

A decorative graphic is positioned on the left side of the page, featuring a solid green rectangular area at the top left. A thin horizontal line extends from the bottom right corner of this green area towards the right. A thin vertical line extends downwards from the bottom right corner of the green area, crossing the horizontal line. A small yellow square is located at the intersection of these two lines. A large, thin, light-colored arc curves from the top right towards the bottom right, passing behind the main title text.

The Economic Slowdown's Impact on Middle-Aged and Older Hispanics

A decorative graphic is located at the bottom right of the page. It consists of a thin horizontal line extending from the left towards the right, and a thin vertical line extending downwards from the right. A small yellow square is positioned at the intersection of these two lines. The text "May 2008" is placed to the left of the vertical line, below the horizontal line.

May 2008



The Economic Slowdown's Impact on Middle-Aged and Older Hispanics

**Report prepared by Gerard Rainville
Data collected by Woelfel Research, Inc.**

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Executive Summary

As the economy slows and prices rise, most middle-aged and older Hispanics are having difficulty paying for food, gas, utilities and medicine and have tried to deal with the downturn by cutting out luxuries and postponing major purchases and travel.

Over a quarter of Hispanics are raiding their 401(k)s or curtailing contributions to pension plans in response to the economic downturn.

Eighty-six percent of Hispanics say the economy is in fairly bad or very bad condition.

About 4 in 10 Hispanics are having trouble paying their mortgage or rent and one third have stopped putting money into their retirement accounts.

Of those studied, Hispanic respondents aged 65 and over are less likely than those ages 45-64 to have taken steps to cope with a slowing economy or increasing prices as a result of the recent economic slowdown. This does not indicate that the older population is better off financially. Rather, the data suggests that the 65 and over group had, even prior to the economic downturn, been forced to adjust their spending habits because of their work status, fixed income and rising costs.

Forty six percent of Hispanic respondents in this survey own stocks and bonds individually or through mutual funds, IRAs or a 401(k); nearly 7 in 10 say they have lost money on these accounts in the last 12 months.

A majority (65%) of Hispanics say they are concerned about the impact of mortgage foreclosures on the value of their property. A greater majority are concerned about the effect of mortgage foreclosures on the level of crime that could result in their neighborhood or community (77%).

For the second quarter in a row, growth in Gross Domestic Product (GDP) has been negligible – 0.6% for both the fourth quarter of 2007 and first quarter of 2008. The public is concerned about rising prices and the effects of a potential recession. Employers eliminated 232,000 jobs in the first three months of 2008 and consumers limited spending as gas and food prices increased. For the first time since the 1970s, the word “stagflation” was heard as the economy faltered but prices increased.

A CNN/Opinion research poll conducted April 28 – 30, 2008 revealed that almost half (49%) of Americans consider the economy the most important issue when deciding for whom to vote in the November Presidential election. Consumer confidence, as measured by the ABC Consumer Comfort Index and the Conference Board’s Consumer Confidence Index, are both at low points not witnessed in decades. Both indices reveal an American public hesitant to spend money and concerned about their jobs and futures.

Given this climate, AARP sought to understand how the slowing economy is affecting the lives and plans of middle-aged and older Americans. This survey was conducted April 12 through April 23 among a nationally representative sample of 1,002 adults aged 45 years and over. An oversample of Hispanics was selected to allow generalization to the Hispanic population. The survey on the Hispanic conducted on a nationally representative sample of 400 Hispanic adults aged 45 years and over.

Without specific regard for race, survey findings show that there is a sense of shared pain and common concerns among boomers and older generations – both among retirees and those looking to retire in the foreseeable future. Eighty-one percent of all respondents say the economy is in fairly bad or very bad condition and 75 percent think it’s getting worse. Almost three quarters (74%) say their elected officials are not doing enough to help people caught in the economic squeeze.

Baby boomers are feeling a relatively greater impact of the economic downturn and some of their reactions – like compromising their retirement savings and even cutting back on medications – have negative implications for the future.

Consistent with the findings from the survey of the large population, 86% of middle-aged and older Hispanics say the economy is in fairly bad or very bad condition. Eighty-two percent of Hispanics feel the economy is getting worse. Only 3% of Hispanics feel it is getting better and 15% think it is staying the same. Only 15% of Hispanics think their elected officials are doing enough to help people affected by the downturn.

I. How are Middle-aged and Older Hispanics Affected by the Economic Downturn?

Middle-aged and older Hispanics are affected by the slow economy in a number of distressing ways. Eighty percent report having trouble paying for essential items such as food, gas, and medicine, and more than 7 in 10 are having difficulties paying for utilities such as heating, cooling and phone service.

More than 7 in 10 are also spending less on entertainment and eating out. More than half have postponed plans to travel or to make a major purchase.

What this survey does not show is large numbers of Hispanics making radical changes such as getting second jobs, moving to a smaller house or apartment, or postponing selling their house. However, over forty percent are having trouble paying their mortgage or rent. Thirty-three percent have stopped putting money into their retirement accounts. See Table 1 for the complete list.

Chart 1: Most Common Changes Reported by Middle-aged or Older Hispanics

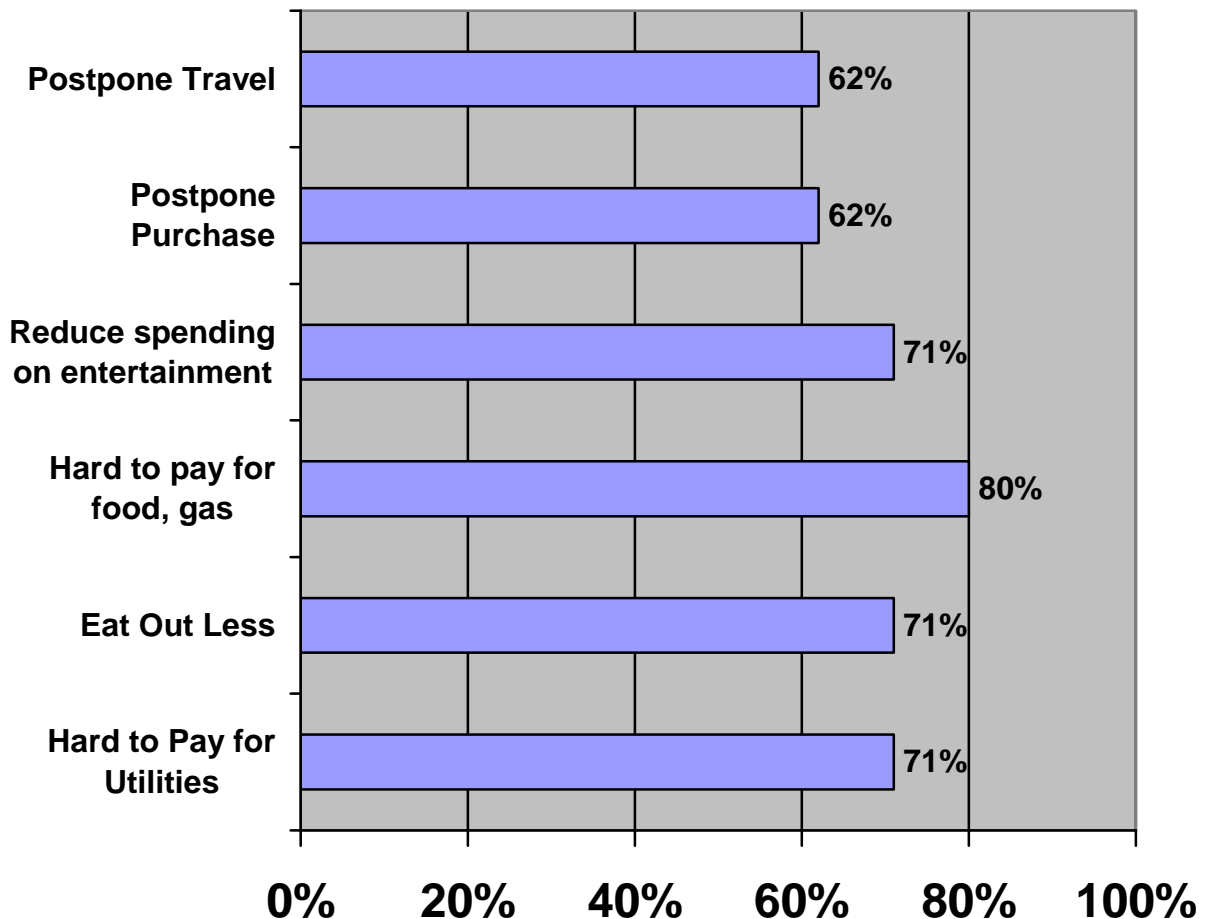


Table 1: How Have Recent Changes in the Economy Affected You or Your Family?

Change in behavior	Yes	No	Not Applicable	Don't Know
	%	%	%	%
Found it more difficult to pay for essential items such as food, gas, and medicine	80	19	1	1
Found it more difficult to pay for utilities such as heating, cooling, or phone service	71	28	1	-
Found it more difficult to pay your mortgage or rent	41	40	19	<0.5
Found it more difficult to pay for education expenses	32	26	42	<0.5
Postponed plans to travel	62	35	3	<0.5
Postponed a major purchase	62	37	1	-
Postponed paying some bills	31	69	<0.5	-
Reduced the number of times you eat out	71	25	3	-
Reduced spending on entertainment	71	27	2	-
Decided not to change jobs	27	30	42	<0.5
Postponed plans to retire	26	41	33	-
Your spouse postponed plans to retire	21	56	22	1
Prematurely withdrew funds from your 401(k), IRA, or other investments	26	63	11	<0.5
Postponed selling your house	20	62	19	-
Moved to a smaller house or apartment	7	86	7	-
Stopped putting money into a 401(k), IRA, or other retirement account	33	48	18	<0.5
Increased the number of hours you work	23	43	33	-
Cut back on medications	22	71	7	-
You got a second job	10	62	28	-
Your spouse got a second job	7	73	20	-
Made changes to your home so you could live there longer	37	59	4	1

Although this survey only examines the experiences of Hispanics aged 45 and over, there are some age related differences in how respondents experience an economic slowdown. Most notably, some of the steps individual might take in Table 1 become less likely to apply as one ages – steps such as paying for education expenses, changing jobs, postponing plans to retire, postponing selling your house, putting money into a 401(k), increasing work hours, or getting a second job.

But for many of the measures in Table 1 that do not become less applicable as one ages, age still influences whether or not respondents say they have taken these steps in response to the economic downturn. Table 2 shows these differences for those measures that are applicable across our age groups.

Table 2: Middle-aged and Older Hispanics Who Have Taken These Steps in Response to a Slowing Economy, by Age

	45 to 54 Years	55 to 64 Years	65 and Older
	%	%	%
Found it more difficult to pay for essential items such as food, gas, and medicine	82	81	76
Found it more difficult to pay for utilities such as heating, cooling, or phone service	80	65	62
Found it more difficult to pay your mortgage or rent	54	37	21
Postponed plans to travel	73	60	43
Postponed a major purchase	73	60	44
Postponed paying some bills	39	27	19
Reduced the number of times you eat out	78	74	55
Reduced spending on entertainment	80	69	56
Prematurely withdrew funds from your 401(k), IRA, or other investments	28	24	24
Cut back on medications	29	17	15
Made changes to your home so you could live there longer	37	43	30

With one exception, for every possible step one might take in response to a slowing economy and higher prices listed in Table 2, Hispanics aged 65 and over are significantly less likely to take these steps than younger respondents.

Why do respondents take fewer of the steps listed in Table 2 as they get older? One could argue that younger Hispanic respondents still have job and family obligations that place them more at risk in a slow economy. Or, some might assume that the older population is better off financially and that the slowing economy and high prices are not as much a concern.

However, the median income of the 65+ age group in our survey is \$20-\$29K, below that of the 50-64 age group's median (approaching 50K). Hispanic individuals over 65 are often on fixed incomes and do not have the disposable funds of those aged 45 to 64. The contention that younger respondents have more job and family obligations is closer to the truth. Analysis of the survey data indicates that the 65 and over group seem to avoid taking these steps in response to a slow economy by spending money on relatively fewer activities or categories of goods in the first place. As we noted above, many of these steps become less relevant as one ages. But even among those expenditures that *do not* become less relevant as one ages, Hispanic respondents aged 65 and over are less likely than those aged 45 to 54 and those aged 55 to 64 to have been spending money in almost every action step listed in Tables 1 and 2. When economic problems force decisions, older Hispanics have fewer decisions to make because their spending and economic activity has already been narrowed to necessities given their fixed incomes.

It is not surprising that economic conditions characterized by stagflation, job loss, and accelerating fuel prices means that Hispanics are having trouble affording necessities. However, this economic downturn has also witnessed declining home values, credit tightening, and substantial stock market losses. Forty percent of middle-aged and older Hispanics say the value of their home has decreased in the past 12 months, while more than a third (39%) say interest on their credit cards have increased, and 41% say the value of their 401(k) or other investments has decreased.

Again, the more serious events such as job loss, inability to refinance, or inability to get a mortgage or home equity loan, do not appear to be a consequence of an economic downturn for many middle-aged or older Hispanics. See Table 3 for the complete list.

Table 3: During the Past 12 Months, Have any of the Following Happened to You?

	Yes %	No %	Not Applicable %	Don't Know %
The value of your home decreased	40	41	9	10
The interest you pay on your mortgage increased	12	54	31	3
The interest you pay on your credit cards increased	39	39	18	4
You could not get a mortgage loan approved	7	43	47	3
You could not get a home equity loan approved	6	45	46	4
You could not refinance your home	7	44	46	3
The value of your 401(k) or other investments decreased	41	37	20	3
You lost your job	7	64	30	-
Your spouse lost your job	3	74	23	-

Among other measures that economic downturns may necessitate, almost half (44%) of Hispanics say they have had to help a child pay bills or expenses. Seventeen percent of Hispanics borrowed money to cover their expenses and ten percent sought assistance from family, friends, charities or churches. See Table 4 for a complete list.

Table 4: During the Past 12 Months, Have any of the Following Happened to You?

	Yes %	No %	Not Applicable %	Don't Know %
Had a child move in with you for financial reasons	14	85	2	-
Had a parent move in with you for financial reasons	5	93	2	-
Had to help a child pay bills or expenses	44	54	2	-
Had to help a parent pay bills or expenses	18	78	4	-
Had to borrow money to pay everyday living expenses	17	83	<.05	1

Had to move in with a child or parent for financial reasons	3	95	2	-
Had to seek assistance from family, friends, charities, or churches	10	90	-	1

Employers are clearly taking steps in response to a slow economy. Among employed Hispanics in our survey, 49% say their employer has increased the amount they pay for health insurance, 33% say their employer has laid off workers, and 44% say their employer has stopped hiring.

II. How Have Losses in the Stock Market Affected Middle-aged and Older Hispanics?

Forty-six percent of Hispanics in this survey own stocks individually or through mutual funds, IRAs or a 401(k). About a quarter (24%) of Hispanic respondents in this survey own stocks individually, 19% have mutual funds, 43% have 401K investments and 35% have an IRA. Of those with such investments, 69% say they have lost money on these accounts in the last 12 months.

Among Hispanics who have lost money in stocks, over one-third (37%) say these losses have prompted them to postpone plans for retirement. Over a quarter (26%) say these losses have prompted their spouse to postpone plans to retire.

Though very few Hispanic retirees who lost money in stocks report that they have *thought* about returning to work, retirees are certainly not immune to the affects of a slowing economy. More than 1 in 4 (26%) say their retirement income has decreased because of falling interest rates. See Table 5 for actions Hispanics report having taken to adjust for stock market losses:

Table 5: Because of Losses in the Stock Market, Have You?

	Yes %	No %	Not Applicable %	Don't Know %
Postponed plans to retire	37	58	6	-
Your spouse postponed plans to retire	26	59	15	-
Started putting more of your income in retirement accounts	23	75	2	-
Started putting less of your income in retirement accounts	37	63	-	-
Change the types of stocks you invest in	20	74	5	1

III. How Have Problems in the Mortgage Market Affected Middle-aged and Older Hispanics?

Middle-aged and older Hispanics are concerned about how mortgage foreclosures could damage the national economy and threaten the security of their communities. Three percent report having experienced a mortgage foreclosure in the past year.

A majority (53%) of the middle-aged and older Hispanics say they are concerned about the impact of mortgage foreclosures on their personal financial or housing situation. Most are also concerned about the affect of foreclosures on the larger economy (88%), or their neighborhood or community (75%).

More specifically, middle-aged and older Hispanics are at least somewhat concerned about the possibility of crime in neighborhoods with foreclosed homes (77%), Nearly two thirds of Hispanics report concern over the impact of foreclosures on the values of their homes (66%) and their ability to keep their home (41%). See Table 6 for a complete list.

Table 6: Concerns About the Effect of High Mortgage Foreclosures

	Very %	Somewhat %	Not too %	Not at all %	Not Applicable %	Don't know %
The value of your home	45	21	9	15	9	2
The ability to keep your home	28	13	12	32	13	2
The cost of refinancing	20	13	8	32	24	3

your home or obtaining a mortgage						
Availability and affordability of credit such as loans and credit cards	28	18	10	34	8	2
Stock prices	29	25	6	28	7	4
The possibility of crime in neighborhoods that have many homes with foreclosed mortgages	49	28	8	14	1	1

Respondents aged 65 and over are less concerned about the fallout from the mortgage crisis than those aged 45 to 54 or 55 to 64. As Table 7 indicates, for each possible consequence of accelerating mortgage foreclosures, those over 65 years are significantly less likely to be concerned.

Table 7: Concerns About the Effect of High Mortgage Foreclosures, by Age

	45 to 54 Years %	55 to 64 Years %	65 and Older %
The value of your home	70	66	56
The ability to keep your home	50	37	28
The cost of refinancing your home or obtaining a mortgage	42	32	17
Availability and affordability of credit such as loans and credit cards	51	53	32
Stock prices	63	50	47
The possibility of crime in neighborhoods that have many homes with foreclosed mortgages	81	79	70

The possible decline in home values due to either the mortgage crisis or to a correcting housing market clearly is of greater concern to Hispanics than the possibility of experiencing a foreclosure themselves. In fact, some respondents (35%) say the decline in home values has prompted them to make plans to stay in the workforce longer, or postpone plans to move for employment or personal reasons. More than half (57%) say a decline in home value makes them worry about the safety of their neighborhood. See Table 8 for a complete list.

Table 8: What Has the Decline in Home Values Caused You to Do?

	Yes %	No %	Not Applicable %	Don't Know %
Make plans to stay in the workforce longer	35	37	28	1
Postpone plans to move closer to family or friends	21	70	8	1
Postpone plans to move for a new job opportunity	15	57	28	1
Postpone plans to move for other reasons	13	78	9	1
Increase your contributions to your 401(k) to make up for falling home values	12	60	27	1
Be concerned about the safety of your neighborhood	57	41	1	1

IV. Conclusions

A slow economy combined with rising prices presents many challenges for all Americans. This report looks at the impact of recent economic troubles on the middle-aged and older Hispanics. Respondents report that they are finding it harder to pay for essential goods and services, as well as travel and non-essentials. Disturbing proportions are having difficulty paying mortgages, and some are endangering their retirement security by prematurely withdrawing funds from their retirement accounts or by stopping putting money in these accounts.

Hispanics report that the rising number of mortgage foreclosures concern them deeply. 7 in 10 are concerned about a drop in the value of their homes but they are much more concerned about the effect of these foreclosures on the level of crime in their neighborhoods (81%).

Given the current economic downturn, if not official recession, the outlook of middle-aged and older Hispanics is marked by some pessimism. They report very negative views on the current state of the economy (86% saying it is *fairly bad* or *very bad*). They are pessimistic about prospects for economic recovery: only 3% feel the economy is recovering.

Only 15% of Hispanics think their elected officials are doing enough to help people caught in the economic squeeze. Possibly due to this, startling percentages of Hispanics report an increased reliance on family and community connections to make ends meet. Forty four percent of Hispanics say they have had to help a child pay bills or expenses. Seventeen percent of Hispanics borrowed money and 1 in 10 sought assistance from family, friends, charities or churches to cover their expenses.

Appendix 1: Survey Methodology

The AARP Economic survey obtained telephone interviews with a sample of 1002 respondents aged 45 and older (who were currently working, looking for work, or retired) drawn at random from the United States. This sample was then boosted to obtain additional interviews with Hispanics and Hispanics aged 45 and older. The results from the study were weighted by age and gender. The margin of sampling error for the Hispanic sample of 400 is $\pm 4.9\%$. The interviews were conducted in English by Woelfel Research, Inc. from April 12 to April 23, 2008.

Sample Design

The RDD sample of 45+ US residents was drawn at random from the United States adult population in telephone households. The telephone sample was provided by STS, Inc. according to WRI specifications. Sample was drawn using standard list-assisted random digit dialing or Weighted (Type B) (RDD) methodology. Active blocks of telephone numbers (area code + exchange + two-digit block number) were selected with probabilities in proportion to their share of listed telephone households; after selection, two more digits were added randomly to complete the number. This method guarantees coverage of every assigned phone number regardless of whether that number is directory listed, purposely unlisted, or too new to be listed. Sampled phone numbers were compared against business directories and matching numbers purged. The boost sample of 45+ Hispanics and Hispanics was selected from a list of households targeted specifically by age and ethnicity. The household list was developed by compiling records from available sources such as motor vehicle records. The list was provided by Accudata, Inc. Respondents were screened to insure that they were either working, looking for work, or retired.

Questionnaire Development and Testing

The questionnaire was developed by AARP staff. In order to improve the quality of the data, the questionnaire was pretested with a small number of respondents. The pretest interviews were monitored by WRI and AARP staff and conducted using experienced interviewers who could best judge the quality of the answers given and the degree to which respondents understood the questions.

Contact Procedures

Sample was released for interviewing in replicates, which are representative subsamples of the larger sample. Using replicates to control the release of sample ensures that complete call procedures are followed for the entire sample. It also ensures that the geographic distribution of numbers called is appropriate. Calls were staggered over times of day and days of the week to maximize the chance of making contact with potential respondents.

Weighting and Response Rate

The sample was weighted by age and gender. The response rate for this study measured using AAPOR's response rate 3 method. The cooperation rate was measured using AAPOR's cooperation rate 3 method. The refusal rate was measured using AAPOR's refusal rate 3 method. The table below contains these rates separately for the RDD sample and the boost sample.

	Response Rate	Cooperation Rate	Refusal Rate
Boost sample	15%	80%	6%

Source: AAPOR Outcome Rate Calculator Version 2.1 May 2003

**Appendix 2: Annotated Questionnaire
Hispanic
N=400, Sampling Error =±4.9%.**

Screen: age 45 and older

Q1. What is your current employment status? Are you . . .

Base: Total Respondents N=400	%
Completely retired, and <u>not</u> working or looking for work	34
Employed full-time	49
Employed part time	10
Unemployed and looking for work	7
Unemployed and NOT looking for work (TERMINATE)	-
Homemaker (TERMINATE)	-
Student (TERMINATE)	-

If employed ft or pt:

Q1a. Which of the following best describes your work situation? Are you . .

Base: Employed Full-time or Part-time N=237	%
Retired	14
Never been retired	86

If unemployed and looking for work:

Q1b. Which of the following best describes your situation? Are you . .

Base: Unemployed and looking for work N=28	%
Retired, but looking for work	9
Never been retired, and looking for work	91

Resulting Groups:

- Completely retired, and not working or looking for work (N=135) 34%
- Retired, but employed full time or part time (N=33) 8%
- Retired, but looking for work (N=2) 1%
- Never retired, and employed full time or part time (N=204) 51%
- Never retired, and looking for work (N=26) 6%

Q. 2 (If employed and not retired) At what age do you expect to retire and not work?

Base: Employed and not retired N=230	%
45-59	13
60-74	58
75+	2
I do not expect to retire	10
Refused	17

GO TO Q. 5

Q. 3 (If retired and not working) At what age did you retire?

Record age (and go to Q. 4)

Base: Retired and not working N=137	%
18-49	5
50-64	69
65+	20
Refused	5

Q. 4 Did you retire...

Base: Retired and not working N=137	%
Earlier than you planned to	49
About the age you planned to	41
Later than you planned to	6
Don't know	4

Q. 4b (If retired and working) At what age do you expect to stop working completely.

Record age

Base: Retired and working N=33	%
45-59	3
60-74	39
75+	8
I do not expect to retire	14
Refused	36

Q. 5 How would you rate the condition of the national economy these days? Is it very good, fairly good, fairly bad, or very bad?

Base: Total Respondents N=400	%
Very good	2
Fairly good	11
Fairly bad	26
Very bad	60
DK/NA	1

Q. 6 Do you think the economy is getting better, getting worse, or staying about the same?

Base: Total Respondents N=400	%
Better	3
Worse	82
Same	15
DK/NA	1

Q. 7 Right now, what is your biggest financial concern?

Q. 8 How have recent changes in the economy affected you or your family?
 During the past 12 months, have you...(ASK EACH YES, NO, NOT APPLICABLE, or DON'T KNOW)

Base: Total Respondents N=400	Yes	No	Not Applicable	Don't Know
a. Found it more difficult to pay for essential items such as food, gas, and medicine	80	19	1	1
b. Found it more difficult to pay for utilities such as heating, cooling, or phone service	71	28	1	-
c. Found it more difficult to pay your mortgage or rent	41	40	19	<0.5
d. Found it more difficult to pay for education expenses	32	26	42	<0.5
e. Postponed plans to travel	62	35	3	<0.5
f. Postponed a major purchase	62	37	1	-
g. Postponed paying some bills	31	69	<0.5	-
h. Reduced the number of times you eat out	71	25	3	-
i. Reduced spending on entertainment	71	27	2	-
j. Decided not to change jobs	27	30	42	<0.5
k. Postponed plans to retire	26	41	33	-
l. Your spouse postponed plans to retire	21	56	22	1
m. Prematurely withdrew funds from your 401(k), IRA, or other investments	26	63	11	<0.5
n. Postponed selling your house	20	62	19	-
o. Moved to a smaller house or apartment	7	86	7	-
p. Stopped putting money into a 401(k), IRA, or other retirement account	33	48	18	<0.5
q. Increased the number of hours you work	23	43	33	-
r. Cut back on medications	22	71	7	-
s. You got a second job	10	62	28	<0.5
t. Your spouse got a second job	7	73	20	-
u. Made changes to your home so you could live there longer	37	59	4	1

Q. 9 During the past 12 months, has any of the following happened to you?
 ...(ASK EACH YES, NO, NOT APPLICABLE, or DON'T KNOW)

Base: Total Respondents N=400	Yes	No	Not Applicable	Don't Know
a. The value of your home decreased	40	41	9	10
b. The interest you pay on your mortgage increased	12	54	31	3
c. The interest you pay on your credit cards increased	39	39	18	4
d. You could not get a mortgage loan approved	7	43	47	3
e. You could not get a home equity loan approved	6	45	46	4
f. You could not refinance your home	7	44	46	3
g. The value of your 401(k) or other investments decreased	41	37	20	3
h. You lost your job	7	64	30	-
i. Your spouse lost your job	3	74	23	-

Q. 10 Do you or your spouse currently own any stocks, either in mutual funds or as individual stocks or in another type of investment account, such as a 401k, 403b, IRA, or employee stock options?

Base: Base: Total Respondents N=400	%
Yes	46
No (skip to Q. 17)	50
DK/Ref (skip to Q. 17)	3

Q. 11 Over the past 12 months, did you or your spouse lose money in any of these accounts that included stocks?

Base: Currently own stocks N=186	%
Yes	69
No (skip to Q. 16)	29
DK/Ref (skip to Q. 16)	2

Q. 12 (If employed and not retired) Because of the recent decrease in the value of mutual funds, stocks, 401(k)s, IRAs, or other investments you might own, have you...(ASK EACH YES, NO, NOT APPLICABLE, or DON'T KNOW)

Base: N=81 Employed and not retired and have lost money in these accounts	Yes	No	Not Applicable	Don't Know
a. Postponed plans to retire	37	58	6	-
b. Your spouse postponed plans to retire	26	59	15	-
c. Started putting more of your income in retirement accounts	23	75	2	-
d. Started putting less of your income in retirement accounts	37	63	-	-
e. Change the types of stocks you invest in	20	74	5	1

Q. 13 (If retired and not working) Because of the recent decrease in the value of mutual funds, stocks, 401(k)s, IRAs, or other investments you might own, have you...

Base: Retired and not working and have lost money in these accounts N=31	%
Thought about returning to work	12
Looked for a job and are still looking	4
Looked for a job and could not find one	2
None of the above	83

Q. 14 (If retired and working or retired and looking for work) Did you return to work, or are you looking to return to work, after retiring because of a decrease in the value of mutual funds, stocks, 401(k)s, IRAs, or other investments you might own.

Base: Retired and working or retired and looking or work and have lost money in these accounts N=17	%
Yes	38
No	55
DK/NA/Ref	6

Q. 15 Because of the recent decrease in the value of mutual funds, stocks, 401(k)s, IRAs, or other investments you might own, have you...

Base: Have lost money in these accounts N=127	%
Decided to take less risk in how you invest	38
Decided to take more risk in how you invest	6
Not changed how you invest	56
Don't have investments (VOL.)	-
DK/NA/Ref	1

Q. 16 Because of recent changes in the stock market, are you more likely to...
...(ASK EACH YES, NO, NOT APPLICABLE, or DON'T KNOW)

Base: Currently own stocks N=186	Yes	No	Not Applicable	Don't Know
a. Consult a financial planner	47	49	3	1
b. Consult on-line resources about financial planning	28	68	3	1
c. Consult books or magazines about financial planning	37	62	1	-

Q. 17 (if employed, or retired and working) In the last 12 months, has your employer...(ASK EACH YES, NO, NOT APPLICABLE, or DON'T KNOW)

Base: Employed or retired and working N=237	Yes	No	Not Applicable	Don't Know
a. Stop contributing or contributed less to your retirement plan	10	71	18	1
b. Increased the amount you pay for your health insurance	49	37	14	<0.5
c. Reduced or dropped your health care coverage	18	68	14	-
d. Laid off workers or eliminated positions	33	59	7	1
e. Stopped hiring new workers	44	48	7	2
f. Offered early retirement incentives to workers	13	76	9	3

Q. 18 Problems in the mortgage market have been in the news lately. Currently, more than a million mortgages are in default or foreclosure. Have you yourself experienced a mortgage foreclosure in the past year?

Base: Total Respondents N=400	%
Yes	3
No	97
DK/NA/Ref	<0.5

Q. 19 How concerned are you about the effect of mortgage foreclosures on your personal financial or housing situation?

Base: Total Respondents N=400	%
Very concerned	32
Somewhat concerned	22
Not too concerned	13
Not at all concerned	33
DK/NA/Ref	1

Q. 20 How concerned are you about the effect of mortgage foreclosures on the national economy?

Base: Total Respondents N=400	%
Very concerned	66
Somewhat concerned	22
Not too concerned	4
Not at all concerned	6
DK/NA/Ref	2

Q. 21 How concerned are you about the effect of mortgage foreclosures on your neighborhood or community?

Base: Total Respondents N=400	%
Very concerned	52
Somewhat concerned	23
Not too concerned	10
Not at all concerned	12
DK/NA/Ref	3

Q. 22 How concerned are you about the effect of the high number of mortgage foreclosures on.....(ASK EACH Very, Somewhat, not too, or not at all, NOT APPLICABLE, or DON'T KNOW)

Base: Total Respondents N=400	Very	Somewhat	Not too	Not at all	Don't know	Not Applicable
a. The value of your home	45	21	9	15	2	9
b. The ability to keep your home	28	13	12	32	2	13
c. The cost of refinancing your home or obtaining a mortgage	20	13	8	32	3	24
d. Availability and affordability of credit such as loans and credit cards	28	18	10	34	2	8
e. Stock prices	29	25	6	28	4	7
f. The possibility of crime in neighborhoods that have many homes with foreclosed mortgages	49	28	8	14	1	1

Q. 23 In many areas of the country, the value of homes has declined. Has the decline in home values caused you to...(ASK EACH YES, NO, NOT APPLICABLE, or DON'T KNOW)

Base: Total Respondents N=400	Yes	No	Not Applicable	Don't Know
a. Make plans to stay in the workforce longer	35	37	28	1
b. Postpone plans to move closer to family or friends	21	70	8	1
c. Postpone plans to move for a new job opportunity	15	57	28	1
d. Postpone plans to move for other reasons	13	78	9	1
e. Increase your contributions to your 401(k) to make up for falling home values	12	60	27	1
f. Be concerned about the safety of your neighborhood	57	41	1	1

Q. 24 Have you considered filing or filed for bankruptcy in the past 12 months?

Base: Total Respondents N=400	%
Yes	5
No	95
DK/NA/Ref	-

Q. 25 During the past 12 months, have any of the following happened to you?
 ...(ASK EACH YES, NO, NOT APPLICABLE, or DON'T KNOW)

Base: Total Respondents N=400	Yes	No	Not Applicable	Don't Know
a. Had a child move in with you for financial reasons	14	85	2	-
b. Had a parent move in with you for financial reasons	5	93	2	-
c. Had to help a child pay bills or expenses	44	54	2	-
d. Had to help a parent pay bills or expenses	18	78	4	-
e. Had to borrow money to pay everyday living expenses	17	83	<0.5	1
f. Had to move in with a child or parent for financial reasons	3	95	2	-
g. Had to seek assistance from family, friends, charities, or churches	10	90	-	1

Q. 26 Overall, how confident are you that you and your spouse will have enough money to live comfortably throughout your retirement years?

Base: Total Respondents N=400	%
Very confident	21
Somewhat confident	35
Not too confident	22
Not at all confident	20
Don't know	1

Q. 27 (if employed and not retired) In the past 12 months, have you taken out a loan from your retirement plan?

Base: Employed or retired and working N=230	%
Yes	11
No (skip to Q. 30)	88
DK/NA/Ref (skip to Q.30)	2

Q. 28 For what purposes did you use that loan?
 ...(ASK EACH YES, NO, NOT APPLICABLE, or DON'T KNOW)

Base: Have taken out a loan from your retirement plan N=24	Yes	No	Not Applicable	Don't Know
a. Pay off debt	76	24	-	-
b. Pay for living expenses	67	33	-	-
c. Pay the mortgage or rent	39	51	10	-
d. Support children or parents	31	69	-	-
e. Pay for healthcare expenses	32	68	-	-
f. Pay for education expenses	39	51	-	-

Q. 29 (If retired and not working) Has your retirement income decreased because of falling interest rates?

Base: Retired and not working N=218	%
Yes	26
No	68
DK/NA/Ref	5

Q. 30 Do you feel your elected officials are doing enough to help people affected by the economic downturn?

Base: Total Respondents N=400	%
Yes	15
No	79
DK/NA/Ref	6

(ASK of every 8TH PERSON)

Q. 31 May a reporter call you and discuss with you in more detail some of the things we have been asking you about today? This will NOT be a sales call and will be used only for a story in an upcoming issue of an AARP publication.

Base: N=	
1 Yes	
2 No (go to Demos)	
R Refused (go to Demos)	

Q. 32 What is the best way to reach you, telephone or e-mail?

Base: N=	
1 Telephone	
2 E-mail	
D (DO NOT READ) Don't Know	
R (DO NOT READ) Refused	

Q. 33 What phone number would be best to reach you?
(RECORD AREA CODE AND PHONE NUMBER. VERIFY FOR ACCURACY)

_____ PHONE NUMBER

Q. 34 What is your e-mail address?
(RECORD E-MAIL ADDRESS. VERIFY SPELLING FOR ACCURACY)

1 Answer given (SPECIFY) _____

Q. 35 May I please have your first name so the reporter will know who to ask for?

1 Answer given (SPECIFY) _____

DEMOS

D1. Are you male or female?

Base: Total respondents N=400	%
Male	48
Female	52

D2. What is your age?

Base: Total respondents N=400	%
45-54	47
55-64	27
65+	25
Refused	1

D3a. Do you or your spouse have a tradition pension that your employer provides and which you do not have to contribute money to?

Base: Total respondents N=400	%
Yes	34

No	62
Don't know	4

D3b. Do you or your spouse have a 401(k) plan that you invest money in and which your employer may or may not provide a match?

Base: Total respondents N=400	%
Yes	43
No	54
Don't know	3

D3c. Do you or your spouse have an IRA?

Base: Total respondents N=400	%
Yes	35
No	63
Don't know	3

D3d. Do you or your spouse have individually purchased stocks or bonds?

Base: Total respondents N=400	%
Yes	24
No	74
Don't know	1

D3e. Do you or your spouse have mutual funds?

Base: Total respondents N=400	%
Yes	19
No	80
Don't know	1

D4. What is the highest grade you completed – is it...?

Base: Total respondents N=400	%
Grade school or elementary school	8
Some high school	11
High school graduate	31
Technical or vocational school	6
Some college	18
College graduate (4 years)	18
Post graduate studies	7
Refused	1

D5. Are you?

Base: Total respondents N=400	%
Married	67
Separated	2
Divorced	12
Widowed	9

Single, never married	10
Refused	<0.5

D6. Are you of Spanish or Hispanic origin?

Base: Total respondents N=400	%
Yes	100
No	-
Don't know	-
Refused	-

D7. What best describes your race?

Base: Total respondents N=400	%
White	18
Black or African American	1
Asian American	1
Native American	1
Hispanic	71
Other	6
Refused	2

D8. What is your annual household income, before taxes?

Base: Total respondents N=400	%
Under \$10,000	7
\$10,000 - \$19,999	11
\$20,000 - \$29,999	15
\$30,000 - \$49,999	16
\$50,000 - \$74,999	15
\$75,000 - \$99,999	10
\$100,000 or over	9
Don't know	6
Refused	11

D9. Are you or your spouse a member of AARP?

Base: Total respondents N=400	%
Yes	31
No	68
Don't know	1

D10. Do you own or rent?

Base: Total respondents N=400	%
Own	85
Rent	13
Other	1
Don't know	1

D11. When you retire, do you plan to live in the US or some other country?

Base: Hispanic and Not Retired N=12	%
US	81
Don't know	7
Other	10
Refused	2

D12. Do you plan to move your residence to a country other than the US sometime in your retirement?

Base: Hispanic and Retired N=17	%
Yes	6
No	92
Don't know/Ref	3