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Racial transformation not 'complete failure'

A report released this morning by the South African Institute of Race Relations tracks the performance of black people in the economy and broader society over several decades, with a special emphasis on the post-1994 period. It suggests that the widely held notion that racial transformation in South Africa has failed is not true - although much still needs to be done to create opportunities for black people. The report finds, for example, that:

- In 1994 there were on average 4.9 black-African people who were not working and thus dependent on every single black-African person who was employed. This figure has fallen to 3.3 in 2013.
- The number of black-African people in employment has doubled since 1994, contrary to the view that South Africa has experienced jobless growth.
- The proportion of black people (black-African, coloured, and Indian) in top management jobs has almost doubled since 2000, from 13% to 24%.
- The proportion of judges who are black has increased from 25% to 62% since 2000.
- In current prices, average individual monthly earnings from employment of black-Africans have increased by 90% since 2006, while white earnings have increased by 33%.
- In 1991 black-Africans received 21% of university and university of technology degrees and this figure had increased to 53% by 2011.

It goes without saying that the report also identified glaring racial inequalities:

- For example, average individual monthly earnings from employment of white people are four times those of black-Africans.
- The level of relative poverty for black-Africans sits at 42% while that for whites is just 1%.

The report suggests that turning these figures around will depend on the three Es – education, entrepreneurship, and economic growth – the only way in which real empowerment can occur, particularly for those who were disadvantaged by the racial policies of the past. Future progress may therefore come to depend less on racial policies such as Black Economic Empowerment and more on ensuring access to sound education while fostering a climate conducive to economic growth.

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