

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 1 : 5 charts that show what is happening to the middle class around the world | World Economic F

In South Africa, in the late nineties and 's, we engaged in puerile debates about the patriotism of the emerging black bourgeois class, calling them patriotic merely because they were black.

But although its growing black middle class is bridging inequality and creating a domino effect on the larger economy, will the country be able to strike the right balance? In the summer of , South Africaâ€™based entrepreneur Marilyn Cooper decided to give her neighbours in a suburb of the capital, Pretoria, a barbecue treat. And they appeared to love a good wine. It has now become a popular annual event. She also owns a winery and business is booming, but she believes that better days are still ahead as she targets a rising black middle-class market. Cooper is not the only one to be excited about the steady growth of the South African black middle class. But who exactly is in the middle class in South Africa? This has led to the rise of income levels in black families, which in turn has led to increased consumption. More blacks are buying homes than before, he told Africa Renewal in an interview. Lyn Foxcroft, a business consultant who studied wine consumption among emerging consumers in South Africa, writes, "Of the 8. This is a dramatic shift from the proportions: Opportunities for entrepreneurs Available data, says Simpson, indicates an expansion of the black middle class, and he sees this demographic as the engine of the South African economy because of its strong purchasing power and contribution to the national coffers through taxes. The BEE programme aims to ensure the participation of previously disadvantaged non-whites in the corporate sector. The policy includes tax benefits and employment preference. Entrepreneurs such as Cooper continue to find themselves faced with many opportunities. She affirms that "for the next 20 to 30 years, this black middle-class market is going to expand further. Prior to , when apartheid officially ended, blacks were oppressed, had few job opportunities and had restricted access to education. The economic and political landscape has since changed, with the growing black middle class changing historic inequalities. The rise of some has resulted in a widening of the gap between rich and poor. South Africa has become "one of the most unequal societies in the world. This pressure is captured in the award-winning documentary Forerunners, which portrays the struggles of four black South Africans striving to find balance in their new lives and cope with the tensions that result from attempting to fulfill enormous family responsibilities. Fast food versus, obesity and urbanisation Increased spending power by the black middle class has caused an influx of fast-food outlets and, from that, new health challenges, such as obesity. Burger King, another fast-food company, opened its first restaurant in South Africa this year and expects to open more in the future. Its chief executive officer, Jaye Sinclair, tells Bloomberg. With black middle-class families moving from townships to suburbs, housing construction, especially in new settlements, is expanding. The paper attributed the current backlog of about , housing units a yearâ€™and growingâ€™to rapid urbanisation, a reduction in the average family size and a fast-growing middle class. Affordable neighbourhoods for middle-income earners in Johannesburg, and in Pretoria and Durban in the KwaZulu-Natal province, are becoming overpopulated. The high demand for housing also puts a strain on services such as electricity. During the winter, for example, the exploding demand for energy often causes power outages. Still, many development experts agree that the growth of the black middle class is good for South Africa.

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 2 : Who are the middle class in South Africa? Does it matter for policy? | Econ3x3

This ethnography tracks young couples as they move in a world fraught with shifting connections of class, race, and culture that are reflected in space, racialized language, and media representations of blackness, whiteness, and mixedness.

Download image As people of color grow as a share of the labor force and working class, there is increased opportunity to reduce racial disparities in wages and employment. Nearly two-thirds of all job openings are expected to be in occupations that require less than a postsecondary education, in other words, working-class jobs. Parents of all socioeconomic backgrounds aspire to send their children to college and this is a solid working-class value as well. Making this goal equally attainable requires leveling of financial barriers and eliminating inequities in academic preparation based on race, ethnicity, and socioeconomic status. In fact, eliminating student achievement gaps is essential to building a highly productive workforce, regardless of how many of those workers choose to attend college. Therefore, the accessibility and affordability of college is more than an aspirational goal of working-class parents. These outcomes are influenced by academic preparation, family income, and wealth. Unfortunately, the majority of African American and Hispanic students enter kindergarten in highly segregated schools where nearly half of their peers live in poverty. On average, students in these heavily minority, high poverty schools are less prepared when they start kindergarten in the fall and make less progress relative to the average over the course of the year than those in low poverty schools Garcia and Weiss It is imperative that the nation invests more in the future of its workforce by making it a priority to provide high-quality education for all children at all levels. This includes sizable public investments in early childhood education including high-quality pre-kindergarten to allow all children to begin their formal schooling years with similar levels of preparation. The long-term benefits of such investments are universal, resulting in an increasingly productive workforce that will boost economic growth and provide budgetary savings at the state and federal levels Bivens et al. In addition to academic preparation, racial and ethnic differences in family income and wealth pose another set of challenges for college affordability. Disinvestment of public dollars in higher education has resulted in more of a market-based system of funding higher education that contributes to rising tuition. This has made college less affordable for families with limited wealth. The fact that these changes are taking place as children of color represent a growing share of the school-aged population has serious implications, for example increased student debt, delaying or forgoing college altogether, and lower rates of completion among people of color. Solutions to these challenges require bold structural reform rather than incremental changes. Given that the segregated nature of schools and unequal distribution of resources follows from the segregated nature of neighborhoods—by race, ethnicity, and poverty concentration—reforms to education policy will be most effective if accompanied by reforms to housing policy Rothstein Other recommendations include severing the tie between local tax revenues and funding for public schools, or at a minimum, investing a larger share of state and local budgets in schools and jobs in racially and economically segregated communities rather than in jails and other systems of punishment. Bridging the racial generation gap to build working-class economic security is a win-win Ironically, as the current working class retires—contributing to the boost in future job openings for workers without a college degree—this also presents a risk of underinvestment in youth and schools. The coming racial and ethnic generation gap will require balancing the interests of a younger, poorer, more racially and ethnically diverse population and those of an older, wealthier, predominantly white population. This ethnic generation gap to be navigated is at the heart of Evenwel v. This is significant given the changing demographics of our country, because whites are, and will continue to be for some time, a much larger majority among older voting-age citizens than among the population as a whole. Despite these political tensions, older workers and retirees have a stake in working-class issues and racial equity. As the demographic transition of the working class continues, people of color will be a larger share of those supporting the Social

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Security and Medicare systems, providing the services used by the aging population and creating the demand that drives the economy. That means the tax revenues used to pay benefits will be increasingly drawn from the wages of nonwhite workers. Higher working-class wages strengthen these critical safety net programs and the overall economy. Higher wages are also important in attracting and retaining greater numbers of highly qualified workers to deliver critical services. There are clear motivations for taking a proactive approach to strengthening the working class in all the ways that have been described. It is less clear whether the changing demographics of the working class present an opportunity that can be seized to accomplish that goal. The answer to that question pivots on the intersection of race, racial identity, class, and politics. Racial identity is not a fixed concept Sociologists have noted how definitions of white and nonwhite changed as once-excluded minorities such as Irish, Italian, and Jewish peoples assimilated into the mainstream, thus retaining a white majority as population demographics neared a tipping point. In an article in *The American Prospect*, Richard Alba argues that more recent immigrants and children of ethnically and racially mixed families could follow a similar path. This is significant because the demographic shift of the population and working class hinges on the projected growth of the Hispanic population, which the Census Bureau assumes will continue to identify as such in perpetuity, regardless of multiracial births. While racial identity tends to be less fluid for biracial people with one black parent most self-identify or are identified by others as black, this is not the case among individuals of mixed Hispanic-white or Asian-white family background Liebler et al. Protecting voting rights of people of color is critical to restoring the economic bargaining power of the working class Even if the assumed norms of racial identity hold, there is little evidence that a future working class that is majority people of color will have any more power in the workforce than the current working class. During the elections, big business outspent unions by a margin of to-1 Draut This imbalance of political and economic power has led many working-class voters to disengage from the political process, but for different reasons. People of color are less likely to vote because of obstacles, whereas whites are less likely to vote due to cynicism or frustration with the economic and political elite. Regardless of the reasons for disengagement, the result has been a pool of voters who tend to be more educated and more conservative on economic issues than nonvoters Leighley and Nagler While there may be different reasons for disengagement among whites and people of color, protecting the voting rights of people of color is a solution that addresses both problems. These voters are among the growing ranks of working-class people of color—the same populations affected by laws that suppress voter participation by requiring specific forms of identification, limiting the times available to vote, or lifetime disenfranchisement of formerly incarcerated citizens. Recommendations for overcoming these challenges include systemic changes such as mandatory voting and restoring the Voting Rights Act, as well as tactical changes to the way in which voter engagement has traditionally been done. Establishing multiracial working-class solidarity to advance racial and class equality presents opportunities as well as challenges Since class identity has often been racialized, one of the greatest challenges to rebuilding the economic power of the working class lies in establishing multiracial solidarity on a national scale. Getting to that point requires honesty and a collective reckoning about race, white privilege, and institutional racism, with respect to the costs and benefits to each of us. Workers without a college degree were once able to provide a comfortable middle-class lifestyle on a union factory job. Draut argues that this was possible in part because most of those workers were white men who benefited from an entire social contract that had been written with them in mind. Once the civil rights movement began expanding equal opportunity to African Americans and blurring the old racial lines, new lines were drawn. This was also the beginning of the antiunion backlash that continues today. Had the Supreme Court ruled against CTA, it would have drastically weakened the middle class, especially among blacks who are disproportionately employed in the public sector. Though the threat of this particular case has been neutralized, future challenges are expected once the Supreme Court vacancy has been filled.

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 3 : The future of South Africa's rising middle-class | Southern Africa

Revolutionizing Romance is an account of the continuing significance of race in Cuba as it is experienced in interracial relationships. This ethnography tracks young couples as they move in a world fraught with shifting connections of class, race, and culture that are reflected in space, racialized language, and media representations of.

Accessible policy-relevant research and expert commentaries on unemployment, income distribution and inclusive growth in South Africa. Who are the middle class in South Africa? Does it matter for policy? Reads 73, Justin Visagie , 29 April The middle class is a hot topic in media and policy circles. But how should the middle class be defined, particularly in a country with high levels of inequality? This necessitates great care in using these conceptions, especially in policy design. Introduction The everyday use of the term middle class conjures up images of families or individuals with a certain lifestyle or level of affluence as evidenced by their expenditure on food, clothing, furniture, cars, education, holidays, etc. In South Africa, thinking about what it means to be middle class is complicated by the low average and median levels of incomes in the country and the very wide distribution of income. In many discussions the middle class is synonymous with both the affluent and the very affluent. One such example is the well-known study of Black Diamonds by the UCT Unilever Institute of Strategic Marketing, which describes the emergence of the black middle class “ which includes the top-earning black people ” in post-Apartheid South Africa. Is such an affluence-based conceptualisation of the middle class sensible ” or relevant to policy making ” in South Africa? How should we best define the middle class in an economy characterised by large inequalities in income? Defining the middle class There are various economic approaches to defining and measuring the middle class. This is because any definition of the middle class is subjective and value-laden. However, two common approaches serve as a starting point. This approach is popular when the middle class of more advanced countries is analysed. One option is to define the middle class as households which fall within a specified income interval, defined around the middle or median [1] household income see the South African example below. There are several reasons why the middle group of households is of interest. First, evidence suggests that the relative growth of the share of total income of those in the actual middle of the income distribution leads to greater political stability, to a citizenry with higher levels of human development including better education and health and even to higher levels of economic growth Perotti, ; Easterly, , A second common way in which to define the middle class is to choose an interval of per capita household income that indicates some conception of relative affluence often associated with certain patterns of expenditure and possessions. The boundary lines for what constitutes affluence vary greatly in the literature. Such divergence reflects the extent to which the standards of living of developed countries are applied to developing countries ” or the extent to which researchers grasp the reality of poverty and incomes in developing countries. There are also clear reasons for analysing households who are relatively affluent: In addition, in terms of social justice and equity it is deemed important to achieve balance in the racial and gender composition of the affluent group. The figures mentioned therefore are for income levels and in Rands. They should not be interpreted in terms of current, money terms. This means that the literal middle group in South Africa comprises households earning between R and R1, per capita per month ” in money terms. Middle class occupations include managers, senior officials, legislators, professionals such as teachers and nurses , associate professionals, technicians and clerks. Working class occupations would include plant and machinery operators, craft and related trade workers, skilled agriculture and fishery workers, service and market sales workers and all elementary occupations. For our representative household of four persons these figures translate into a total household income of between R5, and R40, per month after tax. Table 1 provides more information on the adjacent lower and upper groups. It also shows the share of total income received by the respective lower, middle and upper groups. NIDS , own estimates Notes: The horizontal axis is expressed in terms of total household income for our illustrative household of four persons. The vertical bars show the percentage of households in each income interval and form a curve that

illustrates the huge degree of income inequality across households. The spread of households within the income distribution in South Africa, Evidently the income intervals of these two groups do not reconcile. Note how low down on the income distribution curve the actual middle group in fact lies – while all those in the middle class in terms of relative affluence are comfortably above the literal middle group. This is also borne out by the proportion of aggregate income received by the actual middle as opposed to the relatively affluent middle table 1. Despite being similar in size just over 4 million households, the relatively affluent middle class received It follows that the differences between the two groups go beyond income and can be expected to reflect aspects of poverty and deprivation. Figure 2 shows that the average educational achievement of the actual middle is far below that of the affluent middle class. Education and the middle class, Figure 3 shows the contrast between the two definitions of the middle in terms of racial composition. People who reside in households within the actual middle of the income distribution in South Africa are overwhelmingly African, with a small minority of white households. When it comes to the affluent middle class, Africans represent just over half of all individuals. Race and the middle class, Although this suggests that the racial representivity of the relatively affluent middle class has improved considerably by, Africans are still underrepresented in comparison to their total population share and whites over-represented. The racial contrast is even starker when the uppermost elite are considered, i. Nevertheless, this would have economic benefits such as growing the pool of people with skilled occupations and raising consumer demand within the domestic economy, which could lead to higher economic growth. In contrast, if the middle class is defined as the actual middle group, then increasing the relative size of the middle class – many of whom are quite poor – would imply supporting economic policies that favour the poor and non-affluent and thus decrease the polarisation and inequality of income. This may promote greater social and political stability and contribute to better educational and health outcomes in the longer term, and thus promote economic and human development as well as social justice. It should be better appreciated that the middle group in South Africa, comprising 4. The relatively affluent middle class actually lies in the upper ranges of the income distribution but still includes, in its lower ranges, households with a very moderate level of income, i. R5, total income per household per month. Any alleged association between the middle class and economic development and growth is dependent upon which middle one is talking about. For instance, strong growth in the incomes of the affluent middle would increase consumer demand; however, this may also result in greater political instability if those in the actual middle remain poor. Both definitions of the middle class are useful as analytical tools, but they need to be understood as distinct categories in South Africa. It is exactly because of high inequality in incomes in South Africa that the two conceptualisations provide such different pictures of the middle class. This necessitates great care in using these concepts, especially in policy design and when referring to changes in the economic status of the South African middle class the topic of a forthcoming Econ3x3 article. Journal of Economic Growth, 6: Inequality Does Cause Underdevelopment: Insights from a New Instrument. Journal of Development Economics, The New Global Middle Class: A Cross-over from West to East. In Li, C Ed. Visagie, J and Posel, D. Development Southern Africa, forthcoming. The Expanding Middle Class: If households are lined up from poorest to richest and then divided into ten equally sized groups i. One could then select, for instance, the middle four groups or deciles 4 – 7 as constituting the middle class.

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 4 : Post-Blackness - Wikipedia

The remainder of this report summarizes some of the challenges ahead for the working class, and why failure to confront them would have real costs for working-class families and the broader economy. Wage stagnation is the most pressing issue of the working class.

I had the privilege to meet Alice Amsden just once during her visit to South Africa a few years ago, when we requested her to address the top management of the Department of Public Enterprises as well as some of our State-Owned Companies. She made a deep impression in all of us and left us enthused about the direction we were taking with regard to the vision of the Department and the SOCs in our portfolio. Without a doubt, Alice was a visionary who courageously challenged the neo-liberal Washington Consensus Economics. She belonged among that group of economists and social scientists that believed that the current paradigm propounded for growth and development is inadequate. She did this not by proposing a competing dogma, but by actually studying how successful economies had achieved their success in practice. She then produced a body of knowledge that demonstrated the critical role of the state in channelling investment into sectors with strong long-term positive externalities. In other words, she taught us that any development trajectory is intrinsically linked to a broader, highly contested, political economy. She replaced an ideological dogma that effectively served as a smoke-screen for the interests of advanced economies, with a complex framework to understand how emerging countries learn, or fail to learn, how to industrialise. The underlying theme of her work was to give emerging economies the space to introduce the most appropriate policies for their situations, rather than those imposed by the USA. This evening I wish to talk about the importance of the state and business relationship in the formulation and implementation of industrial policy. Industrial policy has the primary objective of increasing the productive capabilities of an economy to produce and service products of increasing complexity and value so as to ultimately improve the welfare of all citizens. While manufacturing is core to advancing the industrialisation agenda, primary industries such as mining and agriculture have become increasingly technologically complex and industrial in nature and so should not be neglected. The commercial enterprise in the capitalist economy is the core institutional vehicle that mobilises and invests capital in required plant, skills and technology. As Marx illustrated, in the age of monopoly capitalism, large businesses driven by massive economies of scale and scope, have the capacity and capabilities to manage extremely complex processes of investment and continuous operational improvement and innovation. The challenge for the developmental state is to provide incentives and sanctions that will channel these investments towards productive activities that may not be the most profitable in the short term, but will result in a highly productive and stable economy and society in the medium term. This is an inherently difficult process both politically and technically. Politically, in that there will always be social forces that are profiting from the status quo and have no interest in long-term development and will resist any attempts at change. Technically, it is difficult because it is almost impossible to define and coordinate the implementation of the right combination of incentives and sanctions to drive long-term development, particularly in a highly volatile and disempowering global context. Industrial policy succeeds when there is rapid adjustment as a result of a process of continuous learning by doing. In this sense, it requires a leap of faith and is ultimately a product of political vision and will where there are always competing uses of state resources, which need careful management and mediation by the ruling elites or political parties. This leads to the call that the fundamental problem is that business is not patriotic. If only things were so simple. Thinkers such as Fanon and Rodney have pointed out the anti-developmental impact, of the post-colonial comprador business class. This decidedly unpatriotic class colludes with the interests of monopoly capital to advance its narrow economic interest. It is content to undermine the national developmental project for the sake of profit and comfort, concerning itself with luxury consumption and the spiriting of capital abroad, rather than productive investment, increasing employment at fair wages, and capability building. Asian developmental states have been more successful in

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

creating a patriotic business class, in part through a combination of a complex and dynamic set of incentives and sanctions that saw companies focus their efforts on achieving capability building and export targets. Those that failed lost their businesses whereas those that succeeded grew into industrial giants that could take Korea onto the global economic stage. In other words, patriotic businesses are a consequence of effective industrial policy and a genuinely developmental state, rather than a consequence of luck or national character. In part, this emanated, amongst others, from the absence of an industrial strategy for the greater part of the first decade of freedom and the nature of the political settlement that had given rise to this moment. A political settlement is an agreement amongst potentially conflicting social groups and elites around how power will be organised, exercised and maintained in a given society. Intrinsic to a political settlement is how the benefits of the economy will be shared, though this may not always be the case, or may at times fail to materialise. It was exactly for this reason that in one of his political lectures to new MK recruits in Angola, Prof. As a result, he said that there had been continuity but not revolution. In our case, the Apartheid political settlement was based on a coalition between the mining industry, state-owned corporations and development finance institutions to develop the South African economy as a whole, transfer rents into agriculture in particular, implement a system of Afrikaner and white empowerment and sustain a political and ideological system of racial domination and associated labour control. Anglo-American together with three other conglomerates effectively drove and coordinated investments across the economy. In the course of advancing their interests, white capital divided labour according to race and co-opted the white segment of labour into the white political and economic establishment, offering them incentives in the process in order to buy out their allegiance, knowing that they could not win them merely through blind racial patriotism. Indeed, white labour bought into the settlement and vowed to defend the settlement with their own lives, whilst for black labour, marginalisation from the political and economic settlement as well as impoverishment became the order of the day. They acquired a fixity characteristic of feudal society, legitimised by the use of force and sanctified by a supposedly Calvinistic Christianity. Furthermore, black labour, while cheap, proved difficult to control and even in the context of apartheid, could not be trained to bring the costs of skilled labour down. The political settlement in South Africa constituted a complex negotiated compromise between a range of powerful but vulnerable social forces. Neither the apartheid forces nor the national liberation movement with all their social support bases could have claimed an outright victory against one another, forcing them into negotiations. The political settlement that was reached thus reflected mainly the global and domestic balance of power, with all realising that the country could not be allowed to burn to ashes through a mindless civil war. The essence of the political settlement was that political rights would be extended to the black population whilst white property rights would be preserved, regardless of how unjustly that property was accumulated during the Apartheid era. A core part of the settlement was that the state would play a role in using policies and other instruments to facilitate the redistribution of wealth towards the historically disadvantaged in a context where market institutions would ultimately still regulate economic investment. The RDP had made a clear choice against the neo-liberal view that sought to separate growth and development, reconciliation and reconstruction, and stated its preference for growth and development, for redistribution in order to address the legacy of the injustices of the past. Future policy would be debated in forums involving government, business and labour. The social constituencies that swept the ANC to victory did not have unabated sway over the formulation and determination of policy, they always had to negotiate and reach compromises with their class mortal enemies. Clearly the settlement swept a lot under the carpet, reflecting the balance of power at the time. The political economy of South Africa was and is extremely fragmented; and the structure of the South African economy remains to this day unchanged. White monopoly capital remains to this day the single most significant anti-transformation sector in South Africa, with significant influence in the vital sections of the government. The responsibility for mediating between competing social forces and interest groups to sustain political stability in the context of the settlement would fall on the ruling party who would have to deploy state resources and its political capital towards this end. What compounds this mediation is, as I have said above,

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

the lack of an organising philosophy or consensus among the different schools of political-economic thought within the ruling party. With hind-sight, this was probably an impossible task. The post-apartheid government inherited large private sector conglomerates as well as large State Owned Enterprises, which are an important site of ideological contestation. On the one hand, from a market fundamentalist perspective, the state had no place to be directly involved in the economy and SOEs were supposed to be privatised, which could also advance the process of black capitalist class formation. On the other hand, from a progressive developmentalist point of view, SOEs could be important instruments to support a growing economy, provide services and access to historically neglected communities, develop a cadre of black managers and support the development and transformation of upstream suppliers and downstream customers. Accordingly, at their most strategic, SOEs can be critical instruments to drive an inclusive and growing economy. In the private sector, black professionals continue to complain that they are marginalised in senior and top management in the private sectors. They are viewed as unqualified unless proven otherwise, where their white counterparts are assumed to be competent. Senior black professionals must have rafts of degrees and decades of experience to be taken seriously and earn the same income as their white counterparts. SOEs have played a critical role in the advancement of black professionals, managers and skilled workers, as environments where the revolutionary assumption is simply that black people are capable of excellence if given the same leadership and growth opportunities as white people. The same holds true for procurement. The South African economy is monopolistic or oligopolistic in character, making it very difficult for emerging small and medium sized businesses to integrate into the value chains of large companies as suppliers. Again, the experience of BBBEE has shown that companies will only buy services from black and women-owned enterprises when forced to by regulation or their customers. We have increasingly begun to use these strategically, incorporating localization and preferential procurement into their operation philosophy and investment plans. Thus, for example, at Transnet we established a trend of appointing black accounting firms as external auditors, a contract worth tens of millions of rands annually. In addition to the revenue flowing to these companies, it helps advance their growth in making it more difficult for large private-sector companies to exclude them on the basis that they have not proven their ability to service large, complex enterprises. This is an illustration of the developmental impact of SOEs, if leveraged strategically. All this has fatal impact on their performance as there is no clarity as to which measure to assess their performance by, and others are gravely mis-governed and hence the Shareholder, which is broadly government and society, does not realise value in these institutions. On the other side of the coin, it needs to be noted that those key SOEs, such as Sasol and Iscor, which were privatised during the latter years of Apartheid as well as those privatised in the first decade post-Apartheid, such as Telkom, immediately leveraged their market power to extract rents, under-invest and undermine the national development process. Whilst this may have benefited their shareholders, both black and white, it clearly points to a system that is providing the wrong incentives and sanctions. Turning to large private sector organisations, I wish to focus on the mining sector, which was the key driver of investment in Apartheid South Africa. The mining sector post is complicated by a number of factors: Minerals are a non-renewable resource and part of a national endowment that ideally should benefit future generations. Consequently, there is an inherent tension around the division of rents from mining between the state acting as a trustee of the resource for future generations and industry that brings the capital, technology and skills to extract the resource. The Apartheid state dramatically limited worker rights which was taken advantage of by the industry through a high level of recklessness relating to worker living conditions, health and safety. In the absence of stringent regulations, the industry left a legacy of serious environmental degradation, including acid mine drainage. Communities adjacent to mines were forced to experience the negative impacts of mining without recourse. Post , the industry never owned this legacy or took voluntary initiatives to not just transform the industry but to proactively address the legacy and demonstrate remorse for its historic behaviour. The result, over time, was the creation of a very uneasy partnership between the government pursuing transformation and the industry seeking to preserve the status quo, and ultimately the attempt to legislative

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

instruments – licensing regime, legislation and mining charter – to enforce compliance and transformation in the sector. Hence, a culture of top-down, command and control, regulation came into being, in the absence of the Regulator and the industry reaching a true alignment on developmental and transformation objectives and how these should be achieved. The consequence was that large parts of industry have been in compliance mode, while areas of common interest have been neglected as the focus of engagement is around areas of conflict. This also creates an environment where mines look to politically-connected empowerment partners for protection from the state, rather than for empowerment partners who can become captains of industry. The consequence of the above dynamics is that many large companies, which can be the corner-stone of our industrial policy, are completely out of kilter with the national interest. This is aggravated by a trust impasse between stakeholders. This, I think, reflects the growing political fragmentation as the gaps in the political settlement become apparent and points to the need for a revisiting of critical elements of the political settlement to create a greater alignment between large business and of the state. However, while necessary, this will be an extremely complex process and our industrialisation project cannot wait. Ultimately, white-owned South African big companies must regard it to be in their commercial interests to transform, to support industrialisation and have a genuine relationship with government – it makes business sense! Parochialism and a political agenda – with-holding investment in the hope this government will collapse – on the part of some business is destructive and, in the long run, will not pay off. Given the complexity of our political economy, we need to develop our own model of industrial strategy. It is critical that we now start building bottom-up developmental coalitions and associated programmes with those large companies that have recognised the need for a new model of engagement that goes beyond compliance, but seeks to link corporate objectives to national development. Companies have to come to see the development of South Africa as in their enlightened self-interest. A single dominant company that is developmental in its practices can change the outlook for an entire sector. There are an infinite number of logical sounding sector strategies – we need to discover those strategies which will result in business investment. We need to learn to provide the incentives that channel rents into productive investment. We need to have the maturity to focus on achieving common objectives whilst constructively debating those areas where we disagree. Trust needs to be built, not just through dialogue, but through joint actions. Through the mining Phakisa process and the SOE Competitive Supplier Development Programmes we can see some rudimentary examples of the success of this approach. Alice Amsden showed us that industrialisation is ultimately a process of learning by doing at the factory level and within government.

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 5 : Middle-Class Blacks and Whites Have Vastly Different Fortunes

5 - *Blackness, Whiteness, Class, and the Emergent Economy* 6 - *Interracial Couples and Racism at Home*

PinIt Instapaper Pocket Email Print With the passing of the 50th anniversary of the March on Washington, commentators have been assessing the status of blacks in society. The statistics provided in these posts—and indeed most statistics provided on this question—compare all blacks against all whites. This kind of comparison is worth making for certain purposes, but it also has its limitations. By itself, such group-level comparisons lend themselves to the hasty conclusion that the difference between the economic situations of blacks and whites is mainly that blacks are more concentrated on the low end of the economic ladder. This was essentially the take of Heather Long two days ago in the Guardian. In her article, Long writes at one point: But when you look at the data, the most pernicious problem in society today is the haves and have nots. Race plays a factor, but middle class blacks live fairly similar lives to middle class whites. Middle class blacks and whites work together. Their children have playdates and go to same prep schools and colleges. What you are far less likely to see is a lower income children of any race mixing with a middle or upper income child. Her article is actually quite good overall, but she is mistaken on the point she is getting at in the above quote. Middle class blacks and whites are not in similar economic situations. In fact, up and down the entire income ladder, blacks are in far worse shape than their white peers. The black-white gap is not just about differential racial concentration among economic classes; rather, it manifests itself within every single economic class. The best way to see this is to look at wealth broken down by race and income. And for that, we turn to our trusty friend, the Survey of Consumer Finances microdata: As you can see, black families have much less wealth than white families, even when you compare blacks and whites within the same income groups. The above graph can be hard to make out on the bottom end, so here is another representing the data in a different way: In this graph, we see black and hispanic wealth represented as a percentage of the white wealth in a given income group. So for instance, the bar farthest to the left says that black families in the poorest 20 percent of families have a median wealth that is just Black families in the 60th to 79th percentile of income come the closest to their white peers, but even they have median wealth holdings that are just Why is this the case? There are many factors, but one in particular looms large. Because wealth is the sort of thing you transmit across generations and down family lines e. The upshot here is that attending merely to class issues won't solve our still very pervasive racial disparities, though it could make strides in that direction. A steep, progressive inheritance tax would help to close the black-white wealth gap.

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 6 : Project MUSE - Revolutionizing Romance

At the same time, intra-class racial differences between middle-class black respondents, on one hand, and middle-class white, coloured, and Indian respondents, on the other, are still substantial.

What about the black working class? The focus has been on the white working class, with the narrative of a forgotten America where rural whites once held steady factory jobs with decent wages. The economic anxiety facing black and brown workers, while arguably more profound, has been largely left out of the conversation. The disparities make sense considering the vast racial wealth gap in the U. White families, on average, tend to have 13 times more wealth than black and Latino families, according to the Pew Research Center. Blacks and Latinos also tend to be paid less than whites and they are also more likely to have higher rates of unemployment than whites do. They are also more likely to live below the poverty line than whites. One study by the Economic Policy Institute showed that black employees with more experience and education were still paid less than their white counterparts. Another study by the Corporation for Economic Development and the Institute for Policy Studies said if current trends persist, it would take years for black families and 84 years for Latino families to accumulate the same amount of wealth as whites. Blacks will take hundreds of years to catch up to white wealth Yet, the focus remains on the problems of white working class Americans. Instead, black and brown workers are considered "underclass" as opposed to working class and "lazy" instead of hardworking, said Spriggs. And yet, they too have worn overalls and lost factory jobs. Some define it by education level or job sector, others by income. John Hudak, a senior fellow in governance studies at the Brookings Institution calls these voters "economically marginalized" because they often fall somewhere between the poor and the middle class. President-elect Donald Trump promised to address some of the economic issues facing black voters with his New Deal for Black America , which he released in October. The ten-point plan includes a series of economic proposals that some experts say fall short of their intended goal. Assuming tax cuts will help communities of color is "foolish," said Hudak. Civil rights groups biggest fears about a President Trump Reverend Starsky Wilson, the president and chief executive of the Deaconess Foundation, a non-profit serving the children of St. In his plan, Trump also calls for financial reforms to expand credit and support new job creation, including making it easier for African-Americans to get credit to start businesses. Who benefits when you offer more credit? Trump also called for new investments in infrastructure as a way to create jobs, something that Democrats have had on their agenda. The next battle for Black Lives Matter: Economic justice Abdullah was also concerned about this point. It means diverting public dollars to private corporations," she said.

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 7 : What about the black working class?

Relative to a white middle class family, a middle class black family has a reduced ability to endure negative economic shocks, has much less retirement security, and cannot spend as much boosting their kids' economic futures (e.g. by paying for their college or a down payment on their first house).

The post-black generation differentiates itself by the former one in the way they grew up. Their parents grew up in segregation, having to fight for equal rights. This results often in racial patriotism, racial fundamentalism or racial policing. Additionally, post-blackness has not only to deal with the definition of being black, but with the Authenticity of Blackness. However, he does not say that post-blackness signifies the end of Blackness, but allows for variation in what Blackness means and can mean to be accepted as the truth. He differentiates between post-blackness and post-racial: Since the election of president Barack Obama, Darryl Pinckney is claiming, it has become apparent that being black middle-class is not as elitist as it used to be. The new black elite has become so large that being middle-class has become quite normal. The Splintering of Black America that it is not the black poor who are trying to redefine black America. The black mainstream is now part of the economic and cultural mainstream of America. The rest of the black population was divided into 29 percent working-class and The following are examples which tried to define Blackness through inheritance or political or cultural rules. Authenticity of Blackness[edit] This term is used to define the division that is being made by blacks themselves, in terms of what is authentically or genuinely black. Sexual orientation, regional variety, geographical diversity, class location or religion can be a reason for exclusion from a particular black group and their beliefs. Authenticity of Blackness in Hip-Hop Music[edit] Authenticity in hip-hop music refers to whether or not an artist exhibits exemplary identification with blackness as it pertains to historical struggle. The idea of authenticity in hip-hop is fluid and ever-changing. A fluid depiction of whiteness causes there to be more defining and re-defining of what blackness is as black people are marked as a racial "other" by the changing parameters of whiteness. But if a person has a white parent, or three white grandparents, or Z white great-grandparents where Z is any odd number and n still represents any number of past generations, then that person is not thereby designated white. This is a rather new development; Willard B. American racial categories are, since they thus do not give any positive definition of blackness, groundless and have no empirical foundation. What is perceived as typically black is what scientists now view as the mythology of race which is nowadays closely intertwined with the historical conditions under which the now-disproved scientific theories of race were formulated. Du Bois who was aware of the lack of an empirical foundation in nature for the concept of race, suggested that the black race was a concept made up by white people. But there is no sustained objection to ordinary racial designations within the tradition of black emancipation. Famous actresses who are considered as being black, therefore representing African American Culture, are often only partly black, proving the Kinship Schema. Pam Grier and Halle Berry are both considered as black actresses and connected in some ways as well to Black pride, but both are only partly black: Mia Mask writes in *Divas on Screen* that Grier served both as a phenomenon of consumption consumed by audience-consumers, as well as a phenomenon of production produced by industrial institutions like American International Pictures. Therefore, Grier was both an object of the gaze and a subject of narrative action in films, promoting the image of African American Women. This image was partly constructed by white people in addition that Grier was only partly black, in fact a mixture of American, Indian and African American heritage. Eugene Robinson and the renaming of black classes[edit] Eugene Robinson, a journalist, renames the black classes by defining blackness through social classes. There is the Emergent class: African immigrants who are ascending on the social level by outperforming Asian students at the university level, for example. Then the Abandoned, or the underclass: Barack Obama and Oprah Winfrey are prime examples for that, switching between different roles of Black identity. He claims that Blackness may be an important part of them, but that Blackness does not dominate their persona. The word nigga and its

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

cultural development is an example for this: The usage of the word Nigga nowadays shows additionally another side of post-blackness in American Society. The term is not only used in America, but by blacks globally, sometimes annoying Americans. Henry Louis Gates Jr. Pinckney reminds the reader that history is not so long ago after all, even if black people want to forget. He writes from the perspective of a privileged black person. She claims that like Vagrancy Laws were a form of social control, today this happens in form of the War on Drugs, which target minorities. He adds that Stephen L. Carter wrote in Confessions of an Affirmative Action Baby that "loving our people and loving our culture does not require any restriction on what black people can think or say or do or be If there are no boundaries, there is no community. Kennedy thinks that a person can be indeed de-blackened a term coined by Washington University Professor Kimberly Jade Norwood , and that a person who pursues a course of conduct that convincingly demonstrates the absence of even a minimal communal allegiance, should be rightly excluded. Another point is racial authenticity: Relations To Black Cinema that no authentic black person would talk about or try to define blackness. The critic acknowledges that the margins of slavery have been more clearly defined in the times of slavery than now, but that according to Malcolm X this is only evidence of the dilution he warned of. There are also some ideas not about how the borders of blackness blur, but that the borders of all races start to blur in a way in which post-blackness would not be an issue anymore: Black women have been constrained throughout history by three stereotypes: These archetypes are according to her additional obstacles compared to black men. As a result, to escape that shame, black women are often politically involved. Most of the limitations today have not been placed by white people, but by the expectations of black women or people in general on themselves. In this article he stresses that the economic sphere, class has become more important than race. He acknowledges that the traditional forms of racial segregation and discrimination still exist in contemporary America and that when the article was written blacks still were not welcomed into some private institutions and social arrangements like residential areas or private social clubs. Therefore, the black underclass still had the same problems, but privileged blacks came into a zone where the rules of economy were stronger than the rules of class. Wilson therefore defines three stages of American class relations to explain how this was made possible. In those three stages the relationship of whites and blacks in America changed due to historical, political and economical events: The three stages of American class relations in short: This is the period of plantation economy and racial-caste oppression; it coincides with antebellum slavery and the early postbellum era. This is the period of industrial expansion, class conflict, and racial oppression. It begins in the last quarter of the 19th century and lasts roughly until the New Deal Era. This is the period of progressive transition from race inequalities to class inequalities. It lasts during the modern, industrial, post-World War II era and really begins to crystallize during the 1950s and 1960s. The season of extreme black rhetoric may have coincided with the doubling of the size of white middle class, because of new laws mandating equal employment. Still in order to be considered middle class, black families needed two incomes compared to whites with one. Black women could enter white-collar jobs like secretarial and clerical work, since they were also jobs exclusively for women. A black man, to earn a comparable income to a white man, needed more education and needed also to be in a higher occupation than a white man.

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 8 : Mixed Race Studies Â» Nadine Fernandez

Thank you Ethan, I forgot to add that regarding "Teaching whiteness in the music-class" it is great that you have strategies for redressing the historical biases that you are bringing attention to.

Enrollment in school music has declined precipitously for the past few decades. Budget cuts alone can not explain this decline Kratus, School music teaches the competencies of European-descended classical music: Youth culture, meanwhile, values recorded music descending from the vernacular traditions of the African diaspora, substantially produced using computers. Hip-hop is the most popular genre of music in the United States Nielsen , and by some measures, in the world Hooton Yet it is vanishingly unusual for hip-hop to be addressed in an American music classroom. Even when educators want to do so, they rarely have the necessary experience or knowledge. Meanwhile, musicians with a hip-hop background find their skills and knowledge to be of little value to institutional gatekeepers. Kendrick Lamar is a good enough musician to merit a Pulitzer Prize, but he would not be accepted into most undergraduate music education programs Kruse Why is it so important that music education embrace hip-hop when students are already immersed in it outside of school? There are three main reasons. Second, while many young people enjoy listening to hip-hop, few know how to produce it. Third, and most important, music is a site where social and political values are contested, symbolically or directly. The Eurocentrism of school music sends a clear message about whose cultural expression we value. While the white mainstream loves hip-hop, America showers the people who created it with contempt Perry , 27 , and sometimes violence. By affording Afrodiasporic musics the respect they deserve, we will teach students to similarly value the creators of those musics. Some of the changes in our mainstream musical culture have been driven by technology. The computer revolution has made it possible for any music class to become a thriving producer collective. In order to realize this possibility, however, music education as a field will have to reorient away from large ensembles and toward small ad hoc peer groups, from performance to production, from the Western canon to the social dance music of the present, and from top-down authority to bottom-up collaboration. While few music teachers harbor racist ideology, the institutions they are part of continue to advance the interests of white supremacy. Our music education culture will not be able to advance social justice goals until we confront the atavistic racism concealed in the traditions of the field. Of all the diverse forms that popular music takes, hip-hop poses the greatest challenge to the Western classical habitus. In order to adapt to hip-hop musical practices, music educators must question many of their own musical norms and values. Williams observes that our large ensemble model of school music, which was imported to the United States from the European conservatory tradition in the early twentieth century, has barely changed in the past century. Music educators teach what they learned, and what they learned is likely to be the musical expression of old-world whiteness. Throughout this paper, I equate European classical music with whiteness, and hip-hop with blackness. I have heard ample criticism of this equation. What about all the accomplished black classical musicians and white rappers? I recognize that exceptions exist, but I stand by the basic identification. Perry argues that while hip-hop is a hybrid music, it is nevertheless a fundamentally black one: Therefore, he considers bebop to be Afrological, even though there have been many white bebop musicians and fans. Hip-hop is even more Afrological than jazz, eschewing harmony and orchestral instruments entirely. While it is an American music, its African influences are reflected in its musical values, its form and syntax; and its performance practices Wilson Music teachers are more likely than their students to be white, and to come from suburban, low-poverty areas Doyle This is true even in schools that supply free instruments, suggesting that wealth disparities alone can not explain the lopsidedly white and privileged face of school ensembles. Nevertheless, the profession has shown remarkable resistance to change. Three stories from my own life illustrate this resistance. When we toured Brooklyn public schools for my son, we saw how gentrification has led to more parental money supporting art and science programming. Our zoned neighborhood school is especially proud of a program where musicians

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

from the New York Philharmonic come and teach classes, and I had a chance to observe one. A young white woman was teaching a Finnish folk song to a roomful of primarily black and Latinx children. The song was a simple waltz with an oom-pah-pah beat, a rhythm that had its peak cultural salience years ago. The students in the room listened politely but blankly. I wondered whether this woman had any idea what kind of music they were hearing at home, in church, or on the street. Had she seen their playground games? Did she have any idea how much more sophisticated they probably were in their knowledge of rhythm than she was? I had two white music teachers from a mostly black school visit my music technology class at Montclair State University. My lesson that day was on drum programming. After class, the older of the two visiting teachers wanted to talk to me about that comment. The title suggests an all-encompassing scope, but the book only addresses Western classical harmony and counterpoint. It gives other elements of music like rhythm or timbre cursory treatment at most, and it gives no examples beyond the classical canon, nor indeed any mention of non-Euroclassical musics at all. In this case, the hidden curriculum Anyon is barely even hidden. I have never met Steven Laitz, but I am told that he is a nice person. The choir director who visited my class is certainly a nice person. The woman from the New York Philharmonic seemed perfectly nice. All the traditionally-minded music teachers I know are nice. It is this very niceness that makes the implicit racial ideology of music education so insidious. A nice person is not someone who creates a lot of disturbance, conflict, controversy, or discomfort. Nice people avoid potentially uncomfortable or upsetting experiences, knowledge, and interactions. We do not point out failures or shortcomings in others but rather emphasize the good, the promise, and the improvement we see. Niceness compels us to reframe potentially disruptive or uncomfortable things in ways that are more soothing, pleasant, and comfortable. This avoidance and reframing are done with the best intentions, and having good intentions is a critical component of niceness. It is not enough to search for racist individuals. Music educators enact the dispositions making up their habitus automatically, whether or not there is strategic intention behind them. Eurocentric music education is the product of racism without racists Bonilla-Silva Rather than scrutinizing individual attitudes, then, we need to interrogate the culture of power Delpit in the music classroom. Suppressing Afrological music in school does not just harm students of color. It also harms the large and growing majority of white students whose musical identities are shaped by Afrological musics. This has only become more true in the decades since. But is the popularity of popular music a sufficient reason to bring it into the curriculum? The American music education community is deeply divided on this point. This is a stark contrast to European music educators, for whom the validity of popular music pedagogy is a settled issue—“their discourse deals more with the practicalities of implementation Mantie There is a long history of white Europeans coming to appreciate black American musics before white Americans do, as shown by the histories of blues, jazz, and rock. In their study of undergraduate pre-service music teachers at a large university, Wang and Humphries found that These ratios vary from one institution to another, but they are broadly representative. If music educators are ignorant about musics outside of the canon, they can hardly be expected to teach them. Any would-be music educator who brings popular music expertise to a university will have a challenging time getting accepted. Some popular musicians, including me, find their way into higher music education via sideways routes like music technology, where our skill sets are valued and needed. Those people are admirable, but it is unreasonable and unrealistic to expect all music educators to be proficient in both Eurological and Afrological idioms. This disconnect is intentional and desired. Music is heard as though breathed into the ear of the listener from another and higher sphere: Music fulfils itself as an art by reaching into this realm of pure abstraction and reconstituting there the movements of the human soul Scruton , As an outsider to classical music culture, I have found its sense of itself as the holder of universally valid and transcendent truths to be off-puttingly arrogant. Western classical music is an ethnic music, just like any other type of music. The implicit challenge embedded in this idea is the question: Why does one ethnic music enjoy the privilege of so-called universality? Western classical music fancies itself to be universal because a wider context of colonial violence facilitated its ascendancy and epistemic violence facilitates the naturalization of its primacy Stanton , Western classical hegemony is such an ideology. In the past, it was common for music

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

scholars to simply argue that the European classical tradition was better than other musics because European culture was better than other cultures. While it is unusual to see a present-day music scholar belittle Afrological musics explicitly, tacit or passive neglect is quite common. For example, *Electric sound: Discovering Music*, a prominent music appreciation textbook by R. This pattern of seeing black musics as not quite fully of our civilization extends to the mainstream press. The coverage of hip-hop in the United Statesâ€ replays in many ways those reports by colonial officials in the nineteenth century on the primitive customs of unruly natives. While overt racism is no longer socially acceptable, the institutional structures and vocabulary terms created during a racist era survive intact into the present. White music educators of the present day do not need to be racist in order to benefit from the centering of their culture in the curriculum. To preserve white privilege, it is not necessary to be hateful; passivity and conflict aversion are sufficient. While there are few incentives to change within the music education field, there is growing pressure from outside, as multiculturalism grows in political importance. It is illuminating, then, to examine the arguments of classical music partisans in the face of such pressure. Whale gives a wonderful example of post-racial discourse in his argument for why Beethoven should still be at the center of the music curriculum.

DOWNLOAD PDF BLACKNESS, WHITENESS, CLASS, AND THE EMERGENT ECONOMY

Chapter 9 : Teaching whiteness in music class | The Ethan Hein Blog

Lyn Foxcroft, a business consultant who studied wine consumption among emerging consumers in South Africa, writes, "Of the million adults classified as middle class in , 51% are black, 34% white.

All this development matches the growth of the middle class in South Africa, especially among the black African population. Across the country new malls are springing up to service rapidly expanding neighbourhoods and giving the newly minted middle class places to spend. This increase from the 1. The black middle class spends Rbillion annually, far more than the Rbillion spent by the historically wealthier white middle class. Statistics South Africa uses indicators that would increase the size of the middle class even more: From adding new pay-TV subscribers to booking exotic holidays, the newfound wealth of the rising middle class means demand for services. More people are also entering the housing market for the first time spurring construction. For Diageo the fact that there will be million more consumers of drinking age in Africa over the next decade means its premium brands " Johnnie Walker, Ciroc and Tanqueray " will enjoy stronger growth in demand than Chinese and Indian markets. Of the total market in , But this spending has highlighted a shortage of skills in the industry, not just of artisans but among supervisory staff as well. A skills shortage is, in a quirky way, an indication that the fundamentals of the economy are strong. It shows that a need for skilled workers exists. Conversely, if the skills shortage is not dealt with, continued strengthening of the economy grinds to a halt. Entrepreneurs and tech-savvy youth Willemsse believes that encouraging entrepreneurship is the best way to build a self-sustaining, diverse economy. Entrepreneurship tends to be innovation-driven and, in South Africa, local entrepreneurs have been quick to adopt emerging technologies. This will offer new business opportunities that were not even considered possible a few years ago. One example is in the rise of smartphone use in South Africa. Financial consulting firm Deloitte estimates there are over million active users in South Africa, and the number will continue to rise. This has provided opportunities for designers to grow businesses designing apps. These innovations have built businesses, provided employment and made it safer and easier to move around South African cities. The growth of the middle class is an opportunity loaded with pitfalls. One measure of a stable middle class is an improved rate of saving, but this is not true of South Africa. The country has a savings rate of Savings spurs growth in the economy by providing funding for fixed investment. A low savings rate hampers this growth, and makes it more expensive as funds must then be sourced internationally. FNB research highlights this challenge. In many cases increased dissaving debt actually occurs among new entrants into the middle class. It implies a shared vision and dream for the future of the country. A growing middle class strengthens that dream and spreads the wealth of the nation more equitably. As we lift more people out of poverty that dream becomes more concrete.