

Looking Into The Lives of Average Americans



The American Experience: How Life Has Changed

The alarm blares at 6:30 AM. Sarah reaches over to silence it, already mentally calculating the day ahead—the commute, the meetings, picking up the kids, making dinner, and if she's lucky, an hour to herself before bed. Her husband Mike is already in the shower, preparing for his own workday. Their mortgage payment is due next week, their oldest needs braces, and they're still paying off student loans. This is the reality for millions of Americans today.

But was it always this way? How different would Sarah and Mike's lives be if they were living in the 1950s? The 1970s? The 1990s? To understand the American experience today, we need to look at how it has evolved over the past few decades.

I still remember my grandfather's stories about growing up in the 1940s. He'd sit on his porch swing, gently rocking back and forth as he described walking into his first job at nineteen, shaking the manager's hand, and walking out with steady employment that would eventually pay for a modest home, a reliable car, and support for his growing family.

My own experience couldn't have been more different—four years of college debt, six interviews, and a starting salary that barely covered my studio apartment rent.

The America my grandfather knew and the one I navigate today might share a name and geography, but in many ways, they're different worlds entirely.

Understanding how the average American life has transformed over the past century reveals not just economic shifts, but profound changes in our values, expectations, and daily experiences.

Money shapes nearly every aspect of American life. Today's median household income hovers around \$75,000—a number that would have seemed astronomical to Americans in 1925, even accounting for inflation. Back then, the typical worker earned about \$1,500 annually, equivalent to roughly \$25,000 in today's dollars.

But higher incomes haven't necessarily translated to greater financial security. In the 1950s, a single breadwinner could support a family of four, own a home, and save for retirement. Today, nearly 60% of American households rely on two incomes to maintain a middle-class lifestyle.

In my great-grandparents' era during the 1920s, a single income typically supported an

entire household. My great-grandfather worked just over 50 hours weekly at his factory job, and while the work was physically demanding, it provided stability.

By the 1950s and 60s, when my grandparents were raising their family, the 40-hour workweek had become standard, with strong unions ensuring workplace protections and consistent raises.

When soldiers came home from World War II in 1945, America was on the cusp of unprecedented prosperity. The GI Bill offered veterans the chance to attend college for free and buy homes with no money down.

A factory worker could support a family of four on a single income. The median home price was about twice the average annual income, making homeownership attainable for middle-class families.

For many Americans (particularly white Americans), this era represented economic security that seems almost fantastical today.

A high school graduate could find a job with good wages, benefits, and a pension. Many families owned their homes outright by retirement.

Medical costs were manageable, and most people retired with dignity and financial security.

The typical American during this time worked about 40-45 hours per week. Only about 19% of mothers with children under 18 worked outside the home.

Families generally had one car, one television, and homes averaging around 1,000 square feet—smaller than today's average apartment.

College was affordable; a student could often pay tuition by working summer jobs. In 1950, the average cost of tuition at a public university was about \$600 in today's dollars.

39%

**Americans
with enough
savings to
cover 3
months of
expenses**



By the 1970s, cracks were beginning to appear in this picture of prosperity. Inflation began to rise, and with it, the cost of living. More women entered the workforce—not always by choice, but often by economic necessity. The percentage of working mothers with children under 18 doubled to about 40%.

The beginning of deindustrialization meant that high-paying factory jobs were becoming scarcer. Income inequality, which had been decreasing since World War II, began to rise again.

The 1980s and 1990s saw America transform into a service and information economy. Computers entered homes and workplaces, changing how Americans lived and worked.

The average American was now working about 47 hours per week, with both parents working in most families with children. Americans were commuting farther to work—about 22 minutes each way on average.

Housing costs increased to about three times the median annual income. College tuition at public universities rose to about \$5,000 per year in today's dollars.

Credit card debt became a growing problem, with Americans carrying an average balance of several thousand dollars. Student loans were becoming more common and larger.

Healthcare costs accelerated, with employers shifting more of the burden to employees through higher premiums, deductibles, and co-pays.

The personal savings rate dropped to about 7-8%, as Americans spent more on larger homes (now averaging 2,000 square feet), multiple vehicles, and the latest technologies.

Retirement was still largely secured through a combination of Social Security, pensions (though these were becoming less common), and personal savings.

Fast forward to today, and our relationship with work has fundamentally changed. I know countless friends juggling multiple jobs while checking emails at midnight. The standard 9-to-5 has morphed into what sometimes feels like a 24/7 obligation.

The typical American family today needs two incomes to maintain a middle-class lifestyle.

The median home price nationally is about six times the median annual household income—and much higher in coastal cities.

Americans are working about 47 hours per week on average, though many professionals work significantly more. The typical commute is now 27 minutes each way.

College tuition has skyrocketed to an average of \$10,000 per year at public universities—and much more at private institutions.

The typical graduate leaves college with about \$30,000 in student loan debt.

Healthcare costs have continued to rise, with the average family spending over \$20,000 per year on premiums, deductibles, and out-of-pocket expenses. Medical debt is the leading cause of personal bankruptcy.

The personal savings rate has fallen to about 5% for most of the period, though it temporarily spiked during the COVID-19 pandemic.

Nearly half of Americans report they would struggle to cover an unexpected \$400 expense.

Pensions have largely been replaced by 401(k) plans, shifting the responsibility for retirement savings from employers to employees. Many Americans worry they will never be able to retire.

Homes have continued to grow—averaging 2,500 square feet—even as families have gotten smaller.

Americans own more cars, more devices, and more things than previous generations, but often with more debt as well.

While technology has made many tasks easier, it's also erased the boundaries between work and home life. When I mentioned this to my grandmother once, she looked genuinely confused, asking, "But why would your boss need to reach you during dinner?"

Perhaps nowhere is the generational divide more apparent than in housing. My grandparents purchased their first home in 1958 for approximately \$12,000—about twice my grandfather's annual salary at the time.

40%

**Increase in
Home Prices
Since 2020**

15%

**Increase in
Median
Income In
The Same
Period**



Their mortgage payment consumed roughly 25% of their monthly income. They raised three children in that house and paid it off completely before their fifties.

When I finally scraped together enough for a down payment on my modest condo last year, the purchase price was nearly six times my annual income, with mortgage payments eating up about 35% of my monthly take-home pay. This isn't unusual—housing costs nationwide have far outpaced income growth.

During a recent family dinner, my uncle complained about "kids these days" not working hard enough to buy homes. I gently reminded him that adjusted for inflation and income, his 1985 starter home would cost nearly three times as much today.

Transportation costs tell a similar story. In 1925, the average car cost around \$2,500 in today's dollars. By the 1960s, a new vehicle represented about 45% of the average American's annual income.

Today, that figure hovers around 65%, not including insurance, maintenance, and rising fuel costs.

I still remember saving for my first car through three years of high school jobs. When I proudly showed my grandfather the used Honda I'd purchased, he nodded appreciatively but couldn't help noting that his first new car cost him "three months' hard work."

Mine had cost me nearly eighteen months of part-time labor.

The nature of transportation has changed too. While previous generations might have owned a single family vehicle, today's households typically maintain multiple cars, adding significantly to overall expenses.

Public transportation, once a robust network in many American cities, has deteriorated in many regions, making car ownership less of a luxury and more of a necessity.

Perhaps the most precious commodity in American life isn't money—it's time. The typical American worker spends about 47 hours per week on the job, including commute time and work brought home.

This represents a slight increase from the 1970s but a substantial jump from the early 20th century when the standard workweek was gradually decreasing.

Free time has become increasingly fragmented and technology-saturated. Americans in the 1950s spent much of their leisure time in community activities—church groups,

bowling leagues, and neighborhood gatherings.

Today's average American spends over seven hours daily consuming digital media, often while multitasking.

My grandfather rarely brought work home. Evenings and weekends belonged to family, community, and leisure.

Today, constant connectivity means many of us never truly "clock out." Leisure time has become fragmented, interrupted by emails, notifications, and the persistent feeling that we should be productive.

Parenting time has changed dramatically as well. Modern parents spend more focused time with their children than previous generations, despite working more hours outside the home.

In the 1960s, fathers spent about 2.5 hours weekly with their children. Today's fathers average 7.2 hours. Mothers in the 1960s spent about 10 hours weekly on childcare compared to 14 hours today—while simultaneously increasing their workforce participation from 30% to over 70%.

One surprising bright spot in the historical comparison is food costs. In the 1930s, Americans spent nearly 25% of their income on food. By the 1960s, this had dropped to about 17%.

Today, the average household spends approximately 10% of its income on food—a rare category where modern Americans enjoy an advantage over previous generations.

However, this statistic masks important nuances. Processed food has become considerably cheaper, while fresh produce and quality ingredients often remain prohibitively expensive for many families.

During a recent visit to my local farmers market, I chatted with an elderly woman who remarked, "In my day, the good food was the affordable food. Now it seems like you need to be rich to eat like we did when we were poor."

Her observation stuck with me. My grandmother's generation cooked almost everything from scratch using whole ingredients, while many families today rely on convenient but less nutritious alternatives due to time constraints and financial pressures.

Perhaps the most dramatic shift between generations comes in education. My

grandfather secured his middle-class life with a high school diploma. My parents needed college degrees. My generation often requires advanced degrees just to compete for entry-level positions.

This shift has brought along astronomical costs. In 1970, a year at a public university cost approximately \$1,600 in today's dollars.

By 2023, that figure had skyrocketed to over \$25,000 annually when including room and board. This transformed education from an accessible pathway to prosperity into a significant financial burden.

I still remember sitting with my college acceptance letters, calculating how many decades of payments each would require.

My father, observing this process, quietly mentioned that his entire four-year education cost roughly what I would pay for a single semester. The pride in his eyes mingled with concern about the debt I was about to assume.

In 1940, less than 5% of Americans held a bachelor's degree. Today, that figure approaches 40%.

The high school diploma that secured middle-class employment for previous generations has been replaced by increasingly advanced credentials.

The average graduate now enters the workforce with approximately \$30,000 in student loan debt—a burden largely unknown to previous generations.

Healthcare represents another area of profound change. In the early 20th century, medical expenses were typically modest but paid entirely out-of-pocket. By mid-century, employer-provided insurance had become standard.

Today's complex system of insurance premiums, deductibles, and co-pays creates significant financial strain for many Americans.

The average family now spends nearly \$22,000 annually on health insurance premiums alone—roughly 25% of median household income. This figure would have been unimaginable to previous generations.

My own brush with this reality came when I needed minor surgery several years ago. Despite having what I considered "good insurance," I still faced nearly \$4,000 in out-of-pocket costs. When I mentioned this to my grandmother, she was genuinely

shocked, recalling that my grandfather's week-long hospital stay in the 1970s cost their family less than \$100.

Americans today live longer, healthier lives than any previous generation. Life expectancy has increased from 47 years in 1900 to 79 years today. Medical advances have transformed once-deadly diseases into manageable conditions.

These advances come with significant financial implications.

Healthcare spending now consumes nearly 18% of the American economy, compared to just 5% in 1960.

The average American family spends over \$22,000 annually on healthcare between insurance premiums, deductibles, and out-of-pocket expenses—nearly three times what families spent in 1980 after accounting for inflation.

The concept of retirement itself is relatively new in American life. Before Social Security began in 1935, most Americans worked until they physically couldn't continue. Today, retirement planning has become increasingly individualized.

Previous generations often enjoyed defined benefit pension plans that provided guaranteed income after decades with a single employer.

Today, most Americans rely on 401(k) plans and personal savings—if they can save at all. Nearly half of Americans approaching retirement age have less than \$25,000 saved.

I witnessed this reality through my former neighbor, Mr. Johnson. After 45 years working for the same manufacturing company, his pension provided a modest but comfortable retirement.

When the factory where I worked briefly after college eliminated its pension program in favor of a "more flexible" 401(k) option, I couldn't help but think of Mr. Johnson's secure golden years, wondering if such security would be possible for my generation.

The company pension that supported previous generations has largely disappeared. In 1980, 60% of private-sector workers participated in defined-benefit pension plans. Today, that number has fallen below 4%.

Instead, Americans rely on 401(k)s and IRAs, shifting the investment risk from employers to individuals.

The average 65-year-old has about \$172,000 in retirement savings—a sum that would

provide roughly \$7,000 annually in sustainable income.

This explains why nearly 20% of Americans over 65 continue working, compared to just 10% in 1985.

Financial security looks dramatically different across generations. Americans in the 1950s and 60s typically saved between 10-15% of their income. Today, that figure hovers around 5%, with nearly 40% of Americans unable to cover a \$400 emergency expense without borrowing.

Nothing has transformed daily American life more profoundly than technology. The average household in 1925 had no telephone, no radio, and certainly no television. By 1960, 90% of homes had a telephone, radio, and television—technologies that seemed miraculous to previous generations.

Today's American home contains dozens of internet-connected devices, from smartphones to voice assistants. The average American checks their phone 96 times daily—roughly once every ten minutes during waking hours.

Technology has compressed time and space, enabling immediate communication and access to information that would have seemed magical even 30 years ago.

This technological revolution has created both unprecedented convenience and unprecedented intrusion. Americans can order groceries, find directions, or video chat with relatives across the globe with a few taps. They can also bring work home more easily and remain perpetually accessible to employers.

Perhaps the most profound shift in American life concerns our connections with one another. In 1950, nearly 75% of Americans said they trusted "most people." Today, that figure hovers around 30%. Membership in community organizations has declined by more than half since the 1970s.

Family structures have transformed as well. In 1960, 73% of American children lived with two married parents in their first marriage. Today, that number has fallen below 50%. The average American now marries at 29 (women) and 31 (men), compared to 20 and 23 in 1960.

Yet these statistics tell an incomplete story. Americans have created new forms of community—online groups, extended "chosen families," and friendships that span greater distances than ever before possible. The nuclear family has given way to more diverse household arrangements, reflecting greater personal freedom and changing economic

realities.

The American Dream: Then and Now

Ask any American what makes this country great, and you'll likely hear a familiar answer: opportunity. The idea that hard work leads to success is at the heart of the American Dream.

For generations, people believed that if they put in the effort, they could build a good life—buy a home, raise a family, and retire with dignity. But today, that dream feels increasingly out of reach.

Wages haven't kept up with the cost of living. Homeownership, once the cornerstone of middle-class stability, is now a distant goal for many. Rent prices climb while incomes stagnate.

Healthcare costs can wipe out a family's savings overnight. College tuition has skyrocketed, saddling students with debt that takes decades to repay. Homelessness, once seen as an issue affecting only a small portion of the population, now touches nearly every city in America.

Something has changed.

The struggles we face today didn't happen by accident. They are the result of decades of policy decisions—some made with good intentions, others driven by corporate interests and political ideology.

One of the most significant turning points came in the 1970s and 1980s. Before then, the American economy operated under a system that prioritized shared prosperity. Strong labor unions helped ensure that wages rose with productivity.

Government policies supported homeownership, regulated corporate power, and provided

\$1995

**Median Rent
In the US**

Double

**the cost of
rent in 2010**



a social safety net.

But beginning in the late 20th century, the rules changed.

Deregulation, tax cuts for the wealthy, and a shift in economic priorities transformed the way wealth was distributed in this country.

Trickle-down economics promised that helping the rich would benefit everyone, but decades later, we see the results: the rich got richer, while the middle and working classes were left behind.

The American Dream is not dead, but it has been redefined in ways that benefit the few at the expense of the many. If we want to reclaim it, we must first understand what went wrong.

Creating A More Perfect Union

Defining a "perfect America" is inherently subjective, as individual ideals vary based on personal values, experiences, and cultural backgrounds. However, certain foundational principles resonate broadly across the American populace.

While the vision of a "perfect America" may differ among individuals, these core principles often serve as common ground in discussions about the nation's ideals.

The American Dream is rooted in the belief that every individual, regardless of their background, has the opportunity for prosperity and success through hard work and determination.

Historian James Truslow Adams popularized the term in his 1931 book *The Epic of America*, describing it as "that dream of a land in which life should be better and richer and fuller for everyone, with opportunity for each according to ability or achievement"²⁵.

Central to this concept are the ideals of democracy, liberty, and equality, as outlined in foundational documents like the Declaration of Independence, which asserts that "all men are created equal" with "unalienable rights" to "life, liberty, and the pursuit of happiness."

This is a society where personal liberties such as freedom of speech, religion, and expression are upheld and protected. These rights are central to the nation's identity and are cherished by its citizens.

²⁵ <https://www.britannica.com/topic/American-Dream>

It should be a society where all individuals have equal opportunities and systemic barriers based on race, gender, or socioeconomic status are dismantled. This includes access to quality education, healthcare, and employment.

Ensuring that all citizens live in a safe environment, free from undue violence or threat, with institutions in place to protect and serve the populace justly is essential in a “Perfect Union.”

Perhaps most importantly, we need to be a nation that fosters economic growth, providing its citizens with the chance to improve their circumstances through hard work and innovation.

The belief in the "American Dream"—that anyone can succeed regardless of their background—remains a powerful motivator, even as debates continue about its current accessibility.

Traditionally, the American Dream has encompassed aspirations such as homeownership, educational attainment, and upward social mobility.

However, its interpretation has evolved over time, reflecting societal changes and economic conditions. While some view it as a pathway to material success, others emphasize personal fulfillment and the freedom to live according to one's values²⁶.

In essence, a perfect America could be considered a place where people are treated fairly, where individual rights and liberties are upheld, and where all people have the opportunity to improve their financial condition.

²⁶ <https://www.investopedia.com/terms/a/american-dream.asp>