Characteristics of Households (HH) with a Middle Class Standard of Living (SOL)

There is no general agreement about what defines a Middle Class Household. We do not use specific household possessions, education or occupation of household members, or income or expenditure to define a Middle Class SOL. We use aspects of material standard of living.

For a household to have a Middle Class SOL, all of the following must be true:
- Lives in formal housing
- Water tap in dwelling
- Flush toilet in dwelling
- Electricity is main light source
- Electricity or gas is main cooking source
- Has a landline phone or a household member has a cell phone

Data

Data are from large (20,000-30,000 households) annual national surveys in South Africa: 1996-99 October Household Surveys; 2000-02 Labour Force Surveys; and 2003-06 General Household Surveys.

Population Groups in South Africa

There were four population groups recognized under apartheid: White, Asians, Coloured, and Africans. Africans are Bantu-language African groups. Coloured are a mixed race group dating back more than 300 years. Asians are mainly from India.

Under apartheid, Africans were under the most restrictions, followed by Coloured people, followed by Asians. This ordering has persisted, with Whites being the best off. Asians next, Coloureds next, and Africans in the worst position. In 2006, 75% of all South African households were African.

Increase in % of HH with a Middle Class SOL

Discussion

- The total number of households by population group and the number of Middle Class SOL households by population group are projected to 2006 assuming the growth rate of all households and of Middle Class SOL households by population group 1996-2000 continues through 2006.
- The percent of each group that has a Middle Class SOL is expected to increase. At every date, White HH have the highest percent with a Middle Class SOL, and African households have the lowest percent with a Middle Class SOL (Figure 3).
- Due to the high percent of all households that are African, and due to the increasing percent of African households with a Middle Class SOL, the number of African households with a Middle Class SOL increases very rapidly.
- By 2004, 50% of all Middle Class SOL households are estimated to be African. By 2026, 85% of all Middle Class SOL households are projected to be African (Figure 5).
- Even though a higher percent of White than African households have a Middle Class SOL, the increasing percent of African households with a Middle Class SOL is in large part because African influences and self-influencing influence production and marketing decisions in South Africa.

Job Situation of White and African Young Adults in Households (HH) with a Middle Class SOL

We look at White and African young adults (age 24-39) who live in households with a Middle Class SOL.

We look at the proportion who hold Managerial or Professional jobs.

Managerial and Professional jobs are considered the most desirable jobs.

The quality of schooling that Whites receive is likely higher than that of Africans.

The difference in quality of schooling by race should be less for those from Middle Class SOL households than for all Whites and all Africans.

Differences by race in the proportion with a desirable job stem both from differences by race in educational attainment and from differences by race in returns to education — returns to education are differences by race in the proportion of people with a given educational level who have a given type of occupation.

Matric is secondary school graduation.

Discussion

- A White young adult with less than Matric (less than high school graduation) was more likely to have a Managerial job than an African young adult with a college degree (Figure 6).
- There is much less difference by race in returns to education for Professional jobs than for Managerial jobs.
- Africans with only primary education were as likely as Whites to hold a Professional job.
- There is no evidence of change over time in the distribution of racial differences in returns to education for Managerial or Professional jobs (Table 1).
- To hold a Professional job, the person hiring needs confidence in the applicant's judgment and ability to supervise others. The person needs to be willing to give the applicant the benefit of the doubt.
- Most private sector jobs in South Africa are still controlled by Whites.
- There is little African/White interaction apart from work.
- It can be difficult for people to hire managers from a different group if they have little understanding of the outlook, interests and culture of members of the other group.