does not apply" was also included for the people who might not have a job. Chart 2 displays the results:



As you can see, the majority of the respondents fell in the “it has not changed category”. What was surprising was the higher number of responses indicating their income had increased since the recession. I expected people to note that their income had decreased, taking into consideration any job cuts, hour cuts, etc., but I wasn’t expecting such a high response for the opposite.

To further understand why respondents’ incomes might have increased, a multiple choice was used to ask why their income had increased. Only the people who selected “it has increased” on the previous question were directed to this question, equaling 29% of the people that answered the previous question. Four multiple choice options were given: “got a new job”, “salary increase at current job”, “promotions/bonus”, and “other”. The results are shown in Chart 3.



As seen above, “other” as an option was most common, resulting in 36 people out of 43 selecting it. One explanation could be that, due the recession, people may have needed to seek additional work to earn extra money during the hard time.

Besides wanting to explore further how incomes might have been affected, I wanted to gage peoples’ general feelings about the recession. Two questions were asked to target this question, both of which were “slider” questions. In these types of questions, respondents could slide the bar on the screen to indicate their level of agreement with the question, on a scale of 0-10. First, I wanted to target specifically how people felt about the recession in relation to the country as a whole. The question asked: “On a scale of 0-10, how detrimental to our society would you rate the recession?” 0 meaning *extremely detrimental* and 10 meaning *not at all detrimental*. The results can be seen in Table 1.

Table 1: How detrimental to our society would you rate the recession?

Question	Minimum Value	Maximum Value	Average Value	Standard Deviation	Responses
Level of detriment	0.00	10.00	4.64	2.54	283

A neutral value to this question would be 5.5 (11 possible responses [0-10] divided by 2), indicating that on average, people thought the recession was mildly detrimental to society. The minimum and maximum values were chosen by at least one respondent. A standard deviation value of 2.54 was given for this set of responses.

Lastly, in order to investigate how much the respondents personally felt effected by the recession, another "slider" question was used using a scale of 0-10. This time, 0 indicated the respondent felt *not effected at all* and 10 indicated the respondent felt *extremely effected.* The results are shown in Table 2.

Table 2: How much do you feel personally effected by the recession?

Question	Minimum Value	Maximum Value	Average Value	Standard Deviation	Responses
Level of effectedness	0.00	10.00	4.68	2.44	281

Again, a neutral value for this question would be 5.5. The data shows an average value of 4.68 indicates that, on average, respondents felt mildly personally effected by the recession. For this question, a standard deviation of 2.44 was given for the results. Earlier, I was surprised to see that more peoples' incomes hadn't been affected by the recession since job loss was one of the major headlines throughout the time. One possible explanation could be that, since this group of respondents didn't feel extremely affected by the recession, they hadn't had been exposed to the real depths of the recession and the job market.

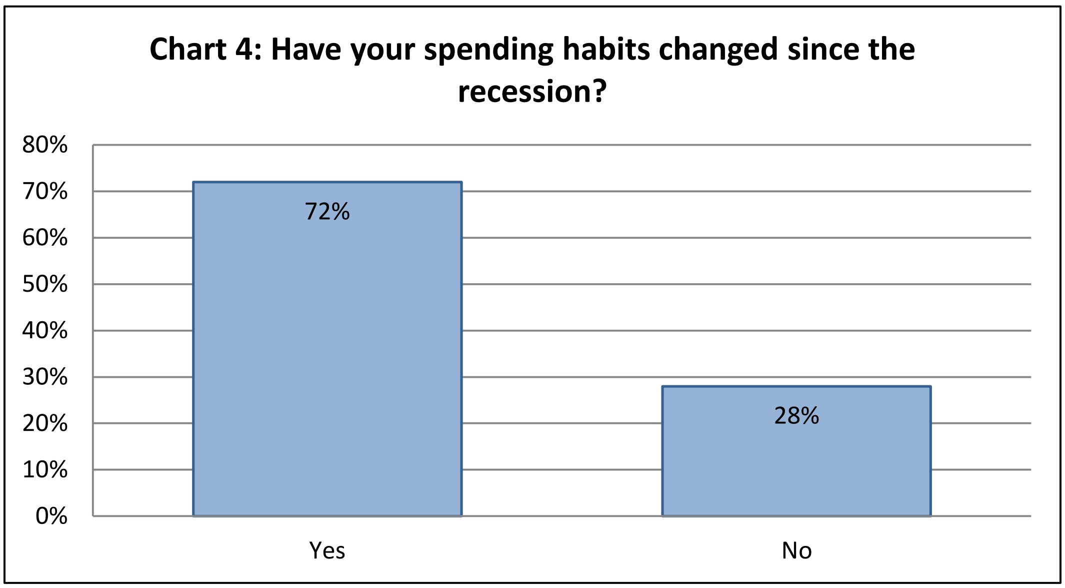
The survey questions for this theme showed:

- Time at work hasn't changed for 45 percent of respondents and has increased at some level for 23 percent
- Income didn't change for 37 percent of the respondents and increased for 29 percent
- Of those that received an increase in income, 84 indicated it was due to some other reason besides a new job, salary increase at a current job, or a promotion/bonus
- On average, people rate the recession somewhat detrimental to society and felt somewhat personally effected

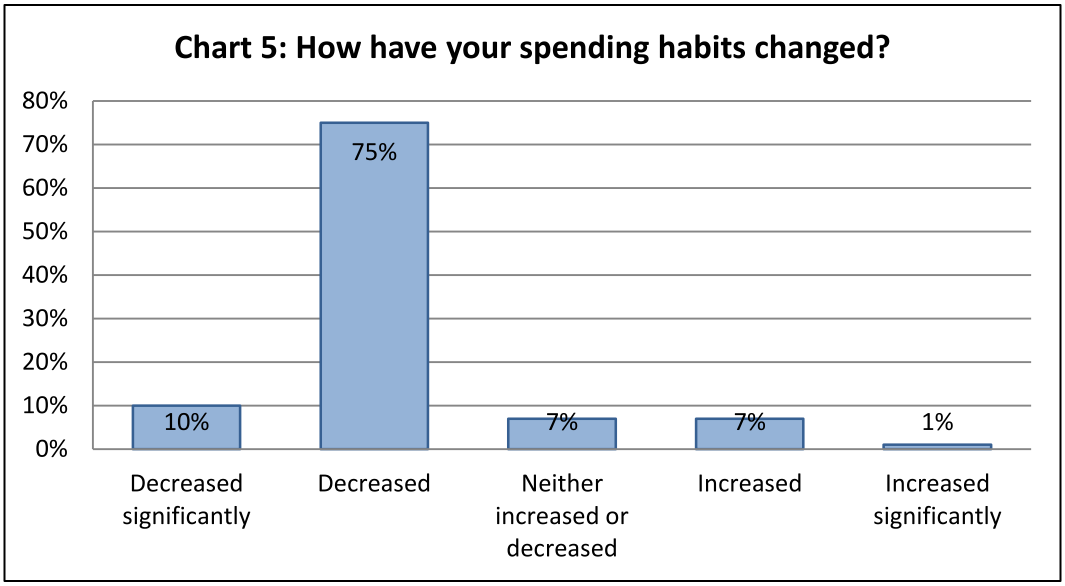
Theme 2: A post-recession consumer is emerging

Previously, we learned that a new, post-recession consumer is emerging. The wave of "hyper-consumerism" has passed and consumer spending patterns are changing. 62 percent of respondents (from a previous survey) indicated they cut back on their spending. Furthermore, post-recession consumers are making "trade-offs", sacrificing a bargain in one area to splurge in another. 90 percent are switching to private label brands and research has shown that these trends aren't just a temporary lifestyle change. Undoubtedly, one of the most common effects of the recession was a change in how consumers were using their money. Not only does this change shake American society but also the business environment as well. If consumerism as a whole is changing, business and the retail industry will definitely feel the weight of such changes.

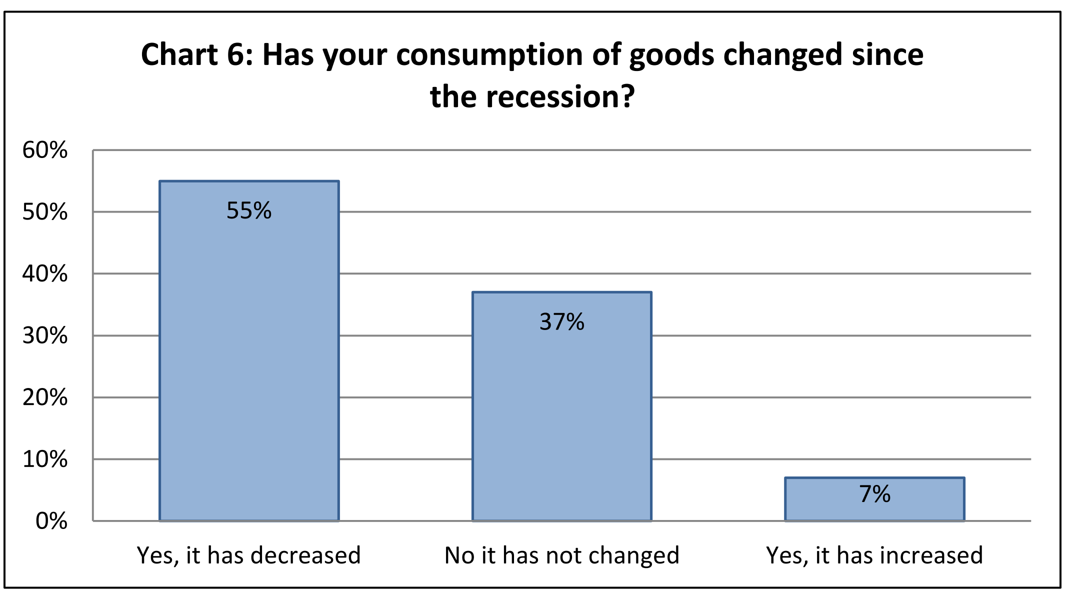
First, I wanted to discover whether or not consumers' spending habits have changed post-recession. To research this idea, a multiple choice question: "have your spending habits changed since the recession?" was asked, and two answer options were given: yes or no. The results are displayed in Chart 4.



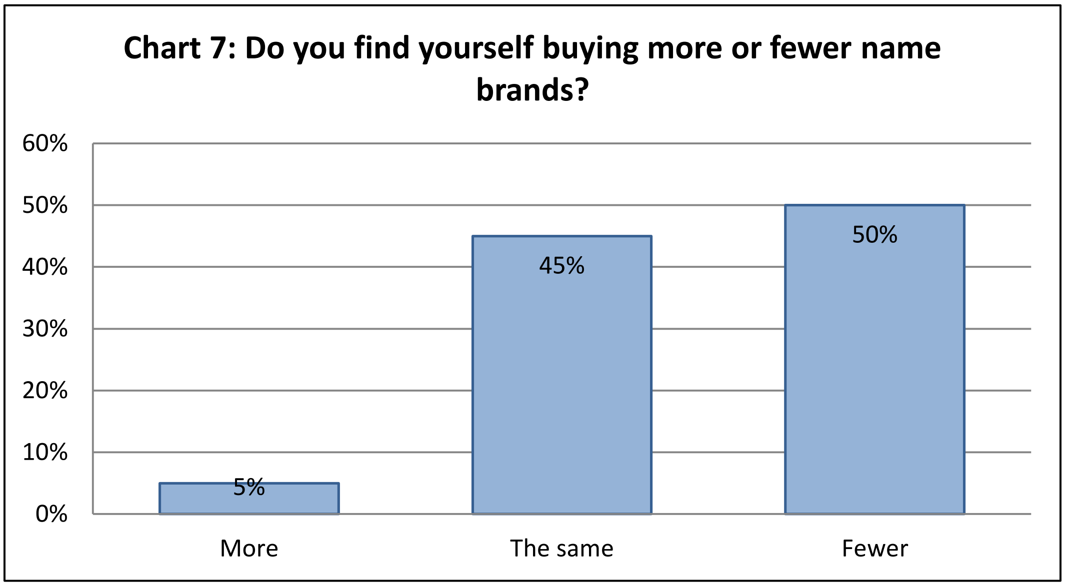
Not surprisingly, almost three quarters of the respondents answered yes, their spending habits have changed since the recession. In order to clarify how spending habits changed, respondents that selected "yes, my spending habits have changed" were then directed to a secondary question asking: "if your spending habits have changed, how?" This question was a 5-point likert scale question ranging from "decreased significantly" to "increased significantly". The results are shown in Chart 5.



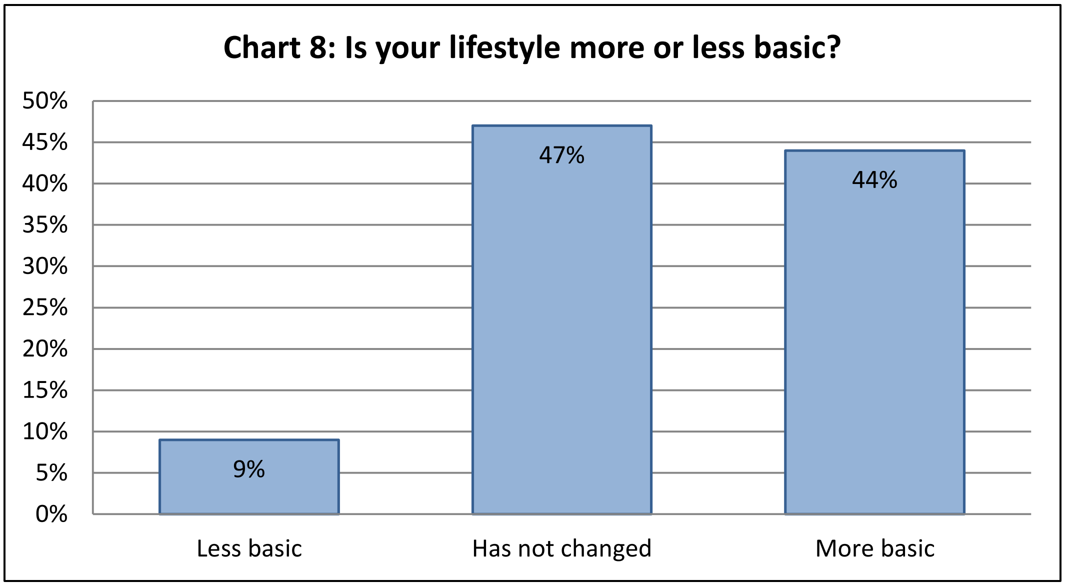
204 people answered this question, and again, I was not surprised to find that the majority answered that their spending habits decreased. However, when comparing these results to the question regarding whether or not income level had changed, I noted an interesting observation. Prior, more people responded that their income has increased than those who had a decrease an income. This relationship would lead us to expect an increase in spending habits. Some possible explanations of this is that here, in Northwest Arkansas, we might be sheltered from the recession and its effects. Additionally, people may perceptually felt a heightened awareness of what was happening economically due to the recession, which led to a change in habits due to a "fear factor" that they might soon begin to suffer, too. To explore deeper this decrease in spending habits, another question asked: "has your consumption of goods (consuming/using things like food, clothes, entertainment, services, etc.) changed since the recession? A multiple choice question was used with the following options: "yes, it has changed", "no it has not changed", and "yes, it has increased". The results are displayed in Chart 6.



Yet again, I was not surprised to find that over half answered that their consumption has decreased since the recession. 37 percent indicated that their consumption has not changed and only 7 percent noted that it had increased. In an attempt to understand how these changed spending habits might specifically affect retailers, the next question asks, “since the recession, do you find yourself buying more or fewer name brands?” A multiple choice question was used, with options being “more”, “the same”, or “fewer”. Chart 7 graphically represents the results.



Upon origination of this question, I was confident many people would choose “the same” or “fewer”. However, I did not expect 50 percent of the respondents to indicate they are buying fewer name brands, let alone that 95 percent would indicate that they are buying the same or fewer. To further dissect spending habits, next I asked: “Has your lifestyle changed before the recession? And if so, would you say this new lifestyle is more or less basic than it was before?” A multiple choice question was used understand respondent’s lifestyles with the options being: “Yes, it has changed and my lifestyle is now *less basic*”, “No, it has not changed”, and “Yes, my lifestyle has changed and is now *more basic”*. Chart 8 shows the results.



These results are in concordance with previous research that post-recession consumers are in fact adapting more basic lifestyles. Only 9 percent of the sample said that their lifestyle has become less basic over the years. As expected, a large amount of respondents indicated their lifestyle is more basic (44 percent) and many also chose that their lifestyle has not changed (47 percent). One possible reason for the large number indicating that their lifestyle hasn't changed is because a larger portion of the sample are college students who might still be supported by their parents are aren't as reliant on a steady paycheck.

Lastly regarding the theme of a post-recession consumer, I wanted to learn if the recession has caused people to become more conscious of their spending habits and/or more careful with their money. To evaluate this idea, a "slider" question was used asking: "On a scale of 0-10, how care would you say you are with your money?" I was also curious to see how people viewed their parents and their spending habits so they were asked to rate those on a scale of 0-10, too. 0 indicates *not careful at all and spending everything I* have and 10 indicates *being very careful and saving everything I have*. The results are shown in Table 3.

Table 3: How careful are you and your parents with money?

Question	Minimum Value	Maximum Value	Average Value	Standard Deviation	Responses
How careful you are with money	1.00	10.00	6.40	2.01	283
How careful your parents are with money	1.00	10.00	7.16	2.22	283

A neutral value on these slider questions is 5.5, indicating that they spend and save equal amounts. In regards to themselves, respondents said that they spend moderately more than they save, since the average value is higher than the neutral. Likewise, they indicated that their parents save more than they spend. The interesting thing to note here is that respondents indicate they are less careful/spend more money than their parents do. This evidence supports the idea that a post-recession consumer is emerging that saves more than before (assuming that college-aged students represent pre-recession consumers since they were sheltered from the 2008 recession, and that out of college aged respondents represent post-recession consumers).

The six previous questions presented:

- 72 percent of the respondents' spending habits have changed, and 85 percent of those said they either decreased or decreased significantly.
- 55 percent indicated their consumption of goods has decreased.
- 50 percent have started buying fewer name brands and 44 percent said their lifestyle is now more basic.
- Lastly, on average, respondents said that both their parents and they saved about moderately. However, the results showed that their parents saved more than they did.

Theme 3: A new, post-recession consumer is redefining values and embracing a new definition of happiness, security, and success

Next, we learned that this new, post-recession consumer is redefining their values. Research showed that lifestyles are now more focused on community and connection and people are returning to old-fashion values to build lives of purpose. In another consumer survey, 76 percent said they would rather spend more time with family than make more money, and now, work/life balance has become a priority. The desire for goods has decreased, giving Americans the chance to redetermine what it means to life the "good life". Americans are still striving towards the American Dream, but now, this dream has been redefined.

Career, money, and success

After exploring evidence regarding the development of a new, post-recession consumer, I was curious to see if and how their lifestyle changes affecting their values of happiness, security, and success. Since many Americans once (or still do) define success in terms of work and money, I first was interested to see if good pay was a determining factor in job selection for these "new consumers". The next question was a true/false question asking: "I would accept a job with good pay even if I didn't think I would enjoy it". Table 4 shows the responses.

Table 4: I would accept a job with good pay even if I wouldn't enjoy it

Question	Response
True	35%
False	65%

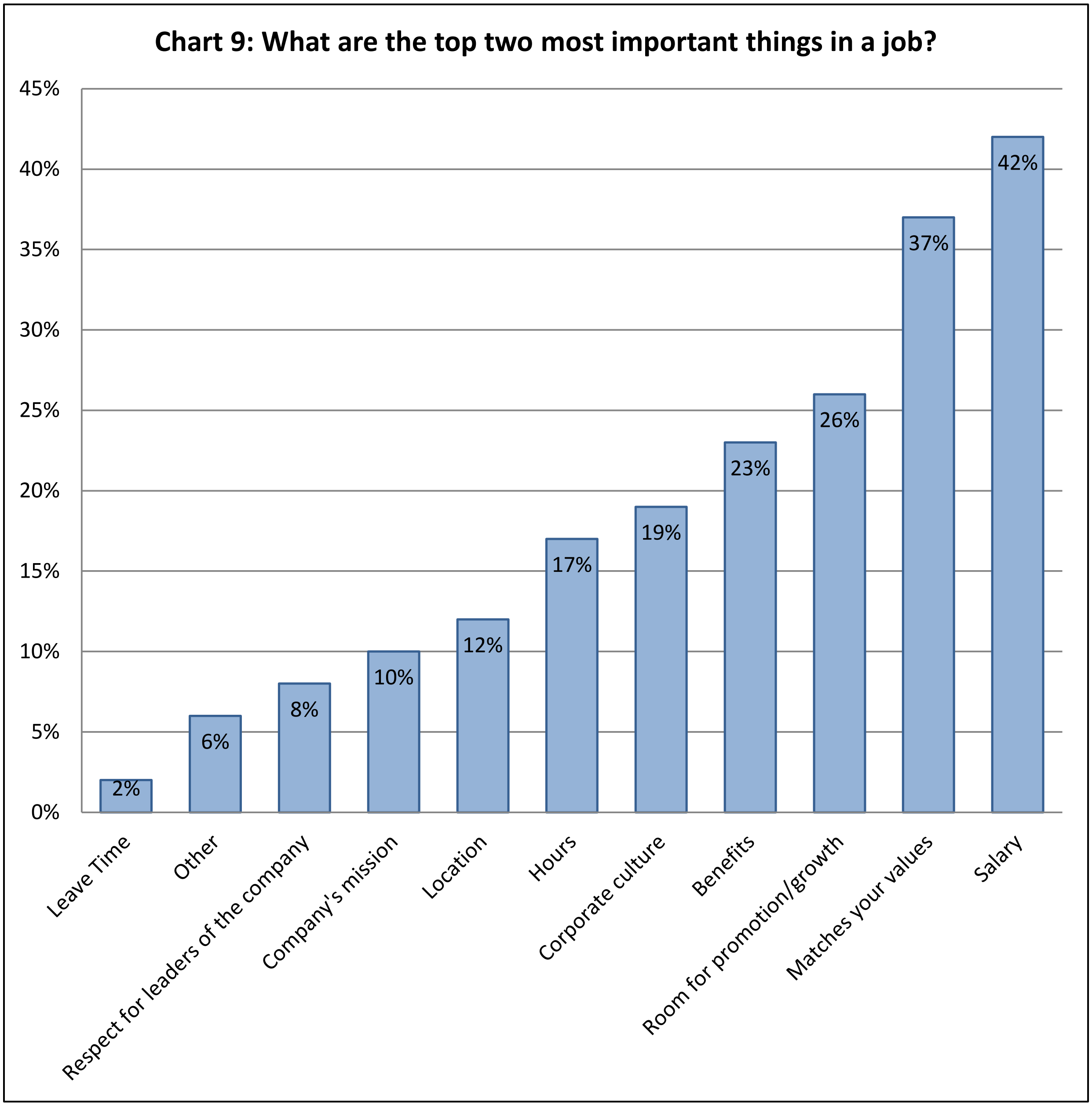
As you can see, more than the majority (65 percent) responded that they wouldn't accept a job with good pay if they wouldn't enjoy it. I was surprised by how many people indicated they *would* accept a job they wouldn't enjoy just because of the money; consequently, I cross-tabulated the data by age (college aged vs. out of college aged) to see if there was any difference in the distribution. Table 5 shows the results.

Table 5: I would accept a job with good pay even if I wouldn't enjoy it, by age

Question	18-25	26+
True	38%	29%
False	62%	71%

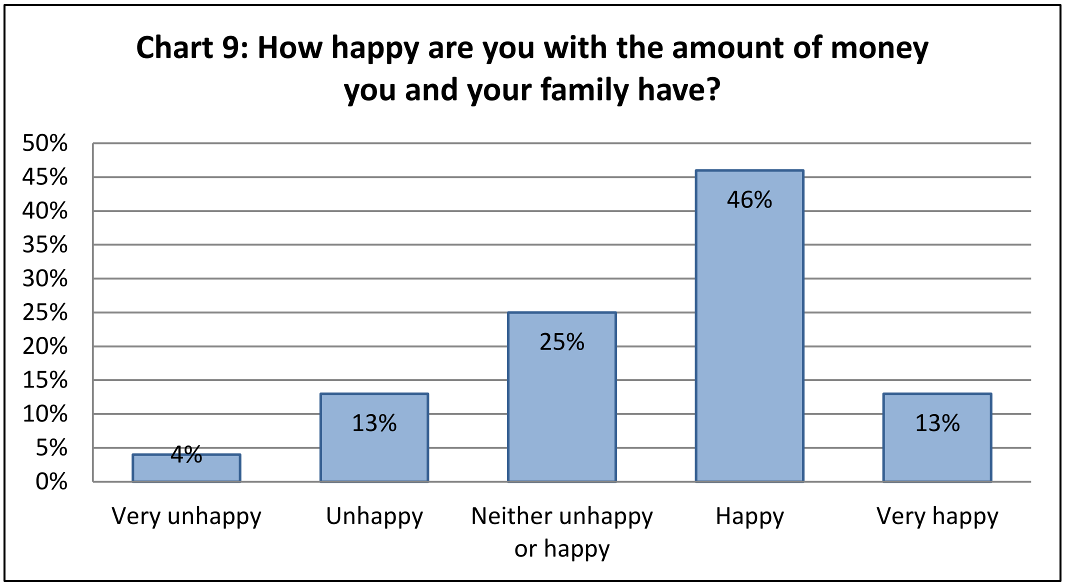
Now, the data shows a little bit different story. College aged students were more likely to accept a high paying job they wouldn't enjoy compared to out of college aged respondents who indicated they wouldn't be as likely. In accordance with previous evidence found, one reason for this could be that since out of college aged respondents were more likely to experience the recession, they had the opportunity to change their values about money and success and decide that money wasn't the most important thing anymore. Another possible reason is that older respondents have had more time in the workforce and may have worked a job they didn't like to know they wouldn't choose that route again.

So if money wasn't the driving factor in job selection anymore, I wanted to survey what was. The next question asked: "What is most important in a job" and respondents were asked to select the top two things. The results can be seen in Chart 9.

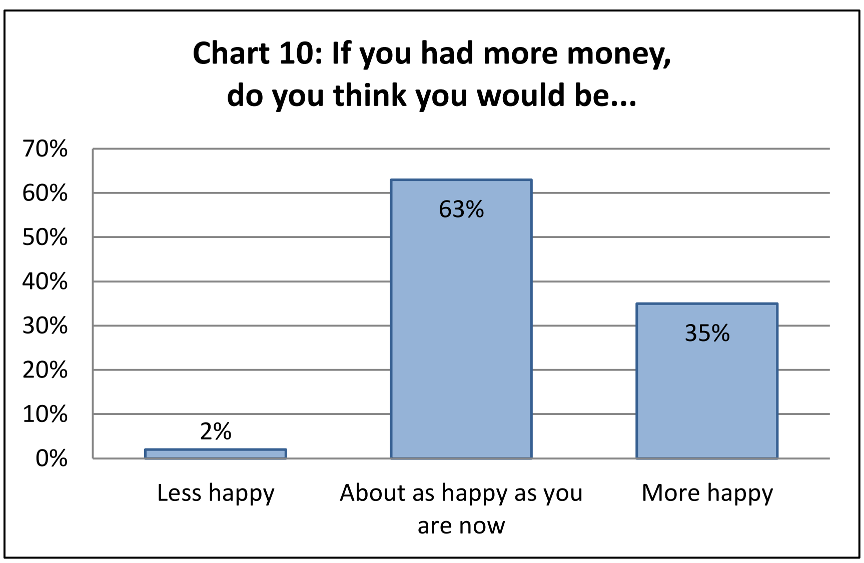


It is important to note that just because "salary" has the highest number of responses, doesn't necessarily mean that it is the most important consideration. It very may well be to some people, but we if continue with the assumption made from the previous question (that money was the most important thing due to 65 percent choosing false), then it isn't. However, salary was the most popular choice at 42 percent and the company matching personal values came in second at 37 percent. This is an interesting find because the theory is that the recession changed consumers' values, and this could be evidence that their values are now more important to them.

After surveying ideas about careers, I wanted to continue further with the importance of money. The next question was a 5-point likert scale, ranging answers from "very unhappy" to "very happy". The question asked: "How happy are you with the amount of money you and your family have?" Chart 9 shows the results.



As you can see, 59 percent indicated they are either happy or very happy with the amount of money they and their family has. To further dive into the power of money, the next question asked: "If you had more money, do you think you would be…" A multiple choice question question was used with answers "less happy", "about as happy as you are now", and "more happy". The data can be seen in Chart 10.



Following the idea that post-recession consumer values have changed, I expected that people would respond that more money would not give them more happiness. As shown above, this hypothesis was solidified, as 63 percent of respondents chose that more money would make them about as happy as they are now. Furthermore, after running the cross-tabulation via age, the results remained very similar across the categories. 62 percent of college aged students indicated that more money would not necessarily make them happier as did 65 percent of out of college aged respondents.

Lastly in this subsection, I was curious to see whether or not respondents thought that money could buy happiness. This question format was true/false and the results can be seen in Table 6.

Table 6: Can money buy happiness?

Answer	Response
True	21%
False	79%

As you probably expected, there was an overwhelming majority (79 percent) of the respondents that believed that money cannot buy happiness. However, I do find it unexpected that so many people offered honest responses that, for them, money can buy happiness. I think that in the hyper-consumerism era, there is a sense that money could buy happiness when their happiness was defined by the amount of things and the status those things provided.

Like before, when cross-tabulating data by age, surprising new data was revealed. These findings can be seen in Table 7. Again, the out of college ages will be grouped together.

Table 7: Can money buy happiness, by age

Answer	18-25	26+
True	27%	15%
False	73%	85%

This table shows that, when separated by age, a discrepancy is shown between college aged students (18-25) and out of college aged students (26+). 27 percent of college aged students indicated that money can buy happiness whereas only 15 percent of out of college aged students feel the same. Again, one possible explanation for this could be that, since they indicated they felt the recession more, the older age group has now changed their values and realizes that money has less significance in their life than the previously thought.

Next, I wanted to compare material wealth versus peace of mind. The goal of this question was to target whether people found their security in their wealth or whether they found their security in having peace of mind. For this question, I used a "sum-total" model. This means that the respondent got to assign a value to each based on its importance, but the sum of the two must equal 100. Therefore, if someone thought that material wealth meant everything and peace of mind meant nothing, then they would issue a 100 for material wealth and a 0 for peace of mind. The findings can be seen in Table 8.

Table 8: How important is peace of mind compared to material wealth?

Answer	Minimum Value	Maximum Value	Average Value	Standard Deviation
Peace of Mind	30	100	74.96	15.27
Material Wealth	0	70	25.04	15.27

As seen above, a 3 to 1 relationship has presented itself: the average value assigned to peace of mind was 74.96 and the average value of material wealth was 25.04. An interesting note is that no person assigned a value of 0 to peace of mind and no person assigned a value of 100 to material wealth. Similarly, an intriguing observation is that at least one person chose that material wealth didn't matter to them at all and at least one person chose that peace of mind meant everything to them.

Finally, I wanted to explore people's definition of success. This question was an open-ended question in order to give respondents the creativity to define their definition of success. Many answers were given; however, some major themes emerged and can be summarized below:

- Being happy with who you are, what you have, and where you are in life
- Achieving the personal goals you have set out to accomplish
- Living your life that brings glory to God and points others to Jesus Christ
- Doing something that has a positive impact on others

Other interesting things were said like success is "personally defined" and "you can't compare your success to someone else's", "success is not having to worry about money", "it's loving what you do", "it's being wise with your resources", "being thankful for what you do have in life", and "it's an accumulation of successful days".

Overall community and personal development

After researching the changes in values of success and money, I wanted to investigate overall qualities affecting the community and self. Things like this include sustainability awareness, investment in the community, and investment in a religion. Previous research indicated that these values were kicked up after the recession happened. First, a yes or no question was asked: "Are you concerned with sustainability (recycling, good use of resources, etc.)?" That question was followed by another yes or no question: "Were you concerned with sustainability before the recession?" Both of these results can be seen in Tables 9 and 10, respectively.

Table 9: Are you concerned with sustainability?

Answer	Response
Yes	81%
No	19%

Table 10: Were you concerned before the recession?

Answer	Response
Yes	64%
No	36%

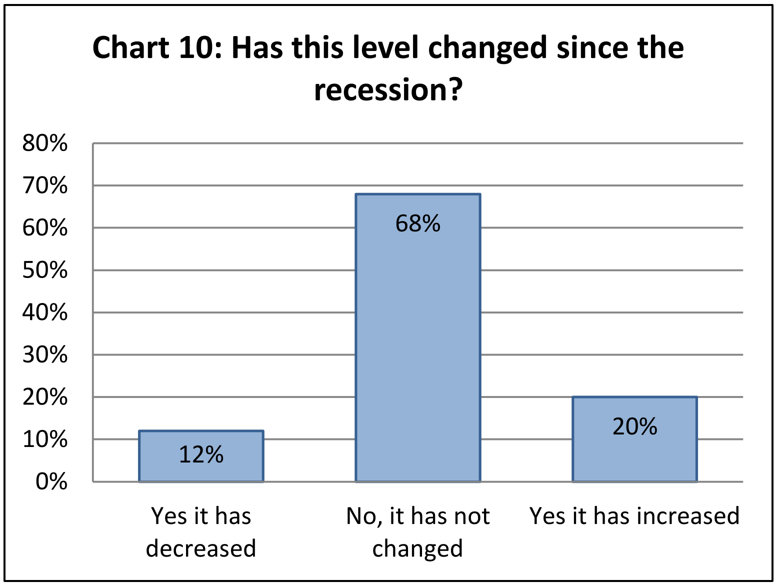
As shown in Table 11, 81 percent of the sample said yes, they were concerned with sustainability. Table 12 indicates that 36 percent of that 81 percent (29 percent) were not concerned before the recession happened. Unarguably, this is a positive sign for our communities and our world.

Next, I was curious to see how people ranked their investment/involvement in the community. Another "slider" question was used, ranging from 0-10. The question asked: "What would you consider your level of involvement/investment in the community?" 0 indicated no investment/involvement and 10 indicated you spent all your free time and/resources in the community. The data is shown in Table 11.

Table 11: What would you consider your level of investment/involvement in the community?

Answer	Minimum Value	Maximum Value	Average Value	Standard Deviation
Level of investment/ involvement	0	10	5.5	2.31

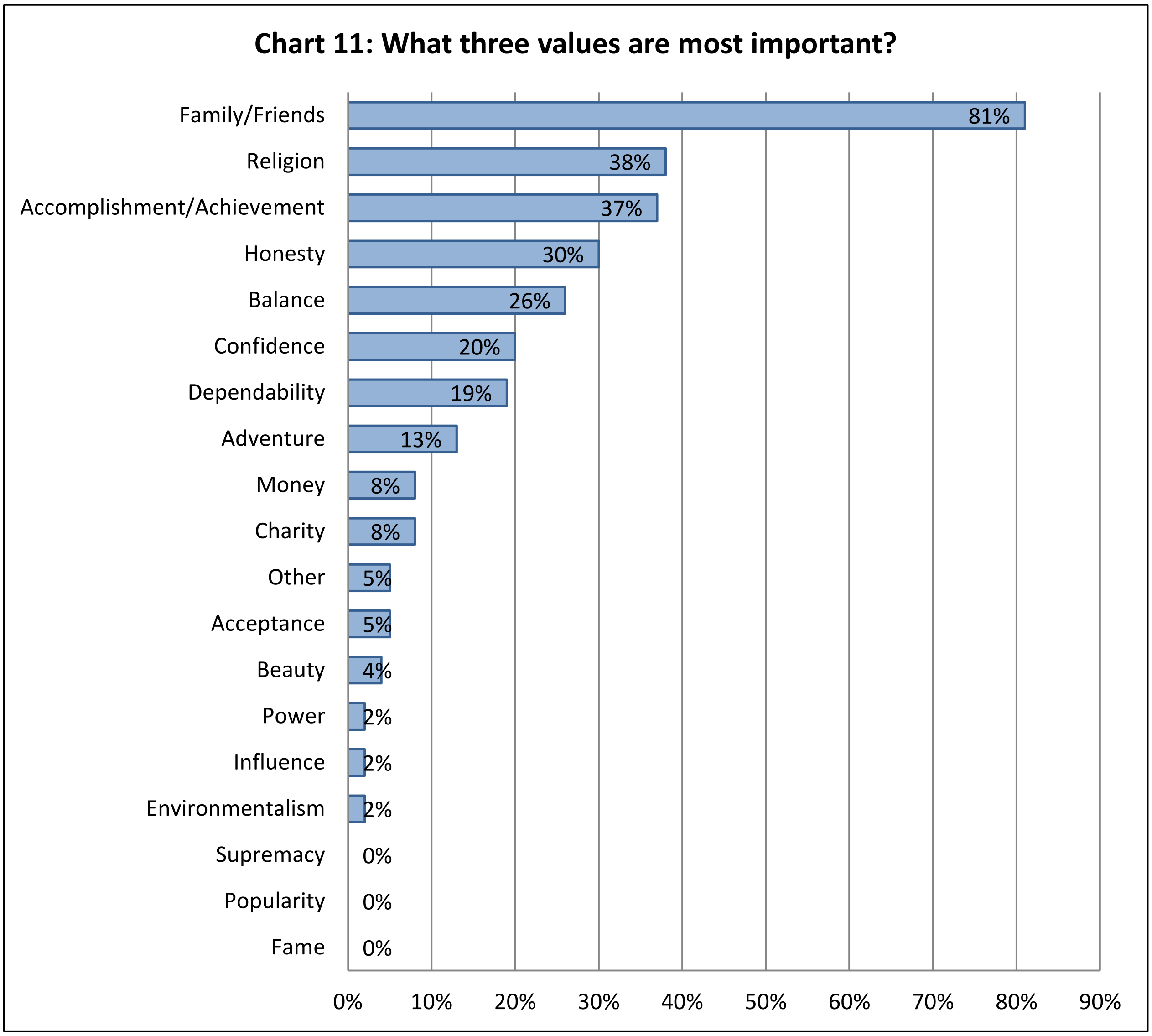
As shown in the table, on average, people rated that their level of involvement or investment was 5.5, which is also the neutral value for this question, indicating they spend half their time/resources investing in the community. The following question asked whether or not this level has changed since the recession. A multiple choice question was used and the results can be seen in Chart 10.



As seen above, 12 percent said the level has decreased, 68 percent said it has increased, and 20 percent said it has decreased.

Values

Lastly for this theme, the question of happiness and personal values is to be answered. My hypothesis is that, because of the recession, people were forced to change how they defined happiness. And while this may have been a painful process, ends up being more personally and socially beneficial. First for this theme, I wanted to discover what values inspired post-recession consumers. Learning what values are important to people and what they strive for can be great determinants as to how they define their happiness. Using a multiple choice question, I asked "What three values are most important to you/what do you strive for?" and respondents were asked to choose their top three values from a list of 19, one of which was an "other" option with room to fill in what their other was. The results can be seen below in Chart 11.



As seen above, family and friends was chosen far and beyond the rest. It is important to note that, when respondents chose their three values, the order was not relevant. The top five values for this sample are family and friends, religion, accomplishment and achievement, honesty and balance. In concordance with the previous research, none of the top five choices are materialistic, accomplishment and achievement being the only one that could be debatable. 5 percent of the sample chose "other" and the most popular answers were:

- Jesus Christ, relationship with God, faith not religion
- Integrity
- Satisfaction

Over a third of the choices mention Jesus Christ or faith, which could be lumped into the "religion" category if so desired. When the data was cross-tabulated by age, some interesting observations arose. There were five values that, when separated, one age category (college aged or out of college aged) doubled the other. College aged students valued accomplishment and achievement (48 percent vs. 22 percent), adventure (16 percent vs. 9 percent), and confidence

(29 percent vs. 6 percent) about twice what out of college aged respondents chose. Out of college aged respondents valued balance (36 percent vs. 19 percent) and charity (12 percent vs. 6 percent) almost doubled what the college aged respondents chose. The out of college aged values are more in line with what previous research suggested value changes would be post-recession, again aiding the evidence that out of college aged respondents were much more likely to feel the depths of the recession.

Next, a "sum total" questions were asked to learn what factors would play a role in the future happiness of the respondent. Respondent were asked to assign a number to each of the options in regards to how important each option would be to their future happiness; the total of all the options needed to sum up to 100. Table 12 will show the results.

Table 12: How important are the following things to your happiness in the future?

Answer	Minimum Value	Maximum Value	Average Value	Standard Deviation
Family	0	100	30.30	17.09
Religious participation	0	100	20.91	22.98
Career/work	0	70	10.26	10.30
Money	0	80	9.96	10.07
Down time/vacation	0	40	7.17	7.01
Travel	0	40	6.28	7.49
Education	0	50	5.31	7.50
Charitable involvement	0	53	4.36	6.84
Sports/athletics	0	50	3.28	6.26
Other	0	100	1.84	9.08
Fame	0	8	0.33	1.20

As you can see above, every option was given a value of 0 at least once, meaning that each option had no effect on at least one respondent's future happiness. Only family, religious participation and other were given a value of 100, meaning that at least one person indicated that answer and that answer alone will play a huge part in their future happiness. Family, religious participation and work were assigned the highest averages, respectively, meaning that greater number of people picked those answers and/or rated them higher on average.

The previous 13 questions were used to investigate if a new, post-recession consumer has redefined his or her values and whether or not a new meaning of happiness, security, and success has been embraced. First, we tackled the definition of success while digging deeper into how a career and money could play a role. The data showed:

- 71 percent of those 26 and older said they wouldn't accept a job they didn't like, even if it paid well. Only 62 percent of those 18-25 could say the same.
- When asked what the two most important things in a job were, 42 percent said salary, 37 percent said matches your values, 26 percent said room for promotion/growth, and 23

percent said benefits. Since the previous question unveiled that money wasn't the most important thing anymore, we can assume that salary was chosen second.

- 59 percent answered they were either happy or very happy with the amount of money their family had, and only 35 percent said they would be happier if they had more money.
- 27 percent of college aged students stated that money can buy happiness, whereas only 15 percent of out of college aged respondents could say the same. Once more, we can possibly attribute this trend to the notion that out of college aged respondents experienced the recession at a deeper level, allowing them an opportunity to see a need for their definition of happiness to be changed.
- On average, there was a 3 to 1 relationship when comparing the importance of peace of mind to material wealth.
- Lastly, success was shown to mean being happy with who you are, achieving personal goals, living a life that brings glory to Jesus Christ, and having a positive impact on others.

From there, the relationship of post-recession consumers to the overall community and personal development was explored. As mentioned earlier, David Kamp discussed in his article that the American Dream's focus has now been shifted away from the greater good and onto the selfishness of the individual. Reading this was discouraging and I wanted to understand if this was still the case for post-recession consumer. We learned:

- 81 percent of post-recession consumers are concerned with sustainability, and 36 percent of indicated they were not concerned pre-recession.
- The average value of investment and involvement in the community was 5.5, which is also the median answer on the scale provided, displaying that respondents spend about half their time/resources in the community.
- And 20 percent said their level of involvement in the community has increased post-recession.

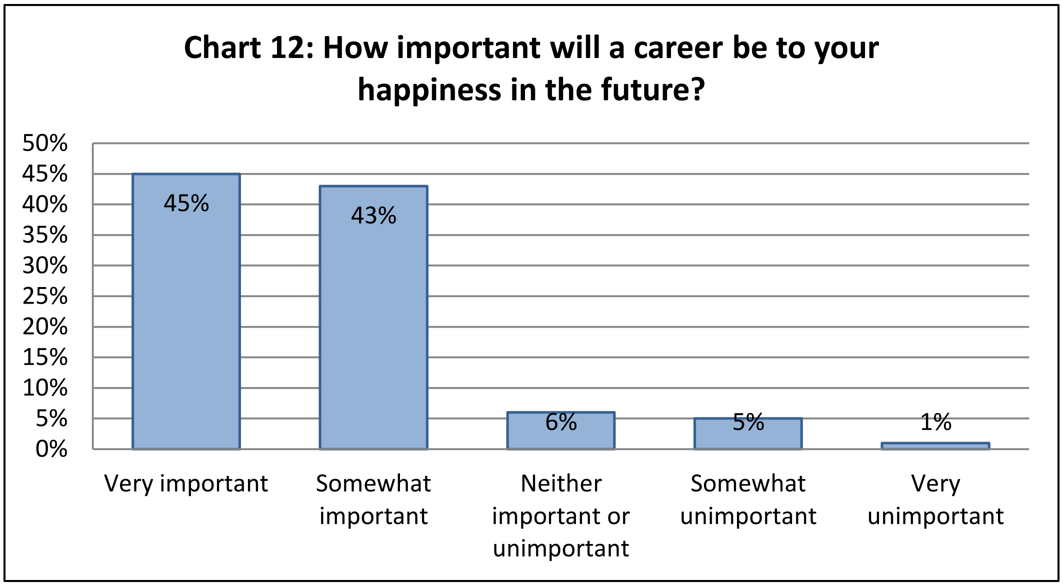
Finally, we specifically investigated values of these post-recession consumers. This is what was found:

- The top 5 values deemed of highest importance are family/friends, religion, accomplishment/achievement, honesty, and balance
- And, in descending order, family, god/godlike figure, and work will have the greatest impact on respondents' future happiness

When pondering these conclusions as a whole, there are obvious signs that post-recession consumers have, in fact, changed their values. Success is now not only defined in terms of money or a career, happiness has been recentered around family and religious participation, and security is more largely attributed to peace of mind instead of material wealth.

Theme 4: Is there a new sense of meaning that has emerged post-recession that offsets the negative economic effects?

This statement is the hypothesis for my thesis. It is here that I wanted to attempt to gather evidence one way or the other that the positive social effects of the recession do or do not outweigh the negative economic effects. In order to reach an understanding , I first wanted to understand if people viewed their jobs differently. A 5-point likert scale question asked: "How important do you think a career will be to your happiness in the future?" The answers ranged from "very important" to "very unimportant" Chart 12 displays the results.



As you can see, there was an overwhelming response of people who thought their career would be either "very important" or "somewhat important" to their future happiness (88 percent). Furthermore, 45 percent thought that their career would be very important to their happiness. While these results might not seem that surprising, cross-tabulating them with the respondents' age posed more interesting results. Table 13 shows this. (Note: age categories of "under 13" and "13-17" were omitted because there were no respondents in these categories).

Table 13: How important will a career be to your future happiness, by age

Answer	18-25	26-34	35-54	55-64	65+	Total
Very important	88	9	20	7	0	124
Somewhat important	57	13	28	10	0	108
Neither important nor unimportant	3	1	8	3	1	16
Somewhat unimportant	4	0	7	1	0	12
Very unimportant	2	0	1	0	1	4
Total	154	23	64	21	2	264

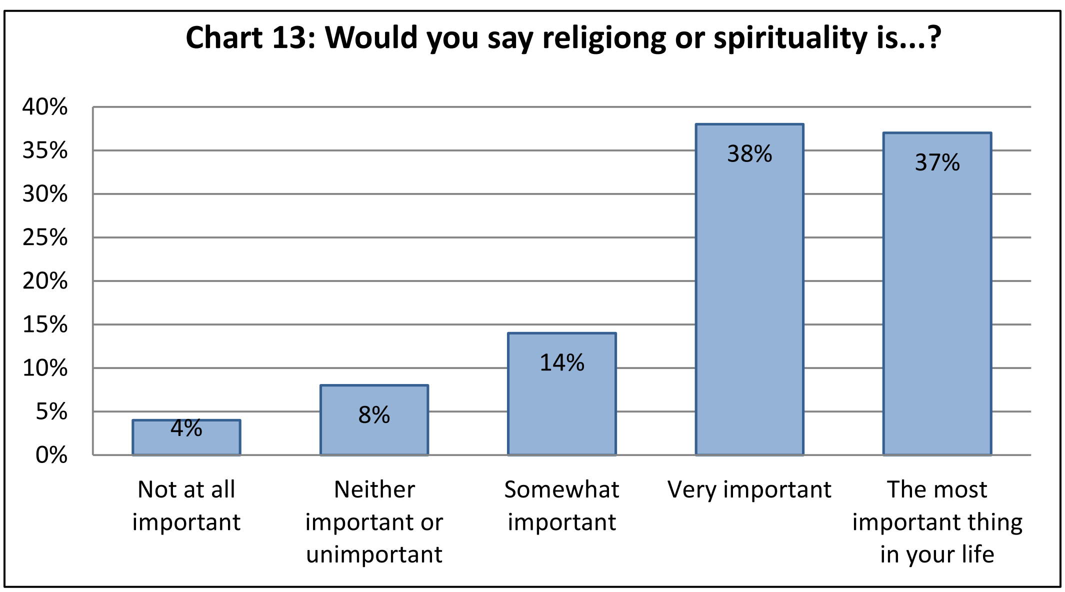
For purposes of comparing college aged students with out of college aged students (we will assume they are in college due to the bias that many of the respondents attend college at the University of Arkansas), categories "26-34", "35-54", "55-64", and "65+" will be combined into one large category. Table 14 will display the adjusted measures.

Table 14: How important will a career be to your future happiness, adjusted by age

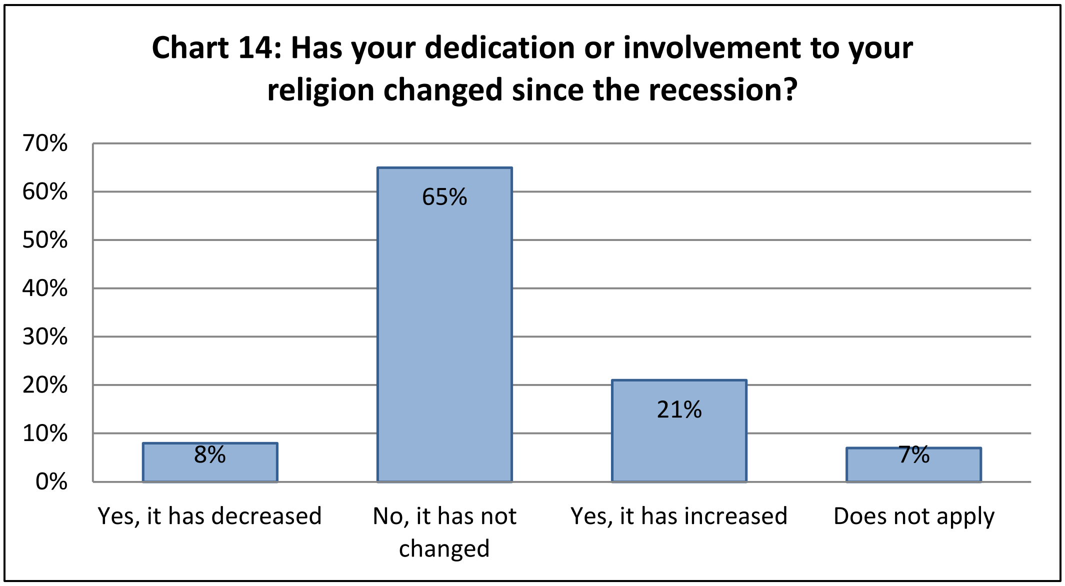
Answer	18-25	26+	Total
Very important	88	36	124
Somewhat important	57	51	108
Neither important nor unimportant	3	13	16
Somewhat unimportant	4	8	12
Very unimportant	2	2	4
Total	154	110	264

As you can see, this makes results a little more interesting. 57 percent of the college aged population (18-25) deemed that career will be very important to their future happiness, whereas only 33 percent of the older subset of the population said the same thing. One possible explanation for this is since an assumption could be made that college students didn't feel the depths of the recession as deeply because they aren't "in the real world", they also haven't been exposed to the opportunity for the recession to change their values about work. I think it's interesting to note the disparity between the two age samples because it shows that the mature part of society might be realizing that life isn't all about their work.

Secondly, I was curious to see if and how religion played a part in post-recession consumers' lives. First, I asked how important religion or spirituality was to the respondent. A 5-point likert scale was used and the options given were: "not at all important", "neither important or unimportant", "somewhat important", "very important", and "the most important thing in your life". The findings are displayed in Chart 13.



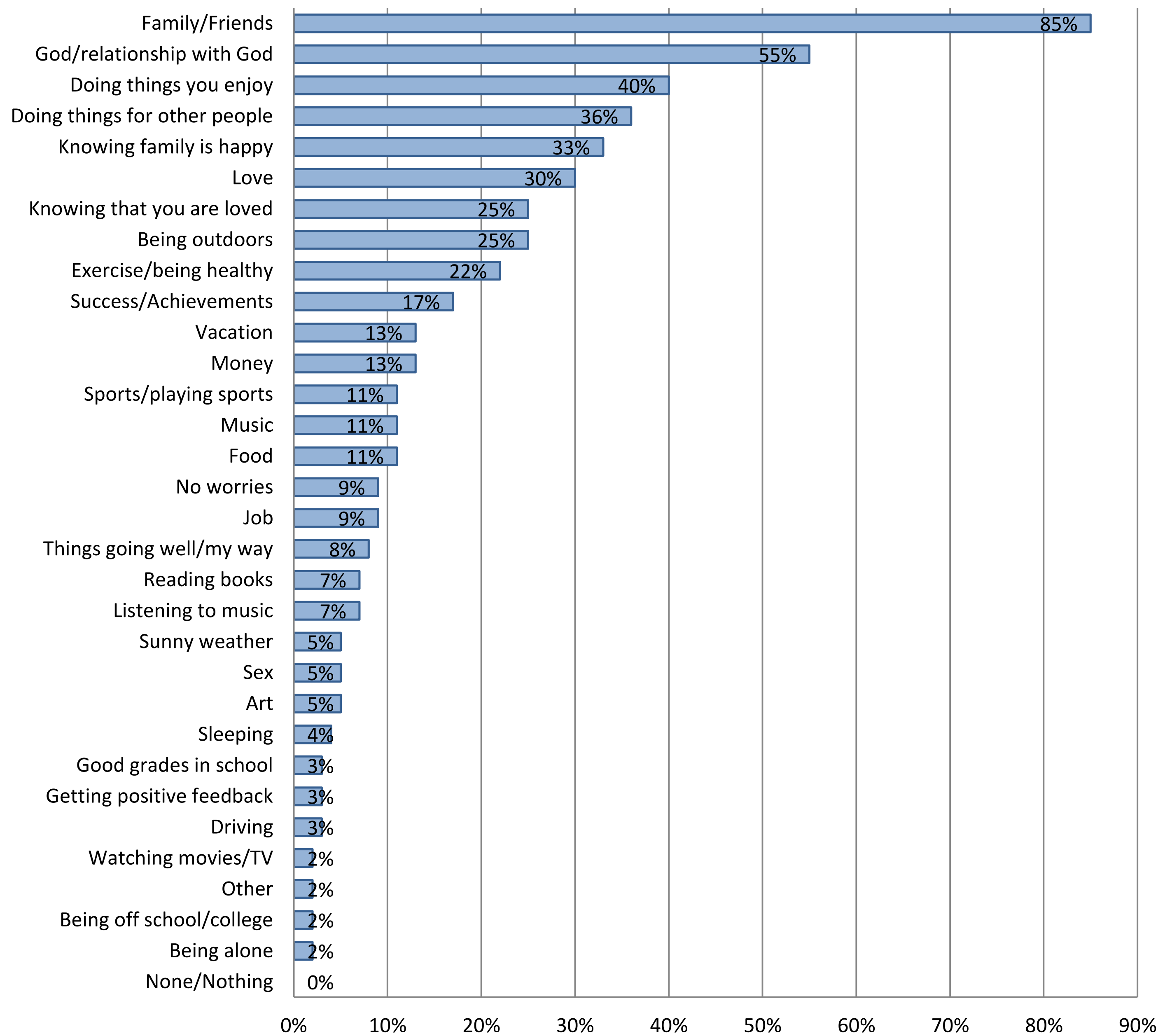
Above, the chart shows that 4 percent say religion is not at all important, 8 percent say they're indifferent, 14 percent say it's somewhat important, 38 percent say it's very important, and 37 percent say it's the most important thing in their life. I was very surprised to find that three quarters of the sample deemed that religion or spirituality is at least very important in their lives. Subsequently, I wanted to know if the level of involvement or dedication to a religion has changed since the recession. A multiple choice question was asked, with answers ranging from "yes, it has decreased" to "yes, it has increased", with an option of "does not apply". The results are shown in Chart 14.



65 percent of the sample say their level of dedication has not changed and 8 percent say that their level has decreased; however, 21 percent say that, since the recession, their level of involvement or dedication to a religion they claim as their own has increased. Shockingly, there were not many differences between the two age categories when cross-tabulated.

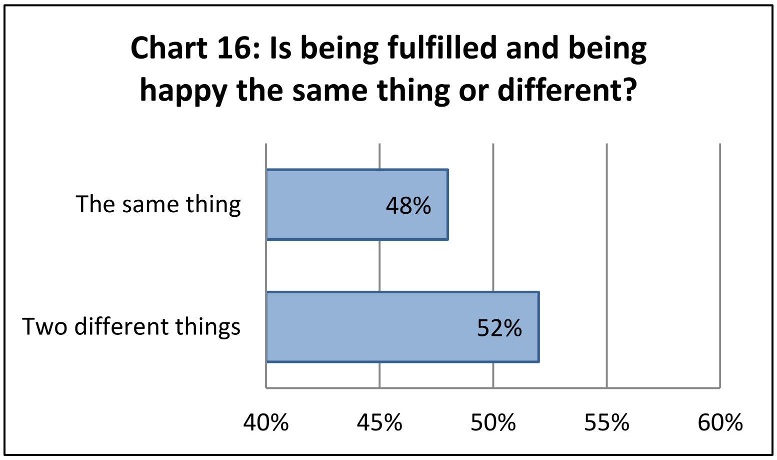
Lastly, the overlying question is whether or not a new sense of meaning has been established post-recession. Three questions were used to target this. First, a multiple choice question, with 32 options, asked. "Which of these things make you most happy in life?" and respondents were allowed to choose five things. The results are shown graphically in Chart 15.

Chart 15: Which of these things make you most happy in life? Choose five.



As you can see, family and friends received an overwhelming response with 85 percent of the sample putting it in their top five. The average respondent would have family/friends, God/relationship with God, doing things you enjoy, doing things with other people, and knowing family is happy in their top 5 things that make them happy. The only thing that is centered on oneself in those five is doing things that you enjoy. As the graph shows, “job” falls pretty far into the list, only earning 9 percent of the respondents’ votes. For the “other” category, all but one of the respondents listed travel.

Finally, to specifically address a new meaning, a multiple choice question was utilized to ask: "Do you think being happy with life and being fulfilled are two different things, or are they really the same thing?" The result can be seen in Chart 16.



As seen above, the distribution was split almost 50/50. There wasn't an overwhelming response either way: 48 percent said it was the same thing and 52 percent said they were different. If the respondent chose that they were two different things, they were directed to another question asking them to explain the difference. Those responses are summarized below:

- Happiness is circumstantial and temperamental, and you can be fulfilled without always being happy
- Fulfillment comes from Jesus Christ
- Happiness is being present with everything around you, being fulfilled is having the motivation to strive after something
- Happiness is based on material things
- Being fulfilled means you have found and are trying to accomplish your purpose in life/goals, whereas happiness means just being content
- Happiness is fleeting and momentary but fulfillment is lasting and beyond your own doing
- Being happy with life is simply living with what you are given and being fulfilled is loving the life you have

Through the last five questions, many insights were provided about the question: "is there a new sense of meaning that has emerged post-recession?" Before we reach a conclusion, let's recap what the results showed:

- 57 percent of the college aged population deemed that career will be very important to their future happiness, whereas only 33 percent of the older subset of the population said the same thing.
- 75 percent of the respondents indicated that a religion is either very important or the most important thing in their life
- And 21 percent claim their dedication to their religion has changed post-recession
- The five things that make the respondents most happy in life, in decreasing order, are: family/friends, God, doing things you enjoy, doing things for other people, and knowing that family is happy. Only one of those things is putting self first.

- 52 percent said that being happy and being fulfilled are two different things, and most of the responses indicated that happiness is temporary and fulfillment is not based on circumstances

After gleaning understanding of these insights, I think it's safe to say that post-recession consumers are undergoing the establishment of a new meaning in life. Happiness has been defined as only temporary and Americans are beginning to realize there is more beyond finding gladness in mere circumstances. Values are being reordered and people are now putting a larger focus on others, especially the family. Investment in a proclaimed religion has increased, and it is hard to argue that dedication to any religion isn't a benefit to self and society (society being that most religions emphasize the important of giving back and taking care of community members). Finally, when comparing the differences between those that experienced the recession (out of college aged respondents) and those that didn't (college aged respondents), ones that were more affected did in fact "kick up every virtue".

Limitations

The main limitation of this study was an unequal age distribution in the respondents. More than half of the sample fell in the age range of 18-25, leaving less than half to be split amongst the remaining four age categories. Additionally, 70 percent of the respondents live in Arkansas, where three major companies headquarter. This could pose some bias because these powerful, national companies might not have experienced the pitfalls of the recession as deeply, allowing them to not have to translate those hard times onto their employees. Many can argue that college is not the "real world" and therefore, we are very sheltered from the economy. Most of us don't have jobs so our spending patterns are limited and unchanging. Also, some of the last questions at the end of the survey (Ex: What are your top five values), are asked in a way that captures current sentiments, not sentiments comparing pre- and post-recession. Lastly, there is always response bias that is encountered through surveys that cannot be alleviated.

Conclusion

After extensively researching and evaluating each original theme, a few highlights stand out in each section. In theme one, we briefly learned the detriments of the recession of 2008. Four major aspects of society were affected: employment (or lack thereof), household income levels and poverty, the housing market, and business. "The Great Jobs Recession", as named by U.S. News and World Report write Mortimer Zuckerman, brought unemployment levels to 7 million in 2007, 9 million in 2008, and 14 million in 2009. These high levels of unemployment were then translated into vast decreases in household income. A projected decline in the average household income of 9.3 percent signifies the need for a life change. For most Americans, a house is the biggest investment they will ever make, and now foreclosure levels are at an all-time high. People are being forced to walk away from huge investments of their money, leaving them with nothing. Lastly, the business sector is hypothesized to be one solution for economic expansion; however, reduced consumer spending and stricter bank loans are making it harder for the small businesses to aid in the bounce back. On average, survey respondents indicated they felt the recession was somewhat detrimental to society and they felt somewhat personally effected.

Theme two illustrated for us that a new, post-recession consumer has emerged over the years. In the 20th century, "hyper-consumerism" could be proposed to be the driving factor of the U.S. economy and our materialistic nature. However, the money quandaries of the recession yielded a change in the American standard of living and “stole” the ability of consumers to continue to participate in this trend. We learned that, in response, consumers were beginning to cut back on their spending. The survey conducted further solidified that theory with 85 percent of respondents indicating they too had cut back. Additionally, we learned that even the desire for goods in general has decreased, again confirmed through the survey with 55 percent indicating that their consumption of goods has decreased post-recession. Furthermore, survey respondents (44 percent) admitted that they are now living more basic lives. Another insight gained is that consumers are making “trade-offs” between brand names and private label brands. Fifty percent of survey respondents selected they were buying fewer name brands, signifying room for private label brands to take the stage. Most of all, we began to understand that post-recession consumers are choosing to be more careful with their money compared to their parents. Not only are post-recession consumers beginning to glean the value of buying less, but even better, the value of saving more has increased.

So, if our materialistic nature has changed, then a natural progression would lead to a change in post-recession consumer values, too. It could be claimed that pre-recession Americans were over dedicated to work and pay, and therefore defined their success through that avenue as well. Now though, respondents are indicating that their success is defined by having a positive impact on others, living a life that glorifies God, being content with where you are, and accomplishing personal goals. Peace of mind outnumbered material wealth 3 to 1, and 70 percent of out of college, post-recession consumers said they wouldn’t accept a job they didn’t like, even if the pay was great. We learned that a matching personal values to the company’s values is an important factor in job consideration and 65 percent said that more money couldn’t make them happier. Additionally, prior research found that these post-recession Americans were now using their free time to invest in their families and the communities. Eighty one percent answered they were concerned with sustainability and respondents said they spent about have their free time and resources involved with their community. When asked about future happiness, the top two determinants were God and relationship with family and friends. Even more, religious participation and family were the categories that could be the sole determinant of future happiness. Lastly, values themselves appeared to refocus around more intangible things. The top five most important values to the sample as a whole, in descending order, were family/friends, religion, accomplishment, honesty, and balance, with family far outscoring them all.

Finally, we learned that throughout this refinement process called the recession, one major thing stood out: this time reminded people of their priorities and found a new sense of self-confidence and motivation that was once lost. Time now has a new meaning because what was once spent at work or shopping, is now being spent at home and in relationship. The survey showed those most affected by the recession (out of college aged respondents) were far less likely to report a career would be very important to their future happiness (33 percent vs. 57 percent). Seventy five percent said that religion or spirituality is either very important or the most important thing in their life, and 20 percent their level of dedication to their religion has increased post-recession. Family/friends, relationship with God, doing things you enjoy, doing things for other people, and knowing family is happy were chosen to be the top five things that would make themselves most happy… money and job were significantly lower down the list of importance. And finally, we learned that fulfillment and happiness really are not the same thing. Happiness is circumstantial and temperamental, whereas fulfillment isn’t. Many responded that their fulfillment came from Christ or in other things that remain constant.

Unfortunately, some of the final questions in the survey addressed only current states of mind and didn't leave room for direct comparisons to pre-recession (mainly questions dealing with values, happiness, etc.). However though, based on the literature review, the open-ended responses, and prior questions in the survey, I have developed some personal opinions. Many insights and understandings have been presented throughout this paper. Hopefully, you have had time to form your own attitude regarding whether or not the recession of 2008 was "worth it". Without a doubt, I say it was definitely worth it. In order to rationally form an opinion, I will remind you of both sides. Clearly, the recession brought hard times (these facts are based solely on the literature review):

- The unemployment rate rose to an all-time high
- Income levels dropped, causing the average household income to drop 9.3 percent
- Americans' greatest investment, a home, lost incredible value

Families lost their breadwinners and wallets became shallow as a big chunk of household income went missing. However, amidst all that, incredible things were happening:

- The wave of "hyper-consumerism" was finally broken, potentially paving a way for the burden of debt to be conquered
- Citizens were investing more time in the community
- Sustainability is now a conscious choice, not a rare occurrence
- People were freed from the bondage of material possessions
- The extra time gained from working less was invested into relationships…
- And more importantly, into families. Parents are now present in their kids' lives.
- Success has been redefined
- Money isn't the most important thing in a job
- Values have been realigned and focused around intangibles
- Consumers are more money conscious and not spending frivolously
- And finally, security is now based on material wealth.

I can clearly understand how a society centered and enslaved to money can feel immeasurably distressed by what the recession brought. So when the one thing we counted on was gone, obviously we had to reestablish our lives. However, I don't think it can be argued that the positive social effects, stemming from the negative economic effects, are not equally immeasurably beneficial to society. I challenge you to think where we would be as a country if without the recession. Is there even a possible level beyond "hyper-consumerism"? Is it possible for people to take any more time away from their families and communities? Paul knew what he was talking about when he said "money is a root of all kinds of evil" (I Timothy 6:10). We gave up the control over our lives to something that is destined to establish evil. I have to admit, I stand corrected. Newton's third law doesn't apply here. He said that for every action, there is an *equal* and opposite reaction (italics mine). There is nothing equal about the reaction we, as America, had the privilege to experience. Maybe James Truslow Adams was right all along. Maybe we have finally reached the "better and richer and fuller" life that he encouraged us to seek; however, material wealth has been taken from our new American Dream.

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