Issue Brief

The Associated Press-NORC Center for Public Affairs Research

AMERICAN WORKERS 10 YEARS AFTER THE GREAT RECESSION

A decade after the Great Recession officially ended, Americans' satisfaction with their personal financial situations has rebounded to pre-recession levels, according to a collaborative analysis of the 2018 General Social Survey (GSS) by The Associated Press-NORC Center for Public Affairs Research and GSS staff. More adults again say that they are satisfied with their financial situation than unsatisfied, and more say their financial situation has gotten better than say it has stayed the same or has gotten worse. But not all Americans have fully recovered, and older adults, African Americans, those without college degrees, and women are all more likely than their counterparts to have negative views of their finances.

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In the wake of the Great Recession came dramatic declines in how the public evaluated their personal finances, job prospects, and outlook for the future. Since then, the economic outlook has improved, but confidence in some aspects of the job market still falls below pre-recession levels. In addition, several characteristics of work life suggest the recession is still impacting the quality of people's work lives.

In terms of the recovery, 32% say they are satisfied with their personal financial situation, up from 23% in 2010 and back to similar, pre-recession levels in 2006. Likewise, 43% of Americans say their finances have gotten better in the last few years, up from 25% in 2010 and back to pre-recession levels.

Other indicators have yet to rebound. While more workers say it would be easy for them to find another job in 2018 (24%) than said the same in 2010 (12%), this remains below where it was in 2006 (31%). Sixty-one percent say they have a better standard of living than their parents, virtually unchanged since 2010 and down from 66% before the recession.

Three Things To Know
From the 2018 General Social Survey Among American adults:

1) 32% say they are satisfied with their financial situation, up from 23% in 2010 following the recession and back to levels similar to 2006.
2) 24% of workers say it would be easy to find another job, which is an increase from 12% in 2010 but is still below pre-recession levels (31%).
3) 72% report having to work extra hours beyond their typical schedule at least one day a month, up from 63% in 2006.

Younger and older Americans have responded differently to the recession. Younger Americans are more satisfied with their financial situation and express more optimism about the future, but they also have struggled more with unemployment and express concerns about job security.

Whites' attitudes about their financial situation have rebounded from the recession more so than African Americans. The reported financial satisfaction among whites declined from 34% to 27% during the recession, but has since rebounded to 36%. In contrast, 22% of blacks say they are satisfied in 2018, which is consistent with satisfaction levels before and during the recession. Whites and blacks were similarly likely to express frustration with their compensation and ability to meet their monthly expenses during the recession, but blacks are now more likely than whites to say they earn less than they deserve (47% vs. 36%) and are less likely to say their income is enough to cover their monthly bills (39% vs. 52%). Hispanics generally express low levels of financial satisfaction with their incomes and financial situations, but their views are not significantly different from either blacks or whites when controlling for other demographics factors.

College graduates weathered the recession better than those without a degree. College graduates saw little change in their level of satisfaction with their finances during the recession. But those without a degree bottomed out in 2010, with 63% saying they were at least more or less satisfied, though they have since recovered to pre-recession levels (74%). Additionally, 64% of college graduates identify as middle or upper class compared to 37% of non-college graduates.

The financial outlooks of men have rebounded more since the recession than those of women. Women are less satisfied than men with their finances, incomes, and earnings, and they tend to say that they do not earn enough to meet monthly expenses. Women, however, continue to be more optimistic that their children's standard of living will be better than their own (61% vs. 53%).

Additional key findings include:

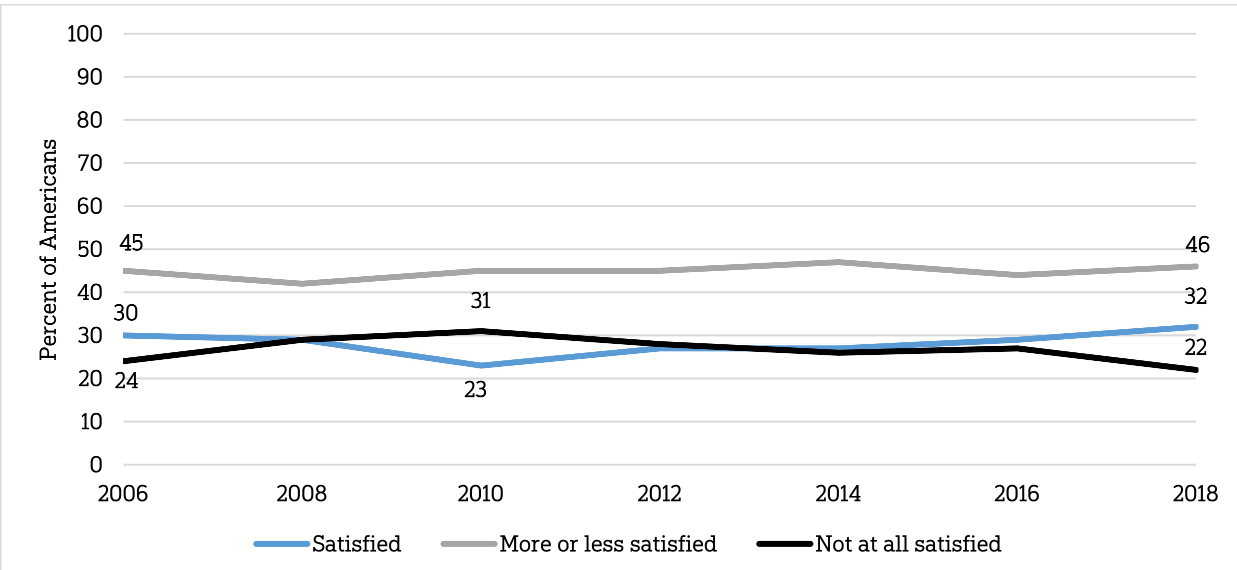
- More workers say that they have too much work to do. In 2006, just 26% said they agree that they had too much on their plate to do it all well, but that number jumped to 33% in 2010 and has remained higher through 2018 (35%).
- Sixty-one percent say they have a better standard of living than their parents, a decline from 66% in 2006.
- The share of Americans who say people like them can improve their standard of living increased from 58% in 2010 to 65% in 2018. However, this still falls short of pre-recession levels (70%).
- The share who say their children will have a better standard of living than they do has increased from 50% in 2012 to 57% in 2018.
- Fifty-seven percent of those age 18-34 say their finances have gotten better in the past few years compared to 49% of those age 35-49 and 38% of those age 50-64. All age groups have exceeded pre-recession levels.
- Forty-nine percent of those with a college degree say their finances have gotten better in the past few years compared to 35% of those without a college degree, returning to pre-recession levels.
- While the share of college graduates who identify as middle or upper class has remained steady since 2006, fewer do so in 2018 compared to 1993 (64% vs. 73%). Non-college graduates have seen no such change in the short or long term.

- Twenty-nine percent of men report their income to be above average versus 19% of women. While the percentage of men who say their income is above average has increased since 2006 from 24%, there has been little change in outlook among women.

PEOPLE'S EVALUATIONS OF THEIR FINANCIAL SITUATION HAVE REBOUNDED TO PRE-RECESSION LEVELS SINCE BOTTOMING OUT IN 2010.

In 2006, prior to the Great Recession, 30% of Americans said they were satisfied with their personal financial situation. In 2010, just 23% said they were satisfied. Today, satisfaction has reached pre-recession levels, with 32% describing themselves as satisfied. The share saying they are not satisfied at all has also recovered to pre-recession lows (22%).

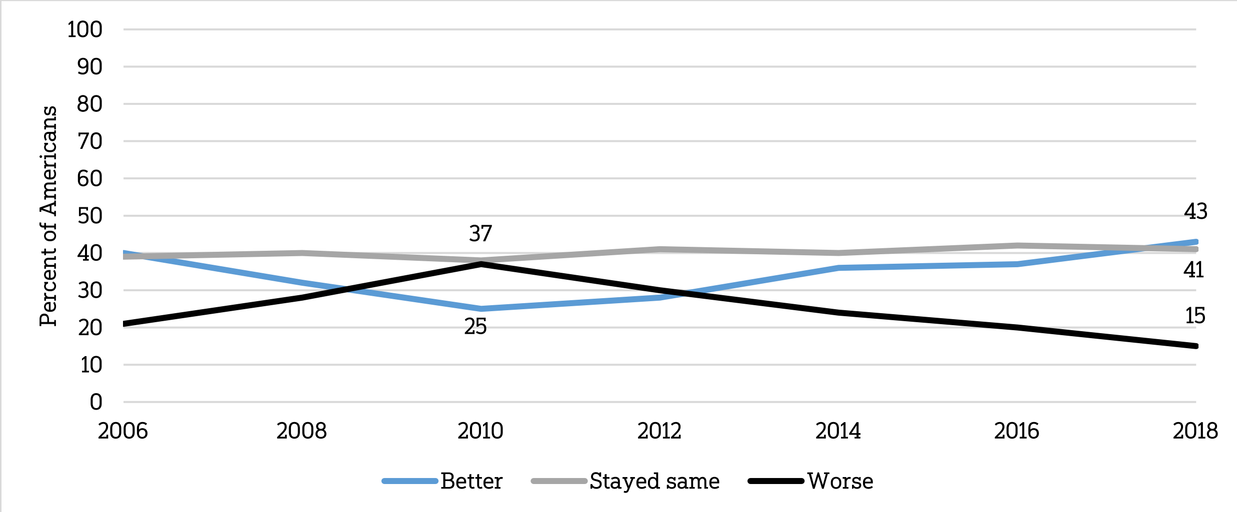
Americans' satisfaction with their personal financial situations has returned to pre-recession levels.



Question: We are interested in how people are getting along financially these days. So far as you and your family are concerned, would you say that you are pretty well satisfied with your present financial situation, more or less satisfied, or not satisfied at all?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

There has also been a recovery in Americans saying their financial situation has improved. In 2006, 40% said their financial situation had shown improvement in recent years, and 21% said it had gotten worse. Those rates nearly flipped following the recession, with just 25% saying their situation improved and 37% saying it had gotten worse in 2010. But in 2018, 43% say their finances have gotten better in recent years, while just 15% say they have gotten worse.

Since bottoming out in 2010, the share of Americans who say their financial situation has gotten better in the past few years has rebounded.



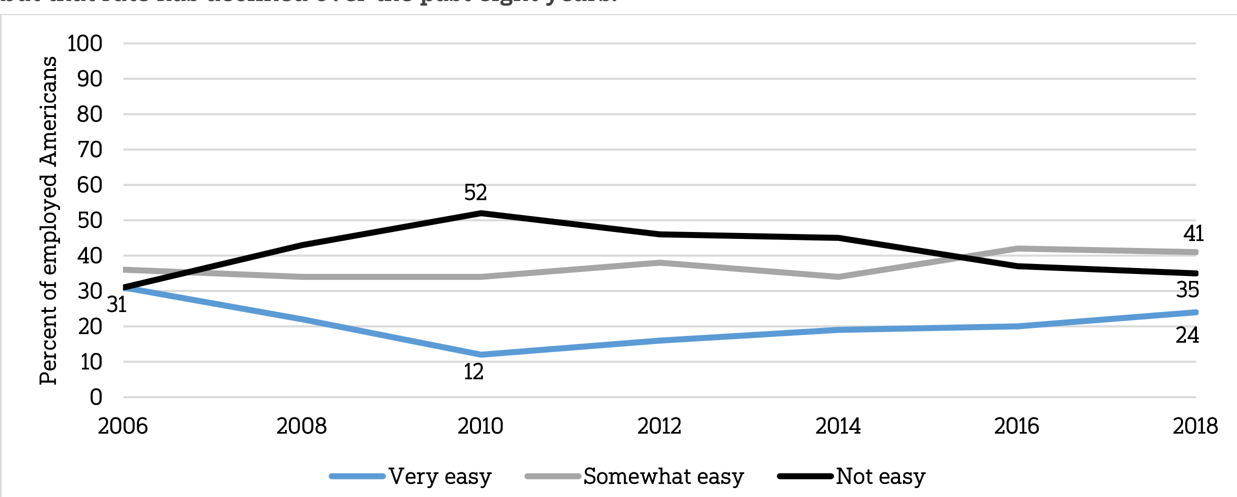
Question: During the last few years, has your financial situation been getting better, worse, or has it stayed the same?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

AMERICAN WORKERS REPORT DECLINES IN HARDSHIPS SUCH AS UNEMPLOYMENT, BUT MORE SAY THEY WORK EXTRA HOURS.

Unemployment rates have reached historic lows, and fewer Americans report extended stretches of unemployment. In 2018, 33% say were unemployed for a month or more in the past 10 years. This is a decline from 2010 when 39% said they had been unemployed for that long, and back to pre-recession levels (32%).

Workers are also evaluating the job market more favorably. In 2010, just 12% said it would be very easy for them to find another job with similar income and benefits, but that increased to 24% in 2018, though it still hasn't rebounded to pre-recession levels (31% in 2006). More continue to say it would not be easy to find another job (35%), but that number declined from 52% in 2010.

In the throes of the recession, more than half of Americans said it would not be easy to find a new job, but that rate has declined over the past eight years.



Question: About how easy would it be for you to find a job with another employer with approximately the same income and fringe benefits you now have? Would you say very easy, somewhat easy, or not easy at all?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

More Americans are describing themselves or middle or upper class, and fewer are identifying as lower or working class. Since 2016, the share who say they are middle or upper class has increased from 44% to 47%, and the share describing themselves as lower or working class has declined from 56% to 52%.

But greater employment and feelings of a more robust labor market have come with changes to work life that might be seen as less favorable to workers. More working Americans are saying they have to work extra hours beyond their typical schedule. In 2006, 63% said they work extra hours at least one day per month, but that number has risen to 72% in 2018.

More workers are also saying they work more than one job. In 2014, 15% said they had more than one job compared with 19% in 2018.

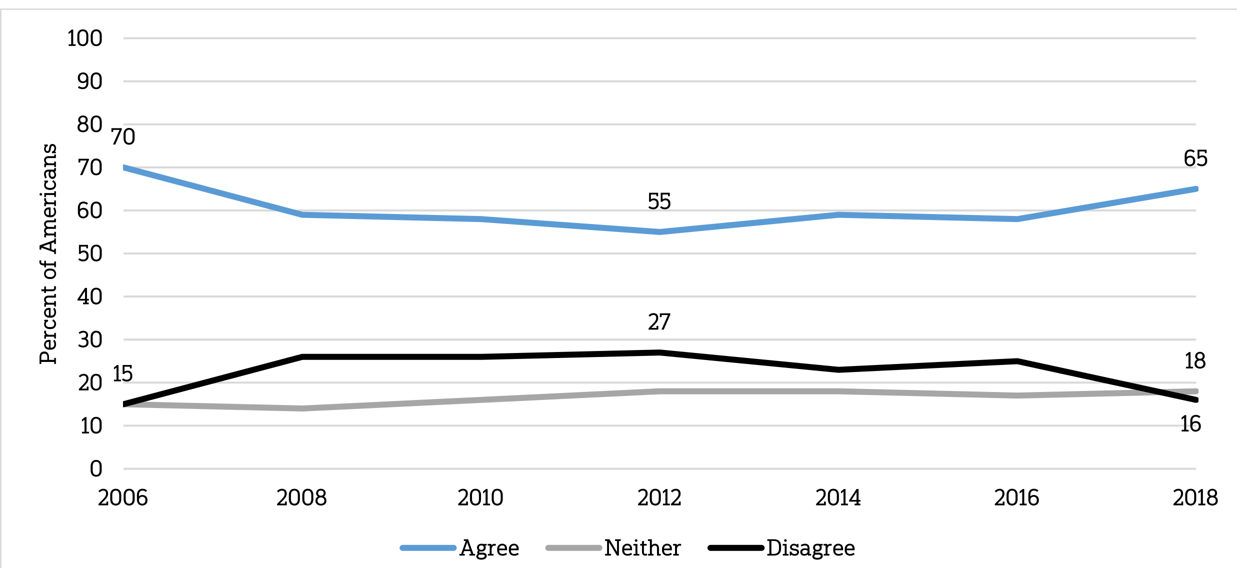
Workers are also more likely now to say that they have too much work to do everything well. In 2006, just 26% agreed that they had too much on their plate to do it all well, but that number jumped to 33% in 2010 and remains at 35% in 2018.

On the other hand, more workers say it is not too hard or not hard at all for them to take time off work to take care of family or personal matters, increasing from 69% in 2014 to 74% in 2018. And fewer workers now say they earn less than they deserve, falling from a peak of 45% in 2010 to 38% in 2018, which is similar to pre-recession levels (39%).

AMERICANS ARE INCREASINGLY OPTIMISTIC ABOUT IMPROVING STANDARDS OF LIVING, ESPECIALLY SINCE OPTIMISM FELL SHARPLY FOLLOWING THE RECESSION.

Most Americans are optimistic—and increasingly so—about the ability for people like them to improve their standard of living. Since bottoming out in 2012 with 55% saying they agree that people like them can improve their standard of living, the share increased to 65% in 2018. However, this still falls short of pre-recession levels.

Since 2012, the share of Americans who say people like them can improve their standard of living has increased.



Question: The way things are in America, people like me and my family have a good chance of improving our standard of living—do you agree or disagree?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

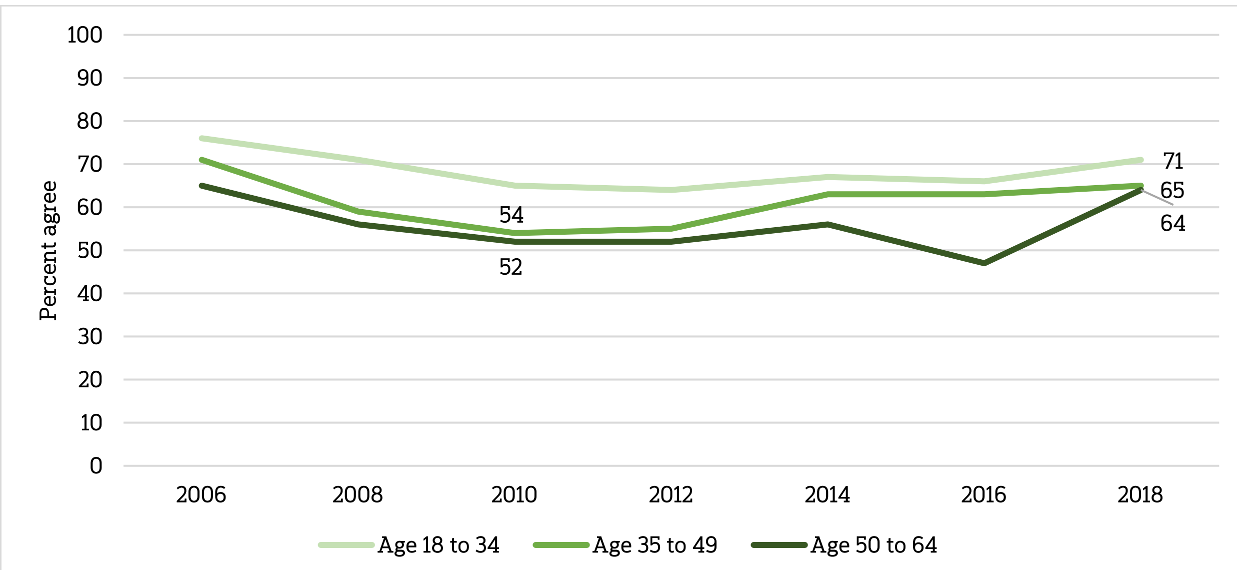
Optimism for future generations is also on the upswing. Since the number of Americans saying their children will have a better standard of living than them hit a post-recession low of 50% in 2012, it has jumped to 57% in 2018. The share saying it will be worse has declined from 20% in 2012 to just 13% in 2018.

On the other hand, the number of Americans reporting their standard of living is better than their parents' topped out at 70% in 2004, and since the recession hit, it has not rebounded to those levels, remaining at 61% in 2018.

WHILE YOUNGER WORKERS EXPRESS MORE SATISFACTION WITH THEIR FINANCES, THEY ARE MORE CONCERNED ABOUT JOB SECURITY THAN OLDER AMERICANS.

Ten years after the recession, there are differences in economic outlook between younger and older Americans. Younger Americans are more satisfied with their financial situation and express more optimism about the future, but they also have struggled more with unemployment and express concerns about job security.

Americans across age groups are more hopeful about their standard of living than during the recession.

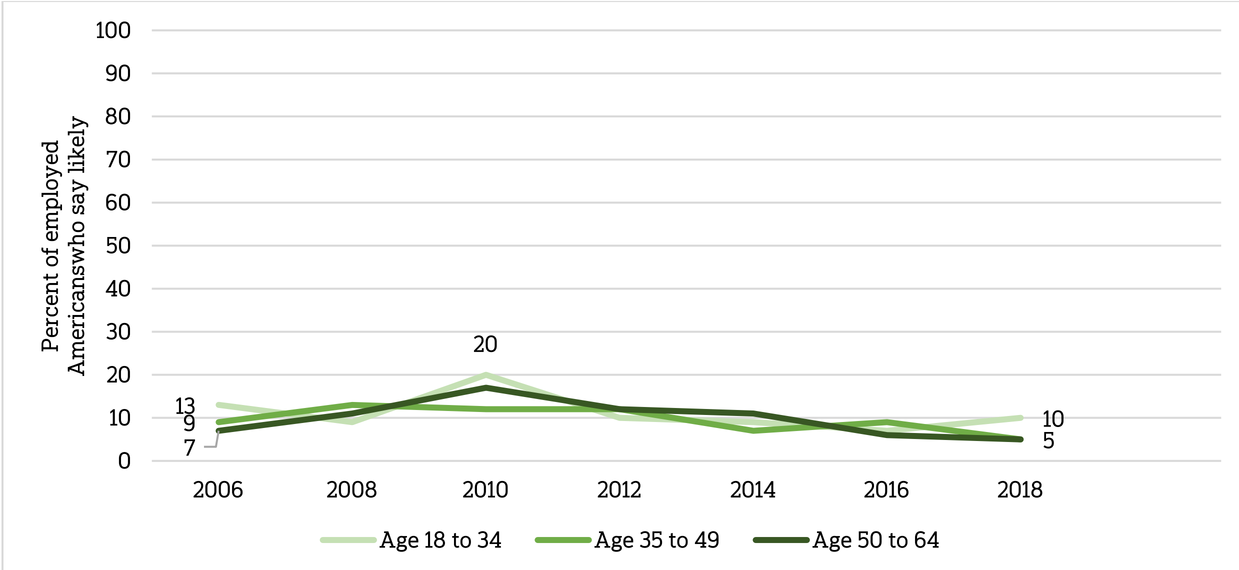


Question: The way things are in America, people like me and my family have a good chance of improving our standard of living—do you agree or disagree?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

However, younger Americans tend to be less secure in their current job and also tend to take longer to find new positions. Even when employed, these Americans are more willing to find new positions.

During the recession, the share of Americans who were not secure in their current job increased, but differences emerged by age. Those age 18 to 34 were the least secure. In 2010, 20% of Americans age 18 to 34 said it is fairly or very likely they would lose their job that year. And while this rate has declined since the recession, even in 2018, this group is twice as likely (10%) to say they fear losing their job than those age 35 to 49 (5%).

Younger Americans are twice as likely to say they fear losing their job in the coming year.

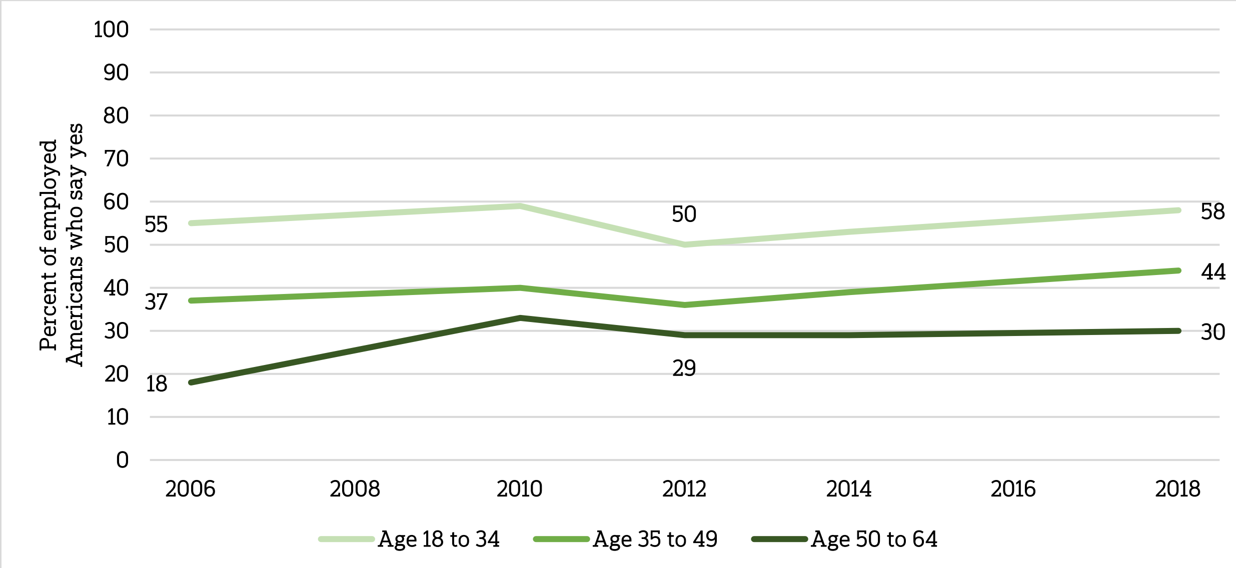


Question: Thinking about the next 12 months, how likely do you think it is that you will lose your job or be laid off—very likely, fairly likely, not too likely, or not at all likely?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

For those who do lose their job, the outlook is worse for younger Americans than older Americans. Those age 18 to 34 are more likely to say that they have been looking for employment for as long as a month in the past 10 years than those age 35 to 49 and 50 to 64 (48% vs. 35% and 26%). While this represents an improvement for younger Americans compared to the height of the recession when 58% of young people had reported similar stretches of unemployment, they have still not recovered to pre-recession levels.

For those younger Americans who are employed, the recession did not change willingness to find a new job very much. Similar to before the recession, around half of 18 to 34 year olds report that they would be willing to put in effort finding a similar job to the one they have now. What has changed is the amount of older Americans who are willing to do so. While younger Americans are still most likely to say they would try finding a new job compared to Americans age 35 to 49 and 50 to 65 (58% vs. 44% and 30%), older Americans are far more likely to say they would do so.

Americans across all age groups are more likely to consider finding a new job than they were before the recession.

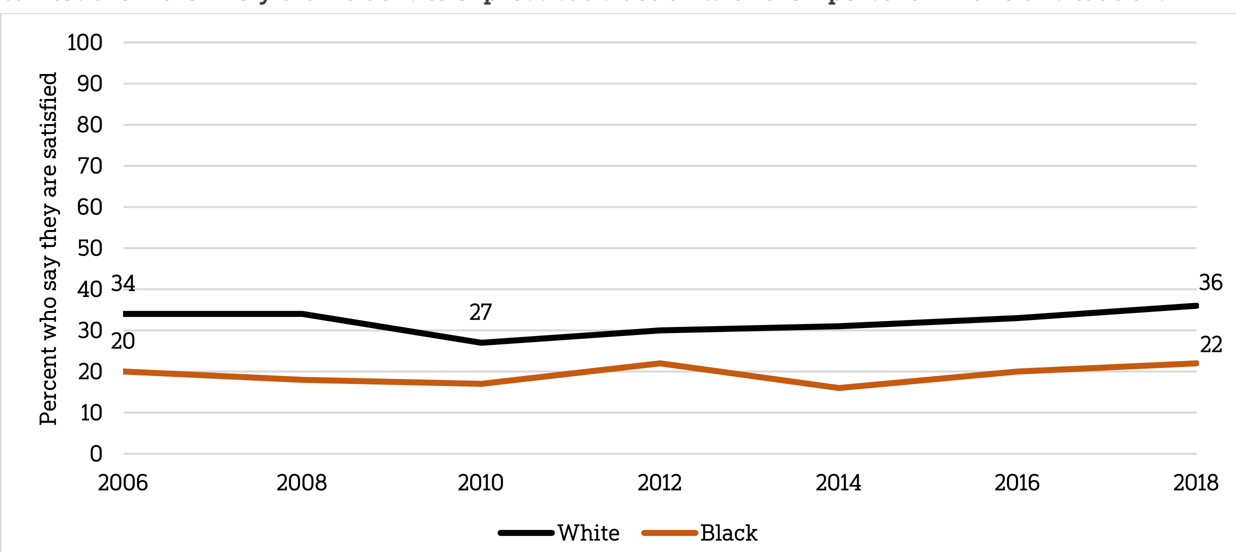


Question: Taking everything into consideration, how likely is it you will make a genuine effort to find a new job with another employer within the next year?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

BLACK AMERICANS ARE LESS SATISFIED WITH THEIR FINANCIAL SITUATION AND COMPENSATION THAN WHITES FOLLOWING THE GREAT RECESSION.

Whites are far more satisfied with their financial situation than are blacks, a trend that held before, during, and after the Great Recession. Whites saw a decline from 2006 to 2010 in satisfaction and have since rebounded to pre-recession levels, but satisfaction among blacks has remained relatively consistent since 2006.

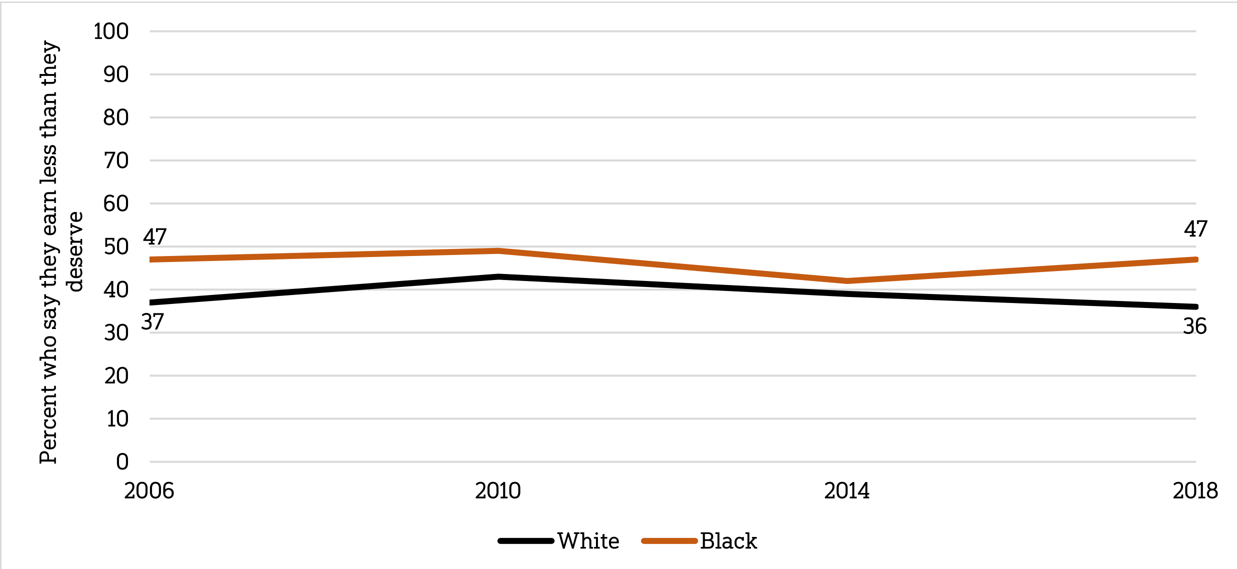
Whites are more likely than blacks to express satisfaction with their personal financial situation.



Question: We are interested in how people are getting along financially these days. So far as you and your family are concerned, would you say that you are pretty well satisfied with your present financial situation, more or less satisfied, or not satisfied at all?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

Whites also express more satisfaction with what they earn. In 2018, 52% of whites say they earn a fair wage for their work, and 36% say they earn too little. But 45% of blacks say they earn a fair wage, and 47% say they earn too little. Before the recession, whites were also more satisfied with their wage than blacks, but these differences shrunk in the immediate aftermath of the recession.

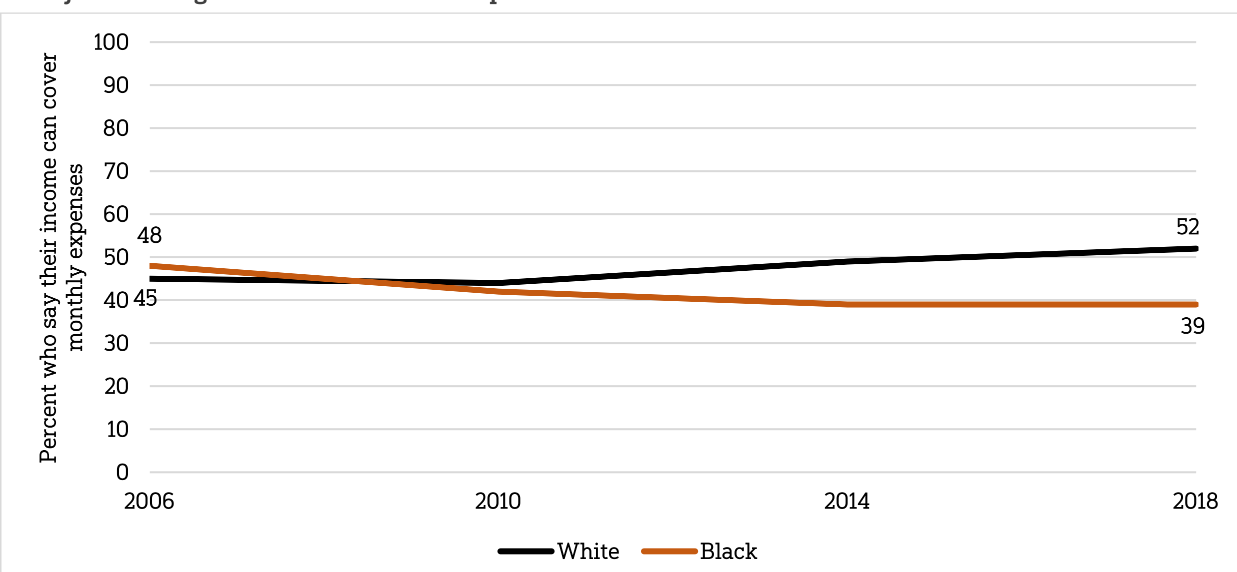
In the immediate aftermath of the recession, whites and blacks expressed similar dissatisfaction with their wages, but in 2018 more blacks than whites say they are paid less than they deserve.



Question: How fair is what you earn on your job in comparison to others doing the same type of work you do?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

Whites are also now more likely than blacks to say that the income from their job is enough to meet their family's usual monthly expenses (52% vs. 39%)—a difference that has emerged since 2010.

In a new trend following the recession, blacks are less likely than whites to say that the income from their job is enough to meet their usual expenses.



Question: Do you feel that the income from your job alone is enough to meet your family's usual monthly expenses and bills?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

COLLEGE GRADUATES ARE BETTER OFF FINANCIALLY AND MORE SECURE IN THEIR INCOMES THAN THOSE WITHOUT COLLEGE DEGREES.

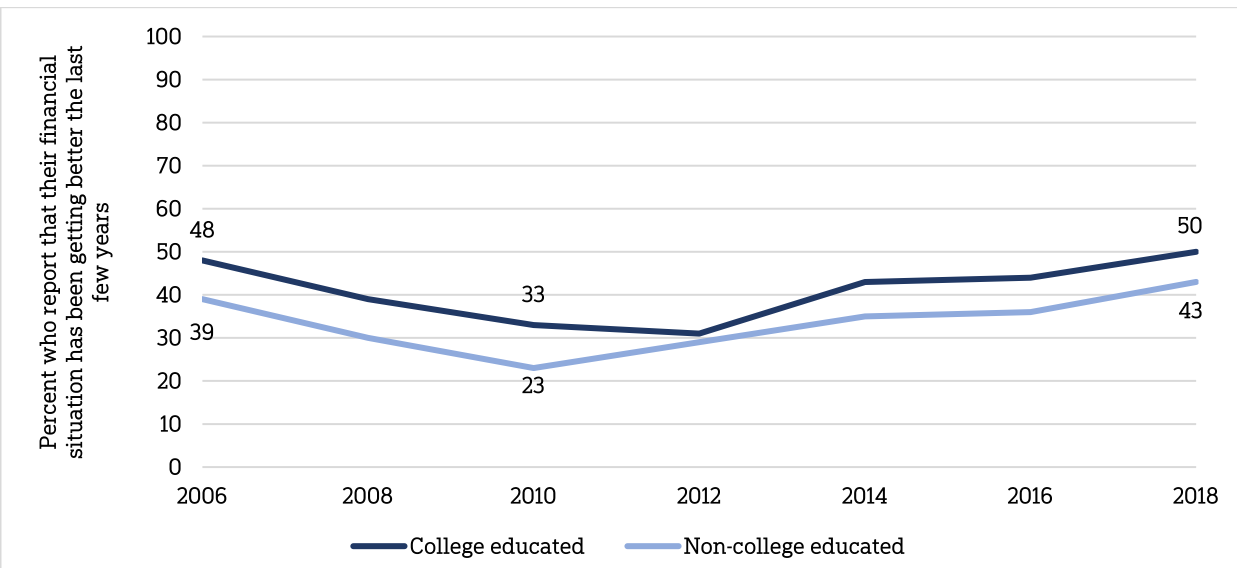
College graduates describe a more positive financial situation than non-college graduates. Thirty-nine percent of those with college degrees are satisfied with their financial situation compared to 28% of those without a college degree. More college graduates (37%) describe their income as above or far above average compared to non-college graduates (14%), and these income divisions have stayed rather similar over the course of the past decade.

Those without a college degree are also twice as likely to identify as being working class. Majorities of both those without a high school diploma (51%) and only a high school diploma (53%) identify as working class compared to 32% of those with a college degree. Sixty-four percent of college graduates identify as middle or upper class compared to 37% of those without a college degree.

The proportion of both college graduates and non-graduates identifying as middle or upper class has been stable since before the recession in 2006. However, the long-term trend shows a decline in the share of college graduates identifying as middle or upper class compared to 1993 (down from 73% to 64%). The share of non-college graduates identifying as middle class or above has not changed over that time, however.

College graduates are more likely to report that their finances are improving, with 50% saying they have gotten better the past couple years versus just 39% of those without a college degree saying the same. However, both college graduates' and non-college graduates' outlook about their finances have rebounded to pre-recession levels.

College graduates are more likely than those without a college degree to say their financial situation has improved the last few years, but both show increases since the recession.



Question: During the last few years, has your financial situation been getting better, worse, or has it stayed the same?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

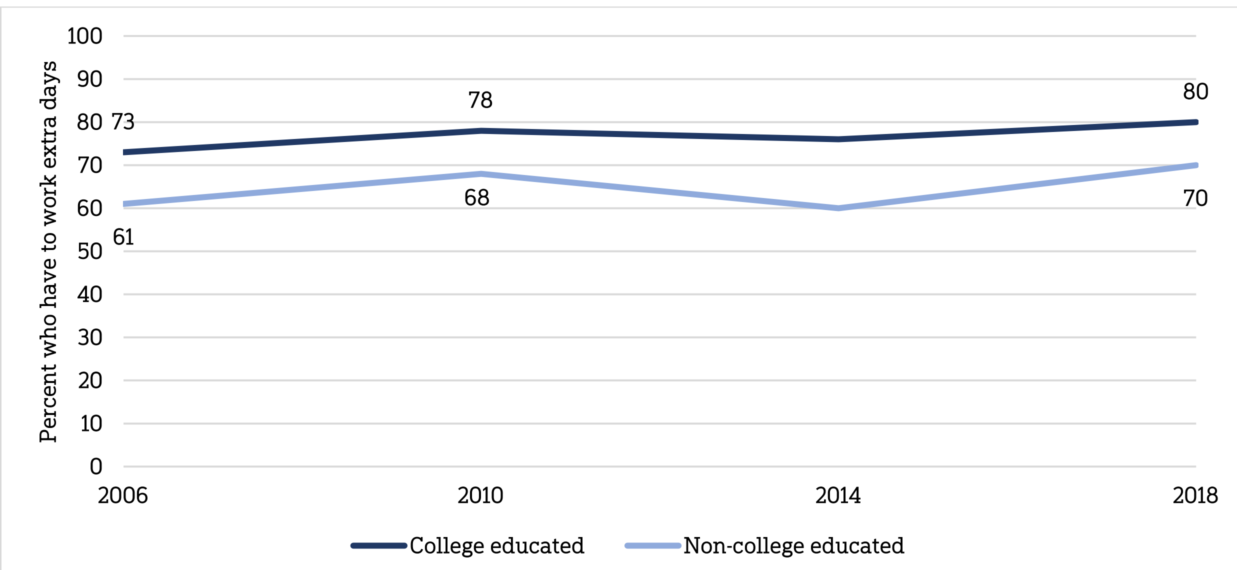
COLLEGE GRADUATES ENJOY MORE PERKS AT WORK THAN THOSE WITHOUT A COLLEGE EDUCATION.

Those without a college education are more than twice as likely as college graduates to report they never are able to work from home (76% vs. 39%). The percentages of those who can and cannot work from home among both college and non-college educated individuals has stayed relatively consistent over the past decade.

Those with a college degree are more likely than those with less education to say that they have a defined benefit pension plan at their company (48% vs. 30%).

However, college graduates are more likely to say they work extra hours and are overworked. Fourteen percent of college graduates say they work extra hours 20 or more days per month; just 9% of those without a college degree work extra that often. Overall, 78% of college graduates say they work extra hours, compared to 67% of those without a college degree. The percentage of those who say they work extra hours has increased since before the recession among both college graduates and non-college graduates.

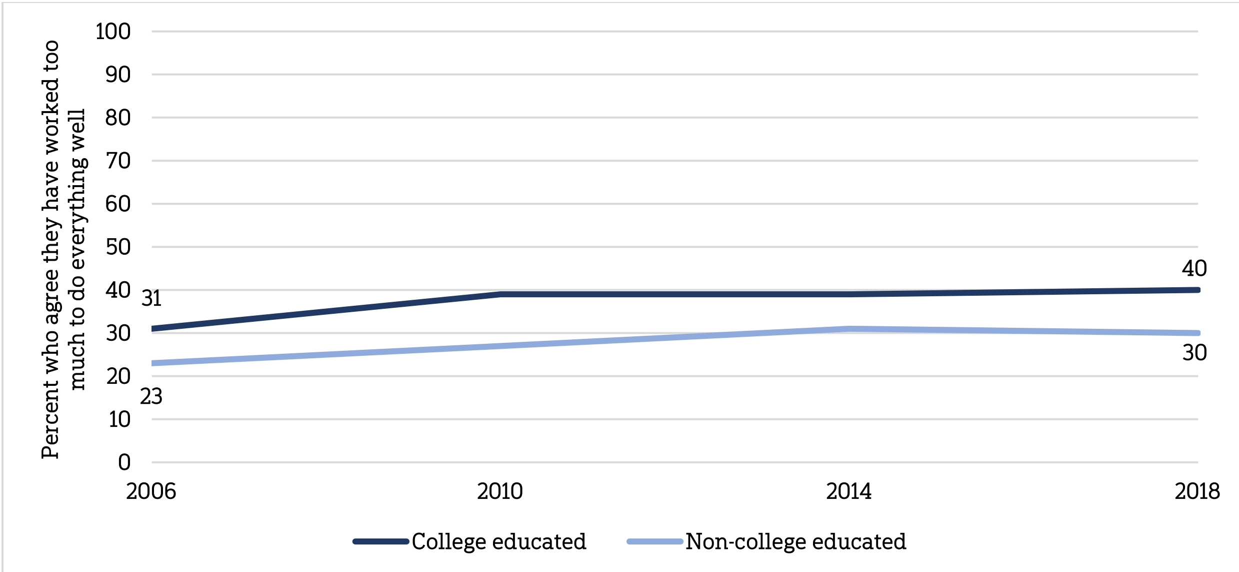
The percent of those who say they ever have to work extra hours has increased compared to pre-recession rates.



Question: How many days per month do you work extra hours beyond your usual schedule?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

College graduates are also more likely to say they are overworked than their counterparts. Forty percent of those with a college degree agree or strongly agree that they have too much work to do everything well compared to 32% of those without college degrees. The percentage of those who say they are overworked has increased significantly since 2006 among both college graduates and non-college graduates.

The percentage who feel they are overworked has steadily increased over the past decade.



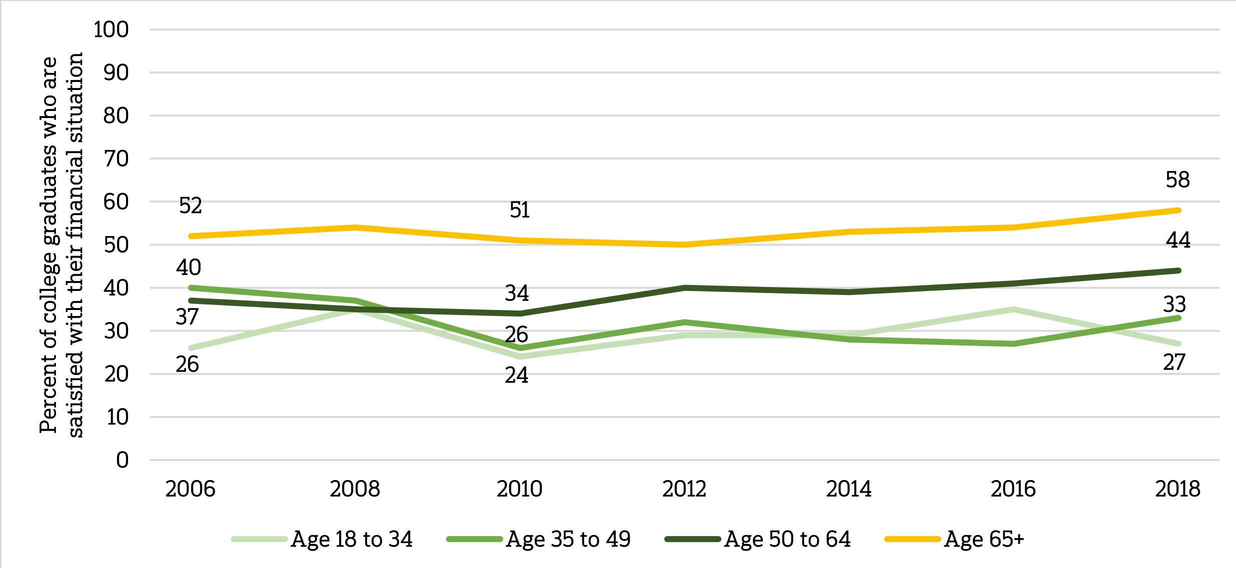
Question: Now I'm going to read you a list of statements that might or might not describe your main job. Please tell me whether you strongly agree, agree, disagree, or strongly disagree with each of these statements. I have too much work to do everything well.
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

While most Americans are optimistic about the future for their kids, those without a college degree are more optimistic. Sixty-three percent of those without a college degree say their children's standard of living will be better than their own compared to just 49% of those with a college degree. Optimism has increased among non-college graduates since 2008, too, when just 56% said the future will be better for their kids.

AMONG COLLEGE GRADUATES, DIFFERENCES EMERGE BY AGE, WITH OLDER COLLEGE GRADS MORE SATISFIED WITH THEIR FINANCES AND MORE LIKELY TO IDENTIFY AS MIDDLE OR UPPER CLASS.

College graduates are more likely than non-college graduates to say they are satisfied with their finances. But, satisfaction varies by age even among college graduates, and similarities and differences between age groups have shifted since the recession. In 2006, college graduates age 65 and older were most likely to be satisfied (52%), and those age 35 to 49 were significantly more satisfied than those age 18 to 29 (40% vs. 26%). But following the recession in 2010, that changed, and in 2018, those age 35 to 49 are no longer any more satisfied than those age 18 to 29. Those age 65 and older remain most satisfied.

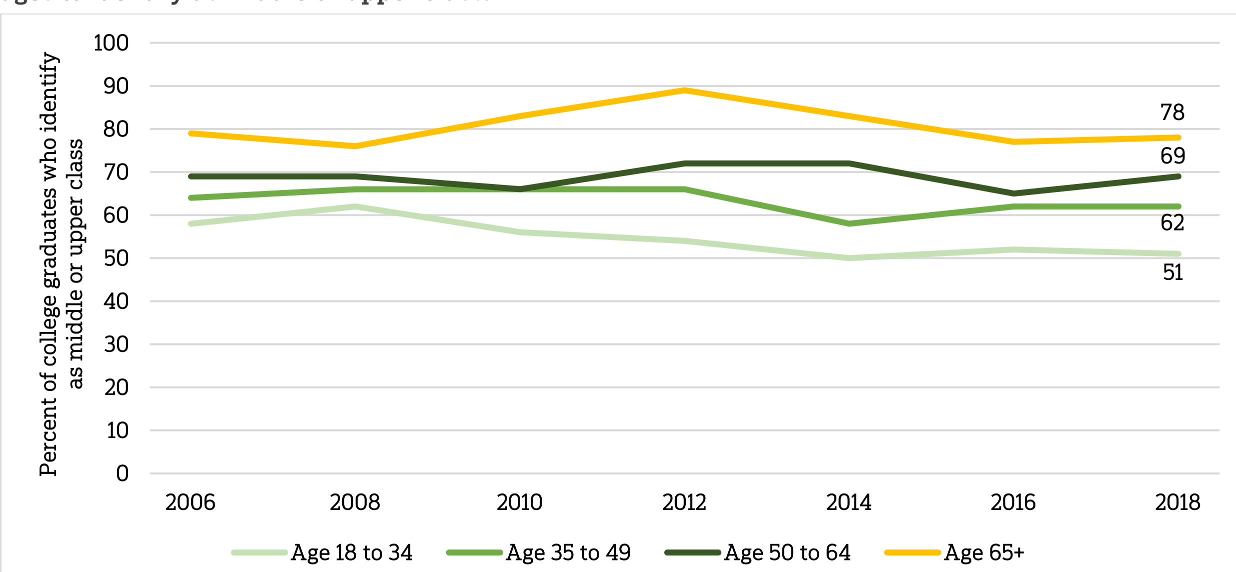
College graduates age 65 and older are most satisfied with their personal finances, while those under age 50 are the least satisfied.



Question: We are interested in how people are getting along financially these days. So far as you and your family are concerned, would you say that you are pretty well satisfied with your present financial situation, more or less satisfied, or not satisfied at all?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

College graduates are more likely than those without college degrees to identify as middle or upper class, but again differences emerge by age. College graduates age 65 and older have consistently been more likely to identify as middle class or above compared to those age 18 to 34 and those age 35 to 49. All age groups show similar levels of middle or upper class identification compared to 2006 and even following the recession in 2010.

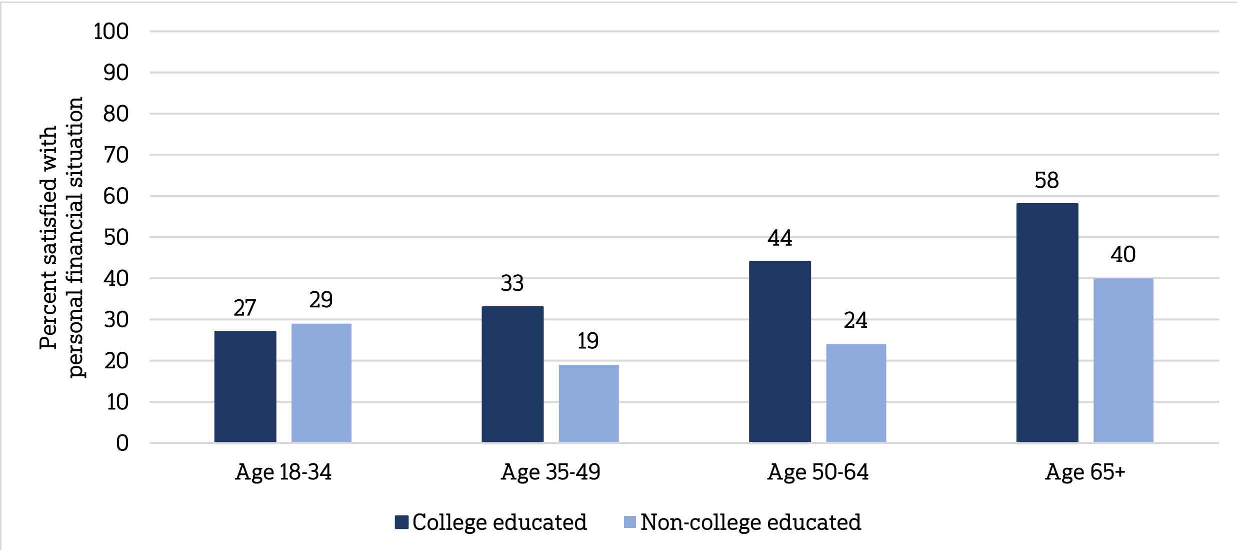
College graduates age 65 and older have consistently been more likely than college graduates of other ages to identify as middle or upper class.



Question: If you were asked to use one of four names for your social class, which would you say you belong in: the lower class, the working class, the middle class, or the upper class?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

There are also age-related differences between college graduates and non-graduates in financial satisfaction and class identification. Among those age 35 and older, college graduates are more likely than non-graduates to say they are financially satisfied. However, among those age 18-34, college graduates are no more likely to say they are satisfied with their finances than non-graduates.

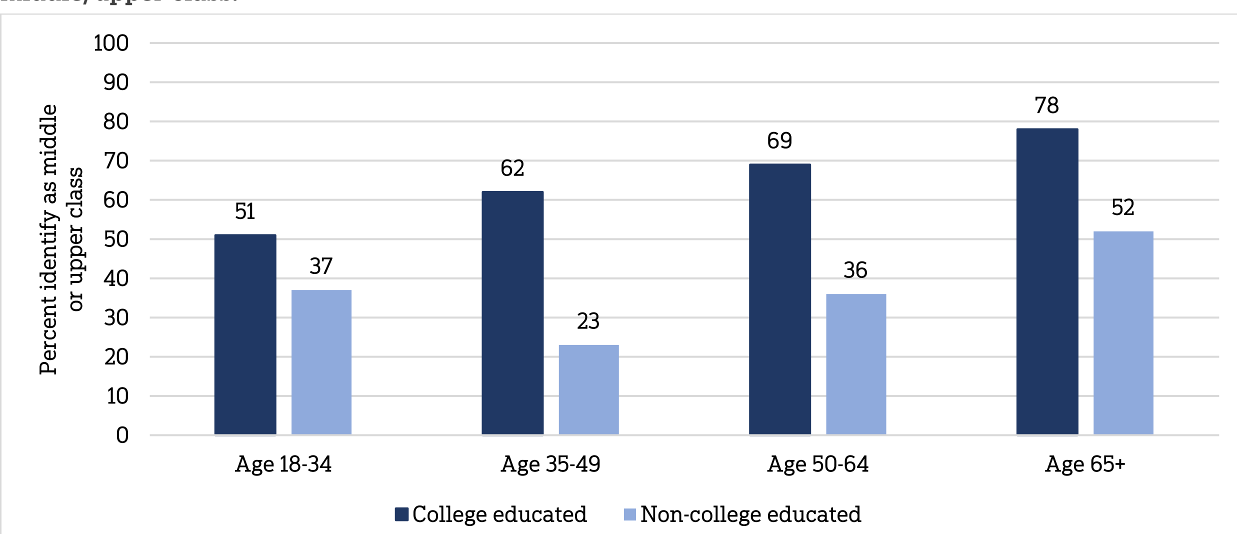
College graduates and non-graduates express similar levels of financial satisfaction among those age 18-34, but wider differences emerge by education among older groups.



Question: We are interested in how people are getting along financially these days. So far as you and your family are concerned, would you say that you are pretty well satisfied with your present financial situation, more or less satisfied, or not satisfied at all?
Source: 2018 General Social Survey, conducted April 12–November 10, 2018.

Differences in identifying as middle or upper class also exist between college graduates and non-graduates among all ages, but those differences are larger among those age 35 and older compared to those age 18-34.

Older age groups show larger gaps between college graduates and non-graduates in identifying as middle/upper class.

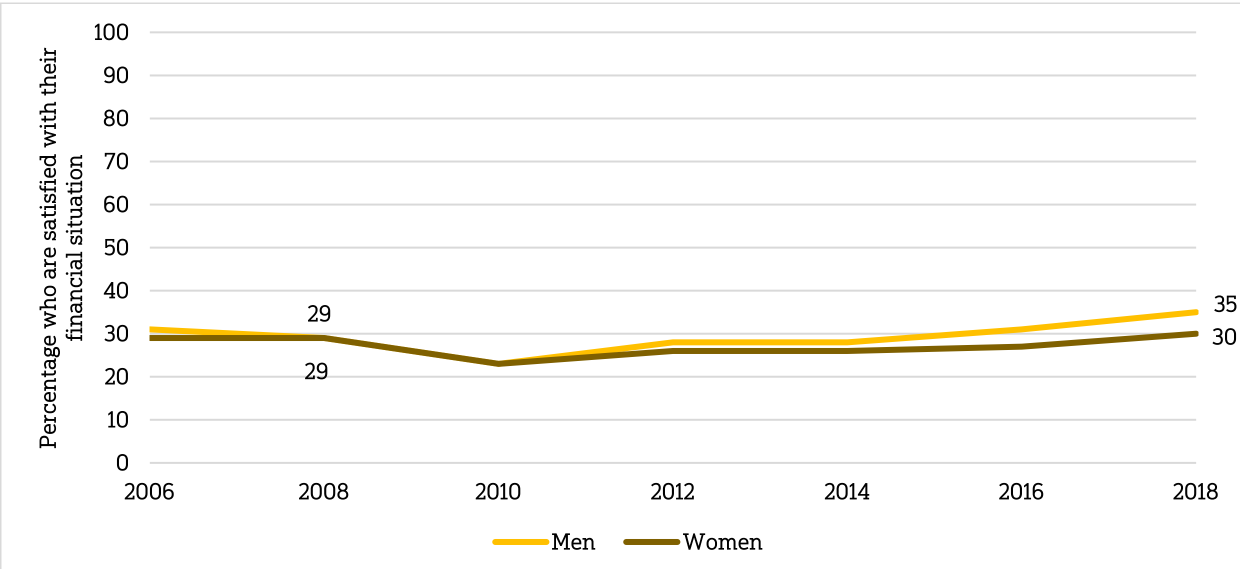


Question: If you were asked to use one of four names for your social class, which would you say you belong in: the lower class, the working class, the middle class, or the upper class?
Source: 2018 General Social Survey, conducted April 12–November 10, 2018.

WOMEN ARE LESS SATISFIED THAN MEN WITH THEIR FINANCES AND EARNINGS, AND THEY TEND TO SAY THAT THEY DO NOT EARN ENOUGH TO MEET MONTHLY EXPENSES.

Men are more likely to be satisfied with their financial situation than women. Thirty-five percent say they are satisfied with their financial situation compared to 30% of women. Nineteen percent of men say they are not at all satisfied with their financial situation, while 24% of women express the same. The percentage of men who say they are satisfied with their financial situation increased since 2008, while the percentage of women saying the same has stagnated.

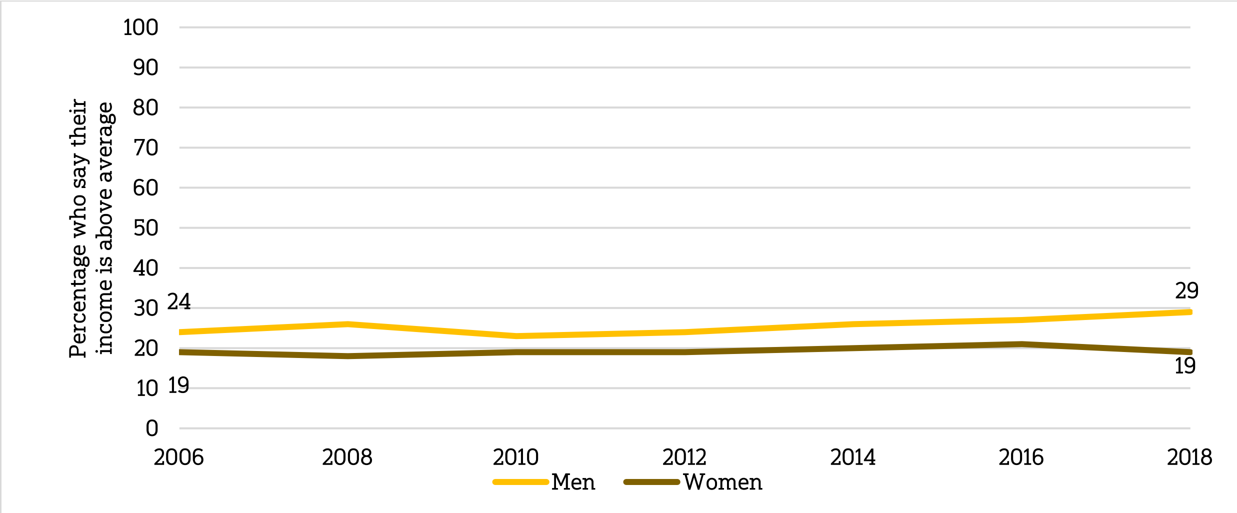
The share of men and women who say they are satisfied with their finances is starting to diverge.



Question: **So far as you and your family are concerned, would you say that you are pretty well satisfied with your present financial situation, more or less satisfied, or not satisfied at all?**
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

Men are also more likely than women to report their family income as above or far above average. Twenty-nine percent of men report their income to be above average versus 19% of women. Just 26% of men say their income is below average versus 34% of women. While the percentage of men who say their income is above average has increased since 2006, the percentage of women saying the same has again stagnated. But, the share of women who say their income is below average has increased from 29% to 34% since 2006.

Men are more likely than they were before the recession to say their income is above average, but a similar improvement has not occurred among women.

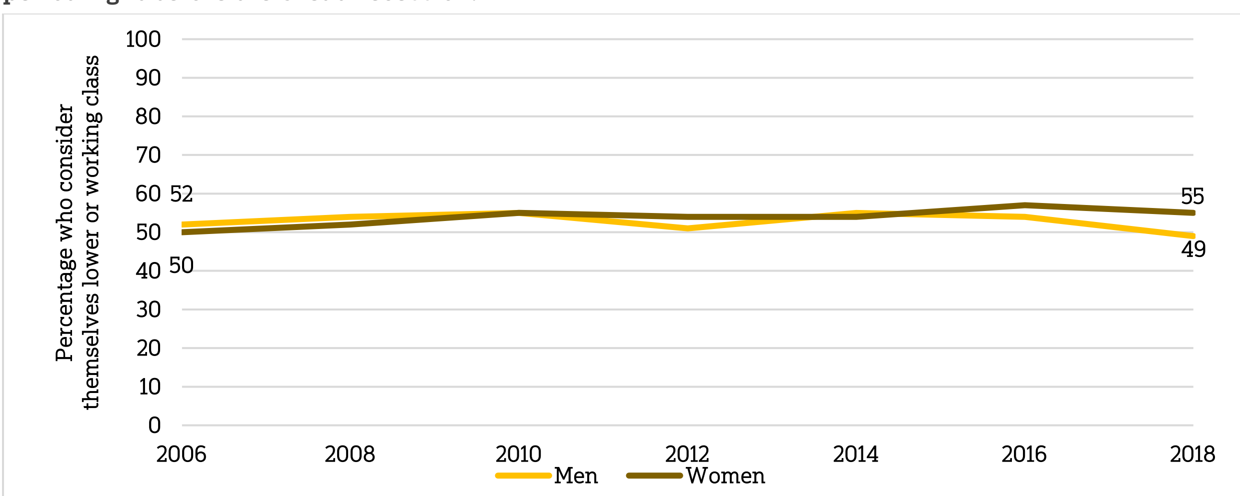


Question: Compared with American families in general, would you say your family income is far below average, below average, average, above average, or far above average?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

Women are more likely to say that their wage does not meet their usual monthly expenses and bills. Sixty-four percent of women say that what they earn is not enough to cover bills compared to just 37% of men. The share of men who say their wages cover their monthly expenses increased by 11 percentage points from the period just after the recession. No such shift occurred among women during this period.

Women are also more likely to identify as working class or lower class than men. Fifty-five percent of women consider themselves working or lower class compared to 49% of men. Forty-four percent of women consider themselves middle or upper class compared to 51% of men. The percentage of women who consider themselves working or lower class increased during the recession and years after (from 50%).

Women are more likely to consider themselves to be working class than are men, increasing since the period right before the Great Recession.



Question: If you were asked to use one of four names for your social class, which would you say you belong in: the lower class, the working class, the middle class, or the upper class?
Source: General Social Survey, the latest survey conducted April 12–November 10, 2018.

While they are less satisfied with their financial position, less able to meet their monthly expenses, and more likely to consider themselves working or lower class than their male counterparts, women tend to be more optimistic about their children's future standard of living. Sixty-one percent expect their children's standard of living to be better or much better than their own compared to 53% of men.

METHODOLOGY

General Social Survey

The General Social Survey (GSS) is administered by NORC at the University of Chicago, primarily using in-person interviewing. The GSS started in 1972 and completed its 32nd round in 2018. For the last 40 years, the GSS has been monitoring societal change and the growing complexity of American society. The GSS is the largest project funded by the Sociology Program of the National Science Foundation. The typical sample size was 1,500 prior to 1994, but increased to 2,700-3,000 until 2008 and decreased to 2,000-2,500 for the most recent surveys. Resulting margins of error are between +/- 3.1 for the smaller sample sizes and +/- 2.2 percentage points for the larger sample sizes at the 95% confidence level. The GSS 1972-2018 Cumulative File was utilized to produce the statistics presented.

http://gss.norc.org/