

MetLife®



The 2008 MetLife Study of the American Dream



"A personal safety net sounds fantastic! We're both very concerned about our financial future, but Don just shows it more."

EXECUTIVE SUMMARY

One year ago, MetLife released a groundbreaking study of the state of the American dream.

The MetLife Study of the American Dream found that Americans no longer regard the achievement of the dream as a discernable destination in life, but rather as an on-going and increasingly challenging pursuit of financial security.

For most Americans, the ability to achieve or sustain the American dream was imperiled by a major financial burden shift — a weakening of traditional social and corporate safety nets (such as Social Security and corporate pensions) that increasingly shifted financial responsibilities towards individuals. This financial burden shift, coupled with ratcheting material expectations for “the good life,” contributed anxiety and pressure to America’s pursuit of the dream. So while we found the American dream to be alive — buoyed by Americans’ characteristic optimism — we did not necessarily find it alive and well.

One year later, amid a weakening U.S. economy and a historic presidential election, MetLife again sought to assess the mood and the outlook of the American people in *The 2008 MetLife Study of the American Dream*.

Personal Optimism Despite Collective Pessimism

Over the past year, the public’s regard for the economy’s prospects has darkened considerably. Yet despite concerns over declining home values, soaring energy costs and high levels of personal debt, 85% of individuals expect their own financial situation to be about the same or even better this year, compared to last year. How long this optimism can last should the economy falter further remains to be seen.

The American Dream Is Alive, But So Is the Burden Shift

In just one year, there has been a significant increase in the number of Baby Boomers who report that they have achieved the dream. Indeed, generally more Americans believe that they have achieved the dream or that the dream remains within reach during their lifetimes than was measured one year ago.

However, slightly more than half of Americans believe that they are carrying more of a financial burden for their families than their parents’ generation did. Many remain concerned and even frustrated with the erosion of employer and government-sponsored benefits and believe that the weakening of traditional safety nets will impact their ability to achieve the dream. Moreover, a strong majority of Americans worry that the effects of the financial burden shift will become even more apparent in the longer term, lessening the ability of future generations to lead a comfortable life.

Primed for Action: A Three-Pronged Approach

In response to uncertainty about traditional and corporate safety nets, Americans appear to be gearing up to protect their own financial futures. Primed for action, they report they are ready to take three concrete steps to protect the American dream:

1. *Ready to Create Their Own Personal Safety Nets:* Americans say they are planning to build their own personal safety nets to protect their family's financial future.
2. *Depending on the Workplace for Benefits, Advice:* Americans say there is an important role that employers can play in helping individuals create their own safety net: providing access to employee benefits – even if employees have to fund most or all of the costs themselves.
3. *Making Their Vote Count:* Americans are also preparing to take political action to keep the American dream within reach. Three in four Americans believe that the 2008 Presidential election will be more important than past elections — and roughly the same percentage believe the election's outcome may impact their ability to achieve the dream.

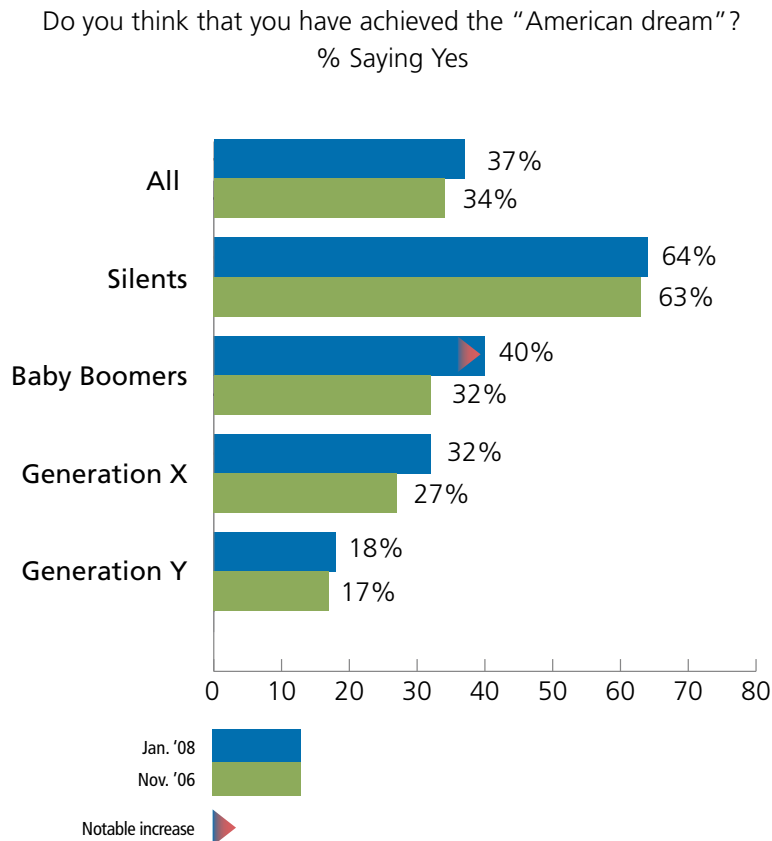
In the pages that follow, MetLife examines how Americans' sense of financial security is changing — and the steps they plan to take to keep the American dream within reach.

I. THE STATE OF THE AMERICAN DREAM IN 2008

Americans across all generations share a pronounced collective pessimism about the direction in which the U.S. economy is headed. This dramatic shift in outlook results in part from concerns about high energy costs, lower home values, high personal debt levels and a generally slowing U.S. economy. Despite these concerns, Americans remain resilient in their individual optimism. They increasingly believe that the American dream is within reach and that they will personally fare better in the year ahead than they did in the year past. Whether their optimism proves justified or erodes in the face of a volatile economic environment remains to be seen.

Achievement of the American Dream

Over the past year, there has been a significant increase in the number of Boomers who say they have achieved the dream. Perhaps as a function of time, greater life experience and broader perspective, older Americans are more likely to say they have achieved the American dream. The Silent Generation remains the only cohort in which a majority thinks it has achieved the dream.



Defining the American Dream

Financial security remains the greatest defining characteristic of the American dream. A comfortable retirement has also become a more integral part of the dream for Boomers as they move towards retirement age. Silents and Gen Xers placed more importance on family as a component of achieving the dream than in 2006.

What does the “American dream” mean to you today? You can select up to 3 responses.

	All		Silent		Boomer		Gen X		Gen Y	
	Jan. '08 N=800 %	Nov. '06 N=1500 %	Jan. '08 N=120 %	Nov. '06 N=207 %	Jan. '08 N=282 %	Nov. '06 N=521 %	Jan. '08 N=245 %	Nov. '06 N=399 %	Jan. '08 N=154 %	Nov. '06 N=306 %
Financial security	62	59	60	55	64	60	64	64	55	54
Family/children	47	42	54	35	37	41	54	43	48	51
Free from want, my basic needs are met	42	43	50	38	47	47	38	43	31	38
Home ownership	35	35	33	28	34	38	37	38	37	34
Comfortable retirement	35	31	49	55	45	34	27	24	18	13
Successful career	27	28	7	10	22	23	25	28	55	52
Marriage	17	21	17	22	15	17	18	22	19	26
Others	5	4	2	5	6	4	4	3	5	3

MULTIPLE RESPONSES PERMITTED (UP TO 3) Ranked by All 2008

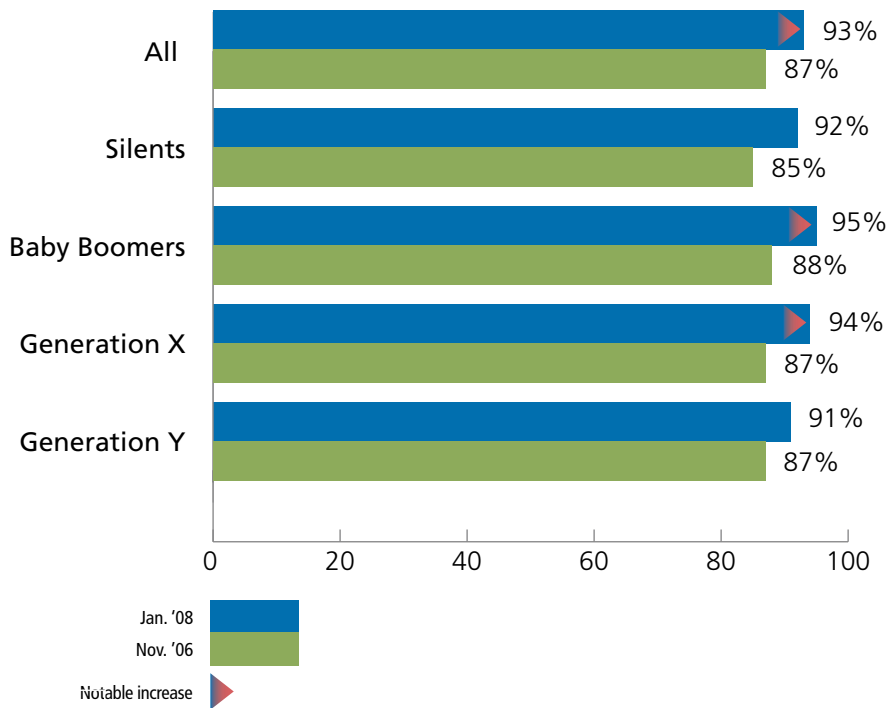
Notable increase

Notable decrease.

Working Harder To Get By

Nine in ten Americans across all generations feel that Americans are working as hard, or harder than ever, just to get by. More than half of each generation, including 70% of Boomers, strongly agree with this sentiment.

How much do you agree with the following statement:
 "Americans are working as hard or harder than ever just to get by."

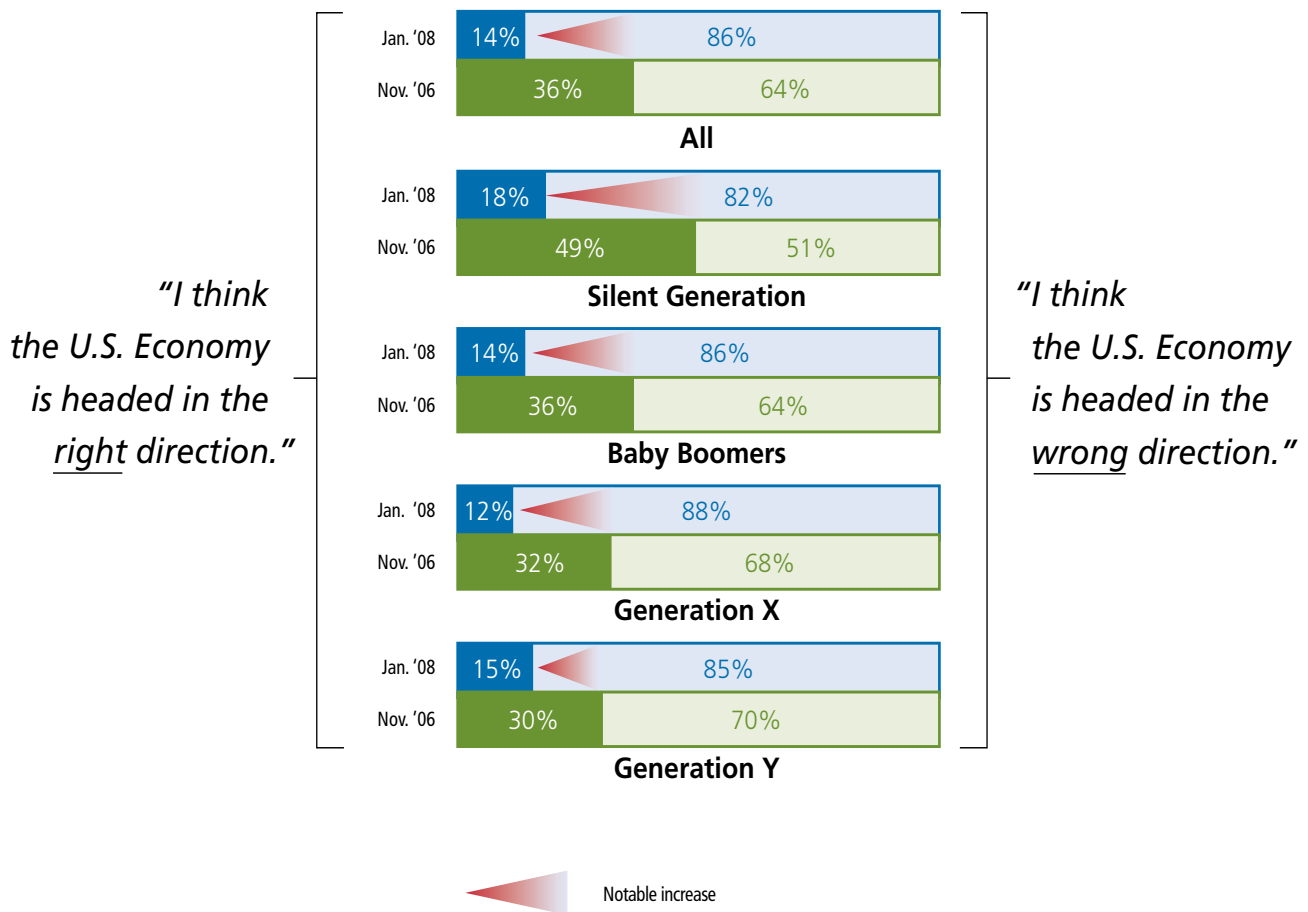


	All		Silent		Boomer		Gen X		Gen Y	
	Jan. '08 N=800 %	Nov. '06 N=1500 %	Jan. '08 N=120 %	Nov. '06 N=207 %	Jan. '08 N=282 %	Nov. '06 N=521 %	Jan. '08 N=245 %	Nov. '06 N=399 %	Jan. '08 N=154 %	Nov. '06 N=306 %
Strongly agree	63	52	52	42	70	57	66	54	56	49
Somewhat agree	30	35	40	43	25	31	28	33	35	38
Somewhat disagree	5	11	6	12	4	10	5	10	6	10
Strongly disagree	1	3	2	3	1	2	1	3	3	3

Direction of the U.S. Economy

The belief that the U.S. economy is headed in the wrong direction has increased dramatically in the past year. The dramatic downturn in the housing market has left nearly 4 in 10 Americans believing that their home has lost value or will lose value in the near future. Among those who agree that their home has lost value, 85% say they are concerned that their loss will impact their ability to achieve the American dream. Similarly, the burden of higher energy costs is acutely felt by nearly all. Over 90% of Americans say that more expensive energy will hinder their ability to achieve or maintain the American dream.

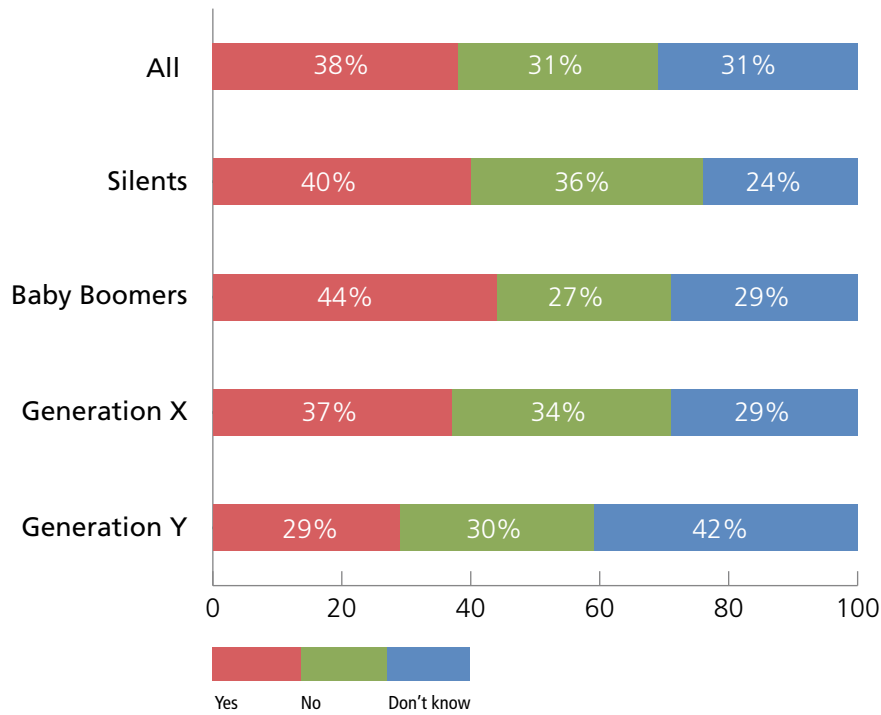
Which of the following is closer to your view?



Change in Home Value

Nearly 4 in 10 Americans believe their home has or will lose value in the near term.

Do you think that your current home has lost value in the past few years or could lose value in the near future?



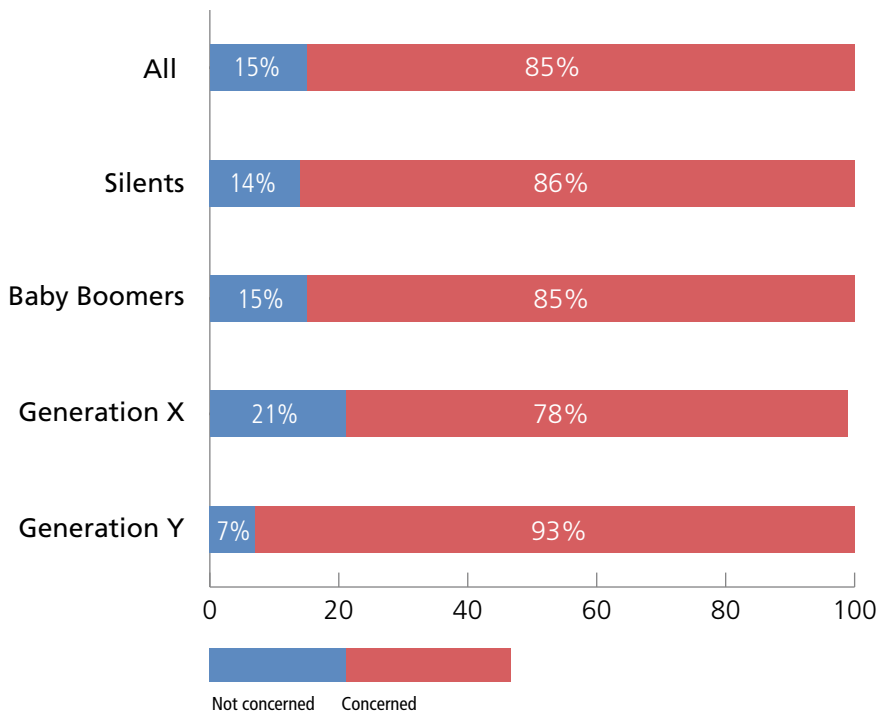
Jan. 2008

	All	Silent	Boomer	Gen X	Gen Y
	N=800	N=120	N=282	N=245	N=154
	%	%	%	%	%
Yes	38	40	44	37	29
No	31	36	27	34	30
Don't know	31	24	29	29	42

Loss of Home Value and the American Dream

Those who believe their home has or could lose value overwhelmingly feel that the dream could be at risk.

IF YOU THINK YOUR CURRENT HOME HAS LOST VALUE: How concerned are you that this decline in the value of your home could have a negative impact on your ability to achieve (or maintain) the American dream over the next 5–10 years?



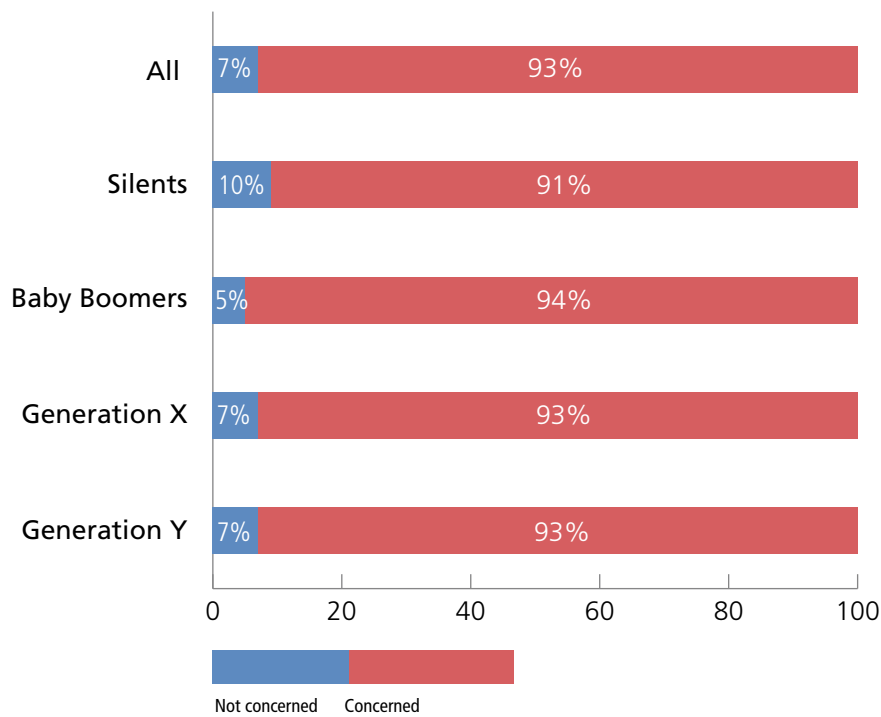
Jan. 2008

	All	Silent	Boomer	Gen X	Gen Y
	N=304	*N=48	N=123	N=89	*N=44
	%	%	%	%	%
Very concerned	40	37	40	37	47
Somewhat concerned	45	49	45	41	46
Not very concerned	14	12	12	21	7
Not at all concerned	1	2	3	0	0

*Note: Directional data due to small sample size

Impact of Higher Energy Costs on the American Dream

How concerned are you that recent increases in the price of energy (such as the price of gasoline, natural gas and home heating oil) will have a negative impact on your ability to achieve (or maintain) the American dream over the next 5-10 years?



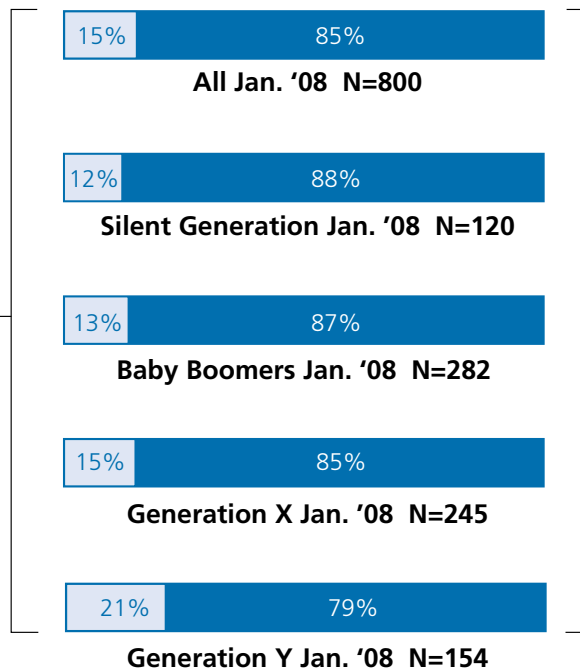
	Jan. 2008				
	All	Silent	Boomer	Gen X	Gen Y
	N=800 %	N=120 %	N=282 %	N=245 %	N=154 %
Very concerned	59	53	66	58	53
Somewhat concerned	34	38	28	35	40
Not very concerned	5	7	4	5	6
Not at all concerned	2	3	1	2	1

Consumer Response to Rising Energy Prices

Most Americans say that the burden of higher energy prices will cause them to consider energy efficiency when buying their next car or home.

Which of the following is closer to your view?

“My next home or car purchase will not be impacted by the rise in energy prices. I will buy the home or car I want regardless of how energy efficient it is.”







“Because of the rise in energy prices, the next time I purchase a home or car, my choice will be based on how energy efficient it is.”

Reasons Why the Economy is Headed in the Wrong Direction

Since November 2006, concerns about broader social issues affecting all Americans such as the cost of healthcare, high taxes and outlook for Social Security have eased somewhat. However, more personal concerns about high energy costs and high personal debt levels in the U.S. have risen.

Which of the following factors contributes to your feeling that the U.S. economy is headed in the wrong direction? Please indicate up to 3 responses.

	All		Silent		Boomer		Gen X		Gen Y	
	Jan. '08 N=686 %	Nov. '06 N=962 %	Jan. '08 N=98 %	Nov. '06 N=106 %	Jan. '08 N=243 %	Nov. '06 N=334 %	Jan. '08 N=214 %	Nov. '06 N=273 %	Jan. '08 N=131 %	Nov. '06 N=215 %
 Energy costs/oil and gas prices	58	41	66	48	64	42	52	37	52	41
 National healthcare costs	36	42	41	55	35	51	39	34	28	28
The national budget deficit	31	31	38	42	30	32	32	27	28	25
 High personal debt levels in the U.S.	30	23	18	24	33	22	30	27	34	20
 The outlook for Social Security	25	31	27	35	25	32	24	28	25	29
Low wages in the U.S.	22	34	12	21	21	33	25	38	24	39
Unemployment rate	19	19	13	7	17	17	20	24	26	26
High taxes for all Americans	18	25	20	26	21	23	14	28	17	23
Home prices	15	14	20	8	12	11	18	16	15	22
Low personal savings rates among Americans	13	11	16	10	12	14	12	13	12	6
High transportation/commuting costs	10	6	12	5	10	5	10	5	6	7
High college expenses	9	8	8	3	5	5	10	7	13	15
Uncertainty of the stock market	6	3	8	2	5	3	7	3	5	3
Others	4	5	2	8	6	4	1	4	5	5

IF WRONG DIRECTION. RANKED BY ALL 2008

 Notable increase

 Notable decrease.

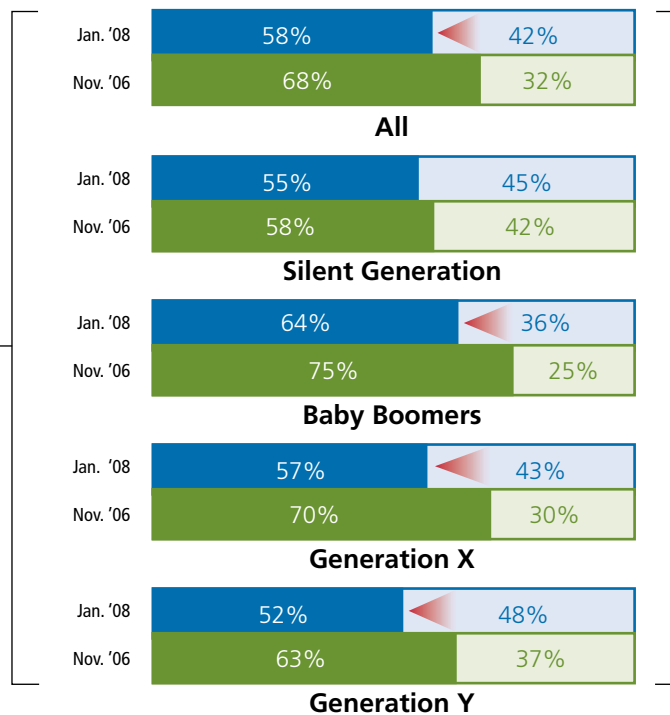
Amount of Risk in Financial Future

Despite collective pessimism regarding the economy overall, Americans have become more optimistic in the past year about the amount of financial risk in their future. Yet the majority across all generations still believes that there is generally more risk to their family’s financial future than in the more distant past.

Which of the following is closer to your view?

“There is more risk to my family’s financial future than in the past.”

“My financial future looks good and there is less risk to it than in the past.”



Notable increase

Personal Financial Outlook for 2008 is Positive

Most Americans are positive or neutral in their expectations for their personal financial situations in 2008 vs. 2007. Younger generations have higher expectations for financial improvement in 2008.

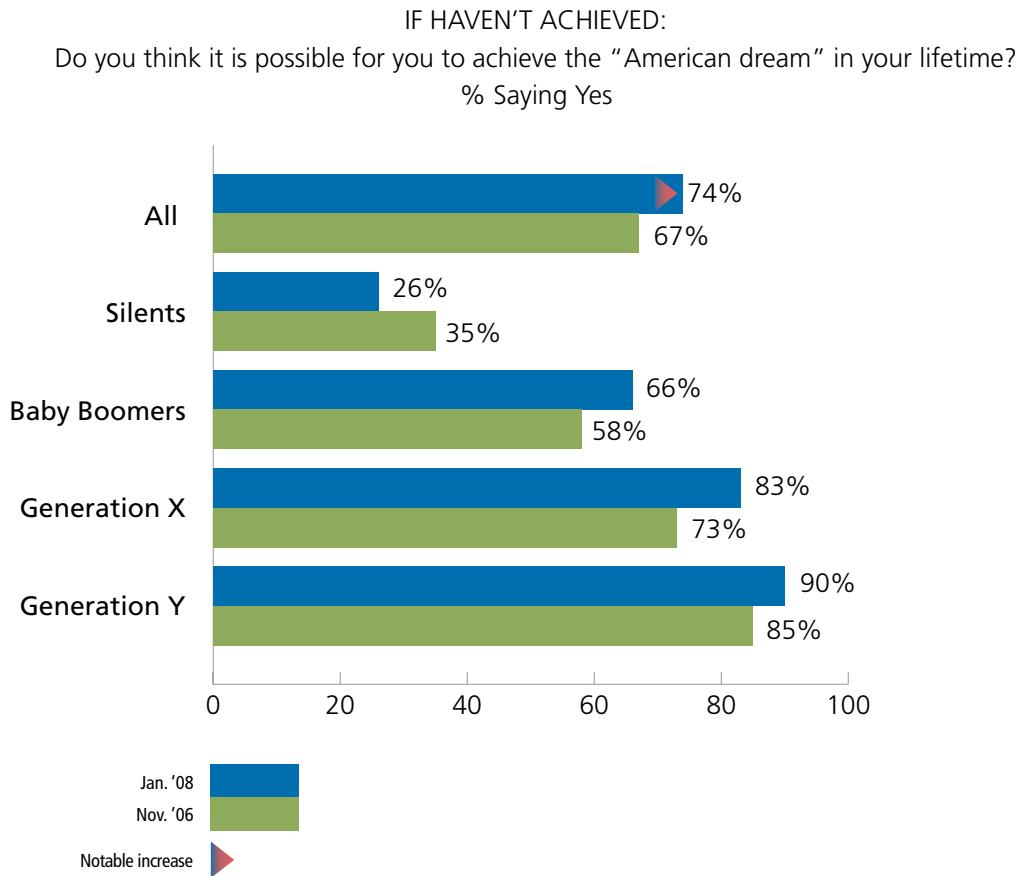
Do you expect your personal financial situation to be better, worse or about the same in 2008 than it was in 2007?



	Jan. 2008				
	All	Silent	Boomer	Gen X	Gen Y
	N=800 %	N=120 %	N=282 %	N=245 %	N=154 %
Much better	13	4	13	16	14
Somewhat better	32	26	26	35	41
About the same	40	48	43	37	30
Somewhat worse	12	21	12	9	11
Much worse	4	1	5	3	4

The American Dream is Alive and on the Rise

Americans' hopes for achieving the dream have significantly increased since November 2006, largely driven by increasing optimism on the part of Boomers and Gen Xers.



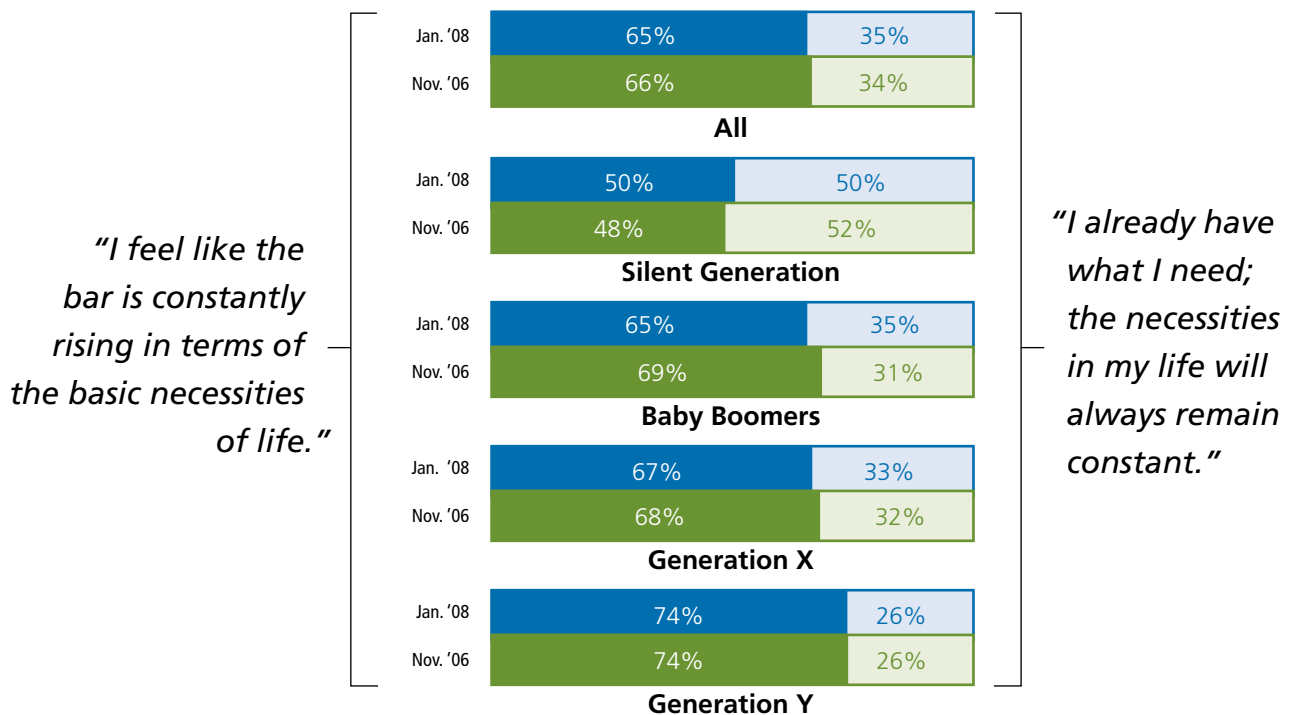
II. A RISING BAR, A SHIFTING BURDEN AND ITS EFFECT ON FUTURE GENERATIONS

A strong majority of Americans feel that the bar is rising when it comes to attaining what they consider to be the basic necessities in life. Yet their pursuit of these necessities and more broadly, the American dream, is pressured by the reduction of government and employer-sponsored benefits. As a result, many feel they are assuming more financial burdens than was expected of past generations. And many fear that future generations will have to assume even more of the financial burden shift.

The Bar is Rising

Consistent with our findings from November 2006, Americans—particularly younger people—place great emphasis on material possessions. Even among Silents, only half believe that they have satisfied the basic necessities of life.

Which of the following is closer to your view?



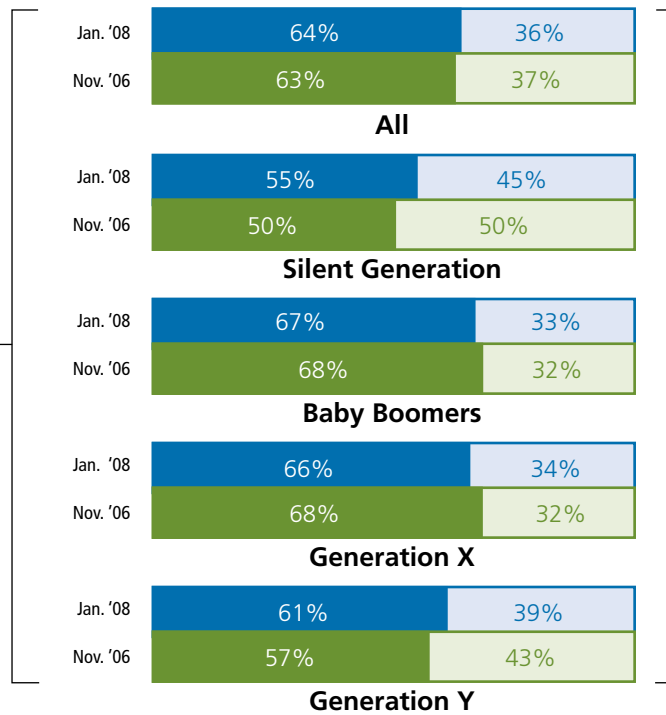
Loss of Government-Sponsored Benefits

While the majority of Americans do not believe that they can rely on the government for financial security, Boomers express the least confidence in their own ability to provide financial security for themselves and their families in light of receiving less aid from the government.

Which of the following is closer to your view?

"I can't rely on the government for my financial security, which means more pressure on me to provide for my family and myself."

"I'm confident I can rely on myself to provide for my family and for my financial security, even if I get less from the government."

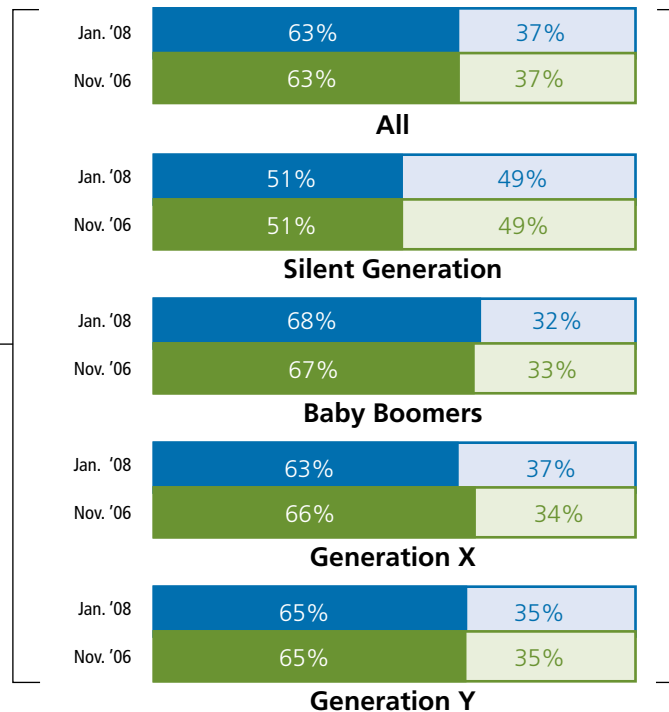


Loss of Employer-Sponsored Benefits

Consistent with November 2006, only about one-third of Americans believe that they can achieve financial security on their own without depending upon employer-sponsored benefits, such as healthcare and pension plans.

Which of the following is closer to your view?

"I am frustrated that I can no longer count on employer-sponsored benefits, such as healthcare and pensions plans, like previous generations could."



"Even though I can no longer count on employer-sponsored benefits, such as healthcare and pension plans, I am confident I can achieve financial security on my own."

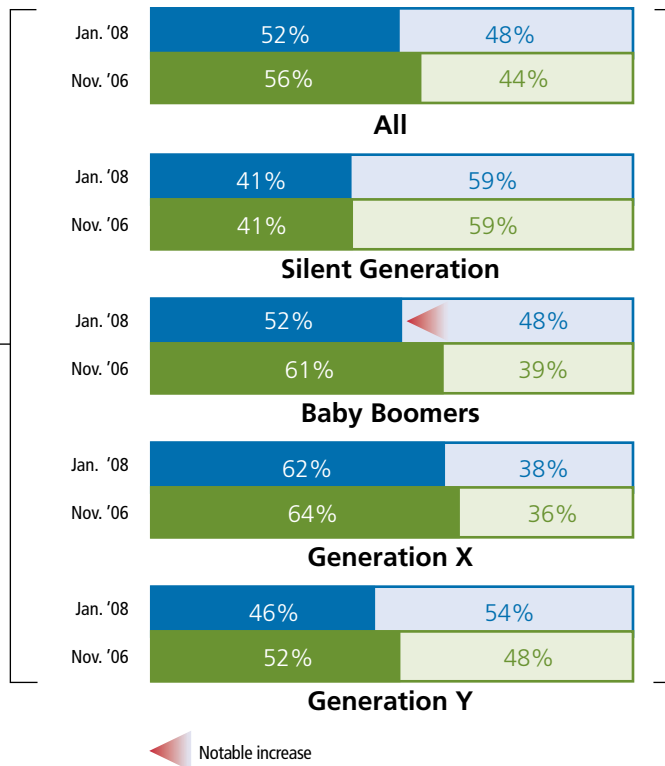
The Financial Burden Shift – Comparison to Parents’ Generation

Slightly more than half of Americans believe that their financial burden is greater than that of their parents’ generation. However, the outlook of Boomers improved significantly with nearly half saying that they have it good compared to their parents.

Which of the following is closer to your view?

“I am carrying more financial burdens for my family than my parents’ generation had to.”

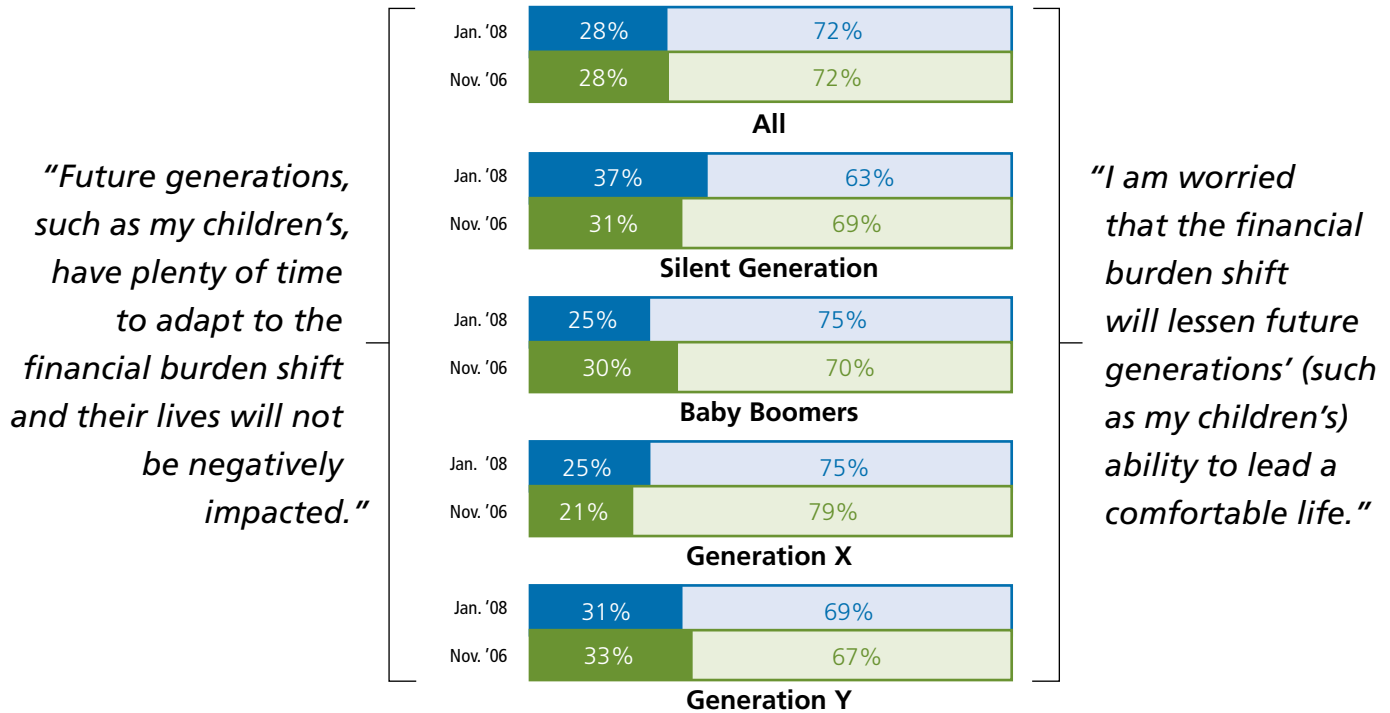
“I have it good compared to my parents’ generation: I am not carrying more of the financial burden for my family than they had to.”



Effect of the Financial Burden Shift on Future Generations

Americans still remain largely pessimistic when considering the impact of the financial burden shift on future generations.








Which of the following is closer to your view?




Benefits Likely to Be Available to Future Generations

Social Security is increasingly viewed to be the benefit least likely to be available to future generations. Concern about the viability of Medicare appears to have eased since November 2006.

Which, if any, of the following services do you think will not be available for future generations, such as your children?

	All		Silent		Boomer		Gen X		Gen Y	
	Jan. '08 N=800 %	Nov. '06 N=1500 %	Jan. '08 N=120 %	Nov. '06 N=207 %	Jan. '08 N=282 %	Nov. '06 N=521 %	Jan. '08 N=245 %	Nov. '06 N=399 %	Jan. '08 N=154 %	Nov. '06 N=306 %
 Social Security	78	 72	65	57	80	 73	84	83	76	73
Healthcare/insurance/ affordable healthcare*	54	n/a	54	n/a	57	n/a	55	n/a	48	n/a
Pensions*	50	n/a	47	n/a	53	n/a	54	n/a	43	n/a
 Medicare	43	 53	38	46	41	 54	45	 59	48	48
Welfare/public assistance programs/ food stamps*	31	n/a	25	n/a	31	n/a	33	n/a	32	n/a
None of the above	8	19	15	36	7	18	4	12	11	16
Others	3	1	1	1	4	4	1	2	2	2

 Notable increase

 Notable decrease.

* These answers choices were not included in the Nov. 2006 questionnaire
MULTIPLE RESPONSES PERMITTED, RANKED BY ALL 2008

III. PRIMED FOR ACTION: A THREE-PRONGED APPROACH

There are several indicators that Americans are gearing up to protect their own financial futures: 1) their interest in creating their own personal safety nets, 2) their desire for their employer to provide employee benefits and advice at the workplace, and 3) their level of engagement with the 2008 presidential election.

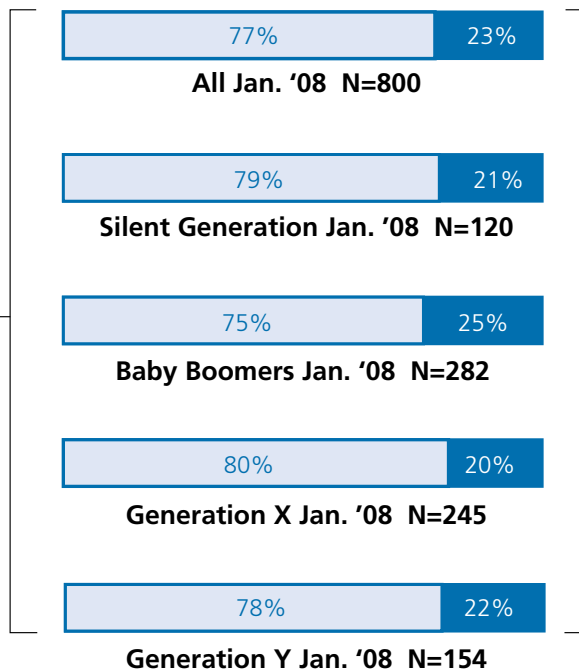
Taken together, these three indicators suggest that while Americans are pessimistic about macro economic indicators, they remain optimistic, that by taking action on a personal level, they can achieve the American dream.

People Will Create Personal Safety Nets

More than three-quarters of all Americans say they will not rely on government and employer benefits to provide for their financial safety nets.

Which of the following
is closer to your view?

"In light of uncertainty about traditional corporate and social safety nets, I'm taking action to create my own personal safety net to protect my and my family's financial future."



"I will rely on the government and my employer to provide my financial safety net and hope that it's enough."

Most Important Components of a Personal Safety Net

Employee benefits commonly available through the workplace plans such as health and retirement remain at the top of the list of important components of a personal safety net.

Which products would you most want to be included in your personal financial safety net if you had to pay for them yourself? Please select your top 3 products.

	Jan. 2008				
	All	Silent	Boomer	Gen X	Gen Y
	N=800 %	N=120 %	N=282 %	N=245 %	N=154 %
Health insurance that continues through retirement	60	62	64	57	57
Retirement savings plan such as a 401(k)	52	42	49	62	52
Annuities that pay guaranteed retirement income for life	43	46	45	46	31
Health insurance	27	32	22	26	35
Life insurance	27	23	25	24	38
Long-term care insurance	25	27	31	24	15
Dental insurance that continues through retirement	18	19	22	14	19
Disability insurance	16	14	18	17	11
Homeowner's insurance	13	15	12	13	14
Auto insurance	11	14	11	10	12
I would only want traditional government and employer paid benefits	2	2	0	2	5
Others	1	1	1	1	1

RANKED BY ALL

Steps Toward Securing Financial Future

Saving more money and contributing to a retirement plan rank at the top of the list for all generational cohorts when it comes to specific steps they are taking to create a personal safety net.

IF CREATING OWN PERSONAL SAFETY NET:

What specific steps are you taking or do you plan on taking to create your own personal financial safety net?

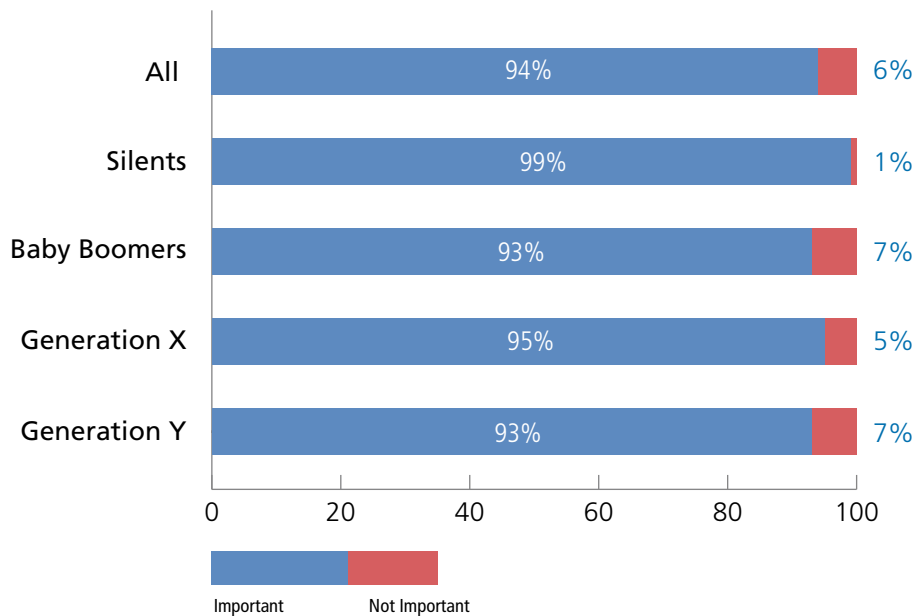
	Jan. 2008				
	All	Silent	Boomer	Gen X	Gen Y
	N=620 %	N=94 %	N=210 %	N=196 %	N=120 %
Savings/Put money away	33	36	26	35	41
Investing in a retirement plan/account/401(k)/403(b)/IRA, etc.	17	8	19	21	15
Investing money (unspecific)	7	8	10	6	4
Other investment: Mutual funds/Real estate/CDs, etc.	5	8	7	2	4
Watch spending/Budget better/Spend less	4	11	3	3	2
Stocks/Investing in the stock market	3	1	4	4	3
Reduce/Eliminate debt/Do not use credit to pay for things	3	4	5	3	1
Higher education/Going back to school	2	0	0	2	5
Start my own business/Self-employment	2	1	2	2	2
Employment/Getting another job/part-time job/ Continued employment after retirement age	1	2	3	1	0
Pension	1	2	2	1	1
Finding new sources of income/Find ways to make money from the Internet	1	0	1	3	0
None/Not taking any steps to create a personal financial safety net	6	5	4	6	8
Others	8	10	10	5	7
Don't know/No response	5	4	5	6	7

OPEN END RANKED BY ALL.

Importance of Offering Employee-Paid Benefits

Despite greater acceptance of the financial burden shift, most Americans still regard their employers as crucial partners in building a personal safety net. Nearly all Americans feel that it is important for employers to continue to offer benefits even if employees must pay for most or all of the cost of those benefits. This confirms Americans' acceptance of the financial burden shift but also highlights their need for trusted, accessible and knowledgeable partners in their quest for the financial security.

In light of the shift from employer-paid benefits plans to employee-paid benefits plans, how important do you think it is for companies to continue to offer benefits even if their employees must pay for most or all of the cost?

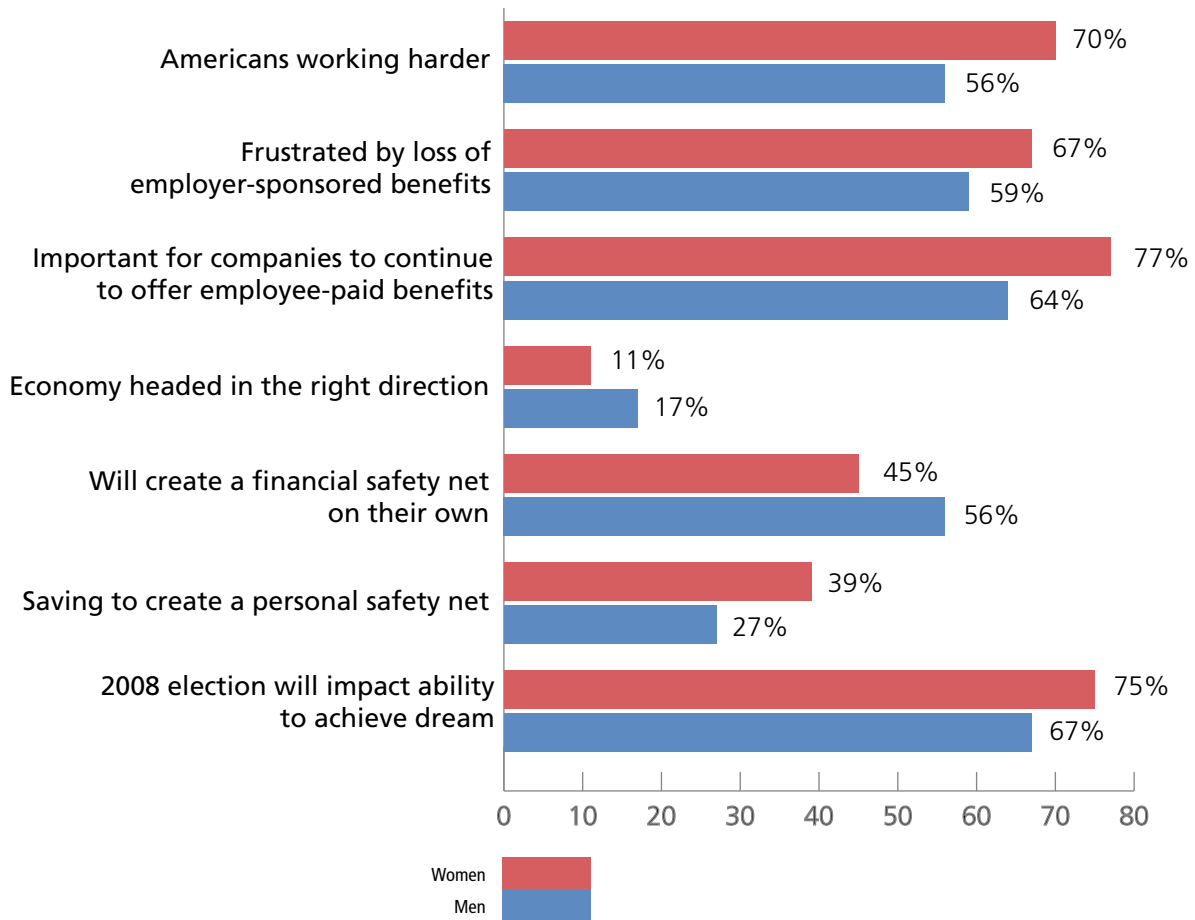


Jan. 2008

	All	Silent	Boomer	Gen X	Gen Y
	N=800	N=120	N=282	N=245	N=154
	%	%	%	%	%
Very important	71	76	74	71	61
Somewhat important	24	23	19	24	32
Not very important	4	1	5	3	5
Not at all important	2	0	2	2	2

Women vs. Men

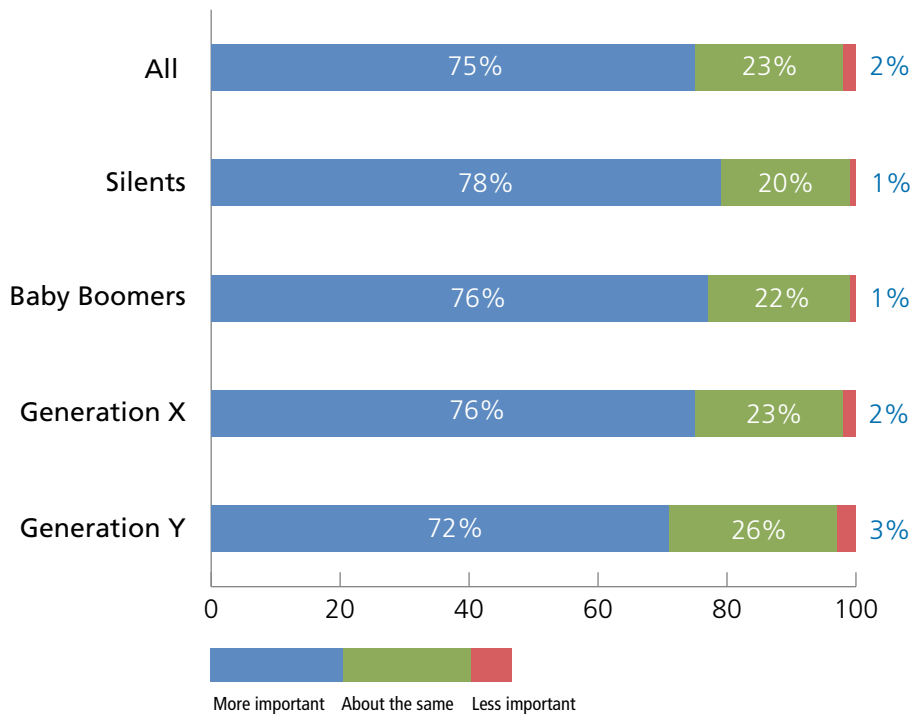
Reflecting more pronounced pessimism than men, women are more likely to say that the U.S. economy is headed in the wrong direction and that Americans are working as hard, or harder, just to get by. Women feel more strongly than men that it is important for employers to continue providing benefits at the workplace and express greater frustration at the loss of those benefits. And while women are more likely than men to save money for a personal safety net, less than half of the women surveyed say they plan to create a financial safety net on their own.



Importance of 2008 Presidential Election

Three-quarters of all Americans believe that the 2008 presidential election will be more important than past elections.

Is the upcoming 2008 presidential election more important, less important or about the same importance as past presidential elections that you have voted in?

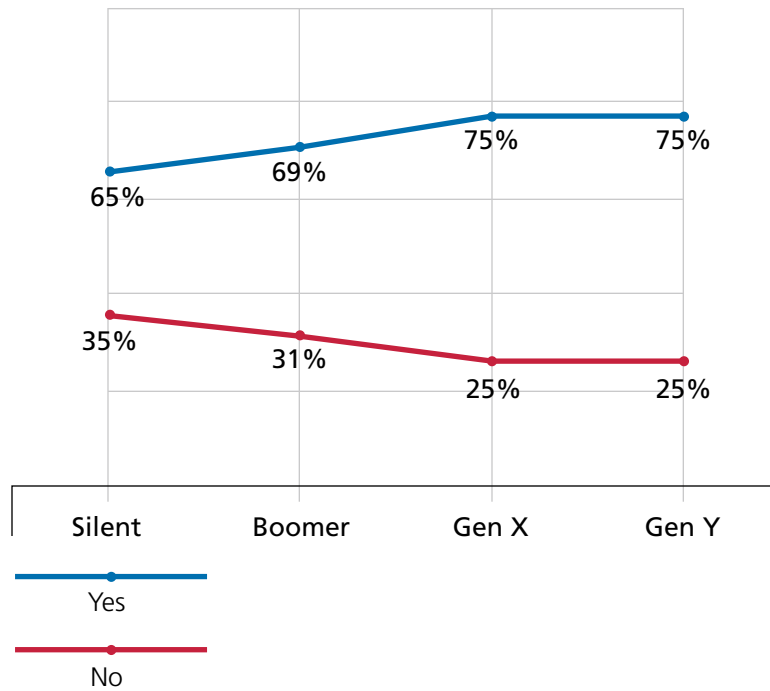


	Jan. 2008				
	All	Silent	Boomer	Gen X	Gen Y
	N=800 %	N=120 %	N=282 %	N=245 %	N=154 %
Much more important than past elections	48	51	54	43	43
Somewhat more important	27	27	22	33	29
About the same	23	20	22	23	26
Somewhat less important	1	1	0	1	1
Much less important than past elections	1	0	1	1	2

Impact of 2008 Election on the American Dream

A solid majority of all Americans believes that the ability to achieve or maintain the American dream is at stake in the outcome of this year's presidential election. Younger Gen X and Gen Y Americans especially believe that the result of the election will impact their pursuit of the dream.






Do you think that the outcome of the 2008 presidential election can impact your ability to achieve (or maintain) the American dream?



METHODOLOGY

Who We Talked To

Strategy First Partners and Penn, Schoen & Berland Associates conducted 1,500 online interviews from November 20-30, 2006 and an additional 800 online interviews from January 4-6, 2008 among the general population of the United States, including the following groups:

	January 2008		November 2006	
	N-Size	Margin of Error %	N-Size	Margin of Error %
All	800	+/- 3.46	1,500	+/- 2.53
 Silent Generation Born between 1933 and 1945	120	+/- 8.95	207	+/- 6.81
 Baby Boomers Born between 1946 and 1964	282	+/- 5.84	521	+/- 4.29
 Generation X Born between 1965 and 1976	245	+/- 6.26	399	+/- 4.91
 Generation Y Born between 1977 and 1994*	154	+/- 7.9	306	+/- 5.6
 African Americans	124	+/- 8.8	180	+/- 7.3

*Only those 18 or older in the Generation Y cohort were interviewed for the study.



MetLife, the largest U.S. life insurer and a leading provider of employee benefits, aims to be at the forefront of societal trends and economic issues that impact our customers. In 2008, MetLife celebrates its 140th anniversary.

The MetLife 2008 Study of the American Dream is primary research conducted with the aim of helping us understand the U.S. public's attitudes and perceptions regarding the erosion of traditional corporate and social safety nets.

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