

**Creating a policy framework for growing the middle class: the case
of the City of Johannesburg Metropolitan Municipality**

by

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ABSTRACT

Since post-apartheid South Africa, the government has focused mainly on alleviating poverty and bridging the inequality gap. This has been done through the implementation of pro-poor policies. While these pro-poor efforts favour primarily the poor, a significant number of households are trapped as they are neither poor nor rich. These are referred to as the aspirants in this study. The aspirants, in terms of regulation, are considered economically self-sufficient and could as well be classified in the middle class. However, they are struggling to pay their bills and take care of their households. Their desired economic, social, and political life is still the aspiration and admiration of those in the middle class. There is no specific government policy targeted at the progression of the aspirants towards becoming a stable middle class. Therefore, this study aims at developing a policy framework with recommendations that will grow the aspirants to become a stable middle class.

This study utilised the convergent parallel mixed-methods case study design in the City of Johannesburg Metropolitan Municipality, to profile these aspirants by identifying their characteristics and analysing their determinants and the impact of such determinants on their upward mobility. Finally, a policy framework that will assist to grow and sustain the aspirants into a stable middle class was developed.

Findings from the study show that the aspirants tend to adopt lifestyles of the middle class but without the prerequisite resources to sustain these livelihoods. The descriptive analysis, non-parametric tests and chi-square tests indicated that they have lower levels of education, asset holding, and participation in social networks, which makes them vulnerable to consumption shocks. Consequently, through the literature review, the study established key determinants of the aspirants' upward mobility. These were modelled using the binary logistic regression technique to determine their impact. Findings from the logistic regression revealed a significant relationship between social mobility and education, racial inequality, asset ownership, access to economic opportunities, and proximity to amenities. The study findings were necessary for providing a policy framework that focuses on improving the quality of education through early childhood development and leveraging intergovernmental relations; addressing asset accumulation through improving enforcement of property rights; addressing racial inequality and improving access to opportunities through

reducing the cost of doing business, the creation of decent employment and preferential procurement; and ensuring spatial developments that promote proximity to amenities by the aspirants.

Key Words

Aspirant middle class, stable middle class, social mobility, Local Government, Public Administration, policy framework, pro poor, logistic regression.

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LIST OF ABBREVIATIONS

AfDB	African Development Bank
CoJ	City of Johannesburg
CSS	City Safety Strategy
DA	Democratic Alliance
ECD	Early Childhood Development
EGS	Economic Growth Strategy
ESP	Expanded Social Package
GCRO	Gauteng City-Region Observatory
GDS	Growth and Development Strategy
HDS	Human Development Strategy
IDB	Inter-American Development Bank
IDP	integrated developmental plan
IES	Income and Expenditure Survey
IGR	Intergovernmental Relationships
ITP	Integrated Transport Plan
LED	Local Economic Development
LFS	Labour Force Survey
MDGs	Millennium Development Goals
NIDS	National Income Dynamics Study
OECD	Organisation for Economic Co-operation and Development
PIH	Permanent Income Hypothesis
PPI	Progress out of Poverty Index
PPP	Purchasing Power Parity
PSLSD	Project for Statistics on Living Standards and Development
SAPs	Systems Applications & Products
SDGs	Sustainable Development Goals
SDF	Spatial Development Framework
StatsSA	Statistics South Africa

CHAPTER 1: INTRODUCTION

1.1 Introduction

The rise of the middle class has been an important global matter, especially in emerging democracies like South Africa. The growth of the middle class is imperative for advancing inclusion and stability, the growth of the economy, poverty reduction and better governance, particularly in developing countries, where the majority of the poor are excluded (Ncube, Lufumpa & Kayizzi-Mugerwa 2011:6, Visagie & Posel 2013:150, Centre for Development and Enterprise (CDE) 2013:4). According to Schotte, Zizzamia and Leibbrandt (2018:102) and CDE (2013:4), a larger number of individuals in South Africa are still unable to move up the income ladder into a stable middle class despite benefiting from public services and social welfare transfers. Most of these individuals may have managed to transcend poverty but still find themselves unable to progress into the middle class, partly as a result of policies that mainly favour the poor and ignore those just above the poverty line.

This study refers to these individuals as the “aspirant middle class” or simply the “aspirants”, who are at substantial risk of falling back into poverty in the event of any shock. This could occur, for example, if a household member falls ill or suffers a drop in income because of an economic downturn (Glick, Sahn & Walker 2016:792). The aspirant middle class is now a growing class in metropolitan areas and comprises individuals who earn a higher income than the indigent thresholds, yet their income is too low to afford the middle class lifestyle (Ncube et al. 2011; Kodila-Tedika, Asongu & Kayembe 2016; Visagie 2015; Shimeles & Ncube 2015). This phenomenon is also evident in Latin America, where significant progress in the reduction of poverty and inequality has been made, yet those who exit poverty and join the aspirant class are still at substantial risk of falling back into poverty (Inter-American Development Bank [IDB] 2015:9). Despite the prominence given to the rising middle class in fostering inclusion, stability, and growth of the economy, research on the phenomenon of transcending the aspirants into a stable middle class in South African metropolitan contexts has been rare. To address this gap, this study analyses with regard to the aspirants their characteristics, the key determinants of social mobility and the impact of these determinants on their upward mobility, as well as policy recommendations

that will grow them to become a stable middle class in the City of Johannesburg Metropolitan Municipality (CoJ).

This chapter is structured as follows: after the introduction in section 1.1, section 1.2 provides the background to the study. Section 1.3 describes the purpose of the research; section 1.4 outlines the problem statement; section 1.5 outlines the research objectives; section 1.6 provides the motivation of this study; sections 1.7 and 1.8 outline the contribution to knowledge and public administration respectively; section 1.9 describes the methodology; section 1.10 outlines the limitations and delimitations of the study; section 1.11 provides the ethical considerations; section 1.12 clarifies concepts and terms; section 1.13 provides the outline of the research study; and the last section, 1.14, summarises the chapter.

1.2 Background

Research by Visagie (2015:7) indicates that the number of aspirants in South Africa earning between R515 and R1399 (US\$35 and US\$90)¹ per capita per month at 2008 prices has been increasing. This is evidence that the majority of individuals are becoming stuck along the transitory path (Shimeles & Ncube 2015:179). Therefore, the size of the middle class in South Africa is noticeably smaller compared to that of other emerging economies, and its growth lately has been sluggish (World Bank 2018:35). For example, the World Bank (2018:36) states that only 24% of South Africans can be regarded as elites or a stable middle class, whereas 76% are poor or risk sliding into poverty. Van Aardt (2016:29) and Rivero, Du Toit and Kotze (2003:23) also conclude that, as a whole, the middle class in South Africa has not become considerably better off since 1993. If individuals do not move away from the poverty margin and progress along the transitory path, they will continue to remain vulnerable, as the same policies that took them out of poverty cease to apply to them once they are no longer considered poor.

The United Nations Millennium Development Goals Report (2015a:3) claims to have successfully generated an historical anti-poverty movement through their first goal, which was the eradication of extreme poverty and hunger. The current Sustainable

¹ All the US\$ were converted at the rate of approximately 1US\$ = R15, which was the average rate of the exchange rate in the last quarter of 2019 (October to December) as supplied by X-RATES.com.

Development Goal (SDG) number 1 emphasises ending extreme poverty in all forms by 2030 (United Nations 2015b:17). While strategies that have informed policies on poverty alleviation are well documented (World Bank 2018; Swedish International Development Agency 2006; International Labour Organisation 2005), there is very little known about policies that ensure the progression of the aspirants towards becoming a stable middle class in the CoJ and this study intends to fill this gap in empirical studies. This study argues for socially inclusive policies that do not address only the plight of the poor but include the aspirants as well. Thus, a framework to assist in developing policies that directly target the aspirants to assist them in growing towards becoming a stable middle class is proposed in this study. In addition, the key determinants of the progression of the aspirants, including the impact of these determinants on their upward mobility, are also investigated in this study. There is potential for a long-term solution to the growth of the middle class if policies can be enhanced from being merely pro-poor to enable the aspirants to progress up the income ladder. The benefits of the progression of the aspirants into the middle class are that they will become an engine of growth and the foundation for social cohesion and better governance (Burger, Steenkamp, Van Der Berg & Zoch 2015:27). To contextualise the study, it is important to understand the three spheres of South African government, as outlined in the following section.

1.2.1 South Africa: three spheres of government

South Africa has a three-tier system of government, as shown in Figure 1.1, comprising the Local Government, Provincial Government, and National Government. Chapter 3, section 41(1) of the Constitution of the Republic of South Africa, 1996 (hereafter referred to as the Constitution) pronounces these three spheres as being “distinctive, interdependent and interrelated” and directs them to cooperate in mutual trust and good faith (Figure 1.1).

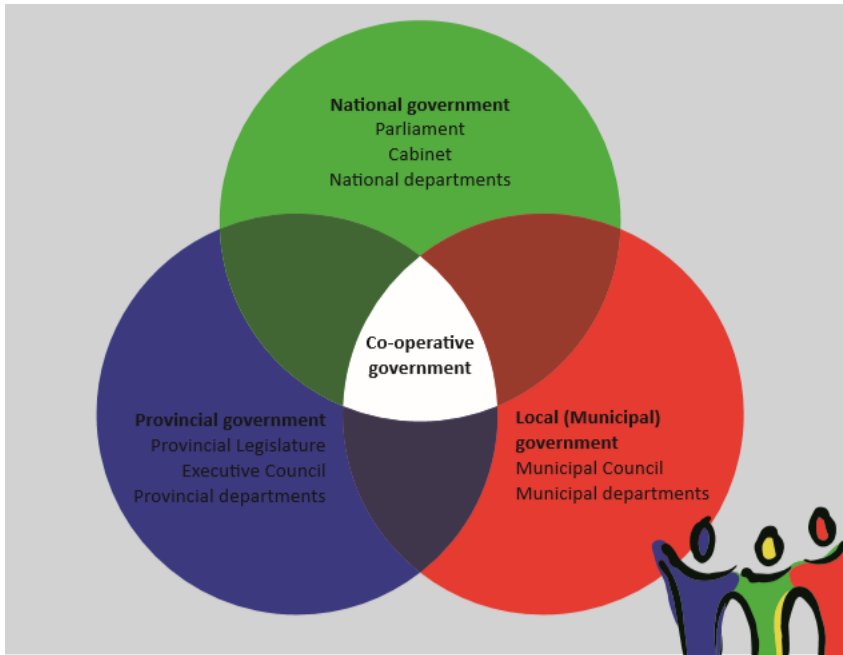


Figure 1.1: The three spheres of government in South Africa

Source: Western Cape Provincial Parliament (2019)

Thornhill (2011) refers to section 41(1) of the Constitution when he states that the three spheres must cooperate in mutual trust and good faith by, inter alia:

- Assisting and supporting one another;
- Informing one another and consulting one another on matters of common interest;
- Coordinating their actions and legislation with one another;
- Adhering to agreed procedures; and
- Avoiding legal proceedings against one another.

Chapter 3, section 41(1) of the Constitution further outlines that within this cooperative structure there needs to be a clear understanding of each sphere of government's powers and functions to ensure that a sphere of government or organ of state does not infringe on the geographical, functional or institutional integrity of government in another sphere. Below are the different levels of the three spheres of government, the nature of the executive and administrative functions, and the roles and responsibilities for each as prescribed by Chapter 3, section 41(1) of the Constitution.

National government

The national government is led by the President and Cabinet. The national government department has the responsibility of implementing the policies and laws decided on by the Cabinet or by Parliament. Laws including policies are approved by Parliament, which comprises the National Council of Provinces and the National Assembly.

Provincial government

The provincial government is led by the Premier and Executive Council. There are nine provincial governments in South Africa. Each provincial government is tasked with developing its growth and development strategy that provides the overarching framework for developing the provincial economy and service improvements. Additionally, each province develops its respective Spatial Development Framework that outlines how and where development must take place (business and residential) and the framework for environmental protection. The provincial government may not act against the policies or laws set down by the national government.

Local government

Municipalities are led by the Executive Mayor and the Mayoral Committee. Within this three-tier system of government, municipalities, which fall under local government, are at the coalface of service delivery. Thus, municipalities are responsible for delivering basic services: electricity, water, sewage and sanitation, stormwater systems, refuse removal, firefighting services, municipal health services, land use management, municipal roads, municipal public transport, street trading, parks and recreational areas, local tourism libraries, and other facilities. The local government may not act against the policies or laws set down by the national and provincial sphere of government.

The three spheres are required to assist and support one another in improving service delivery. In order to provide a conducive environment for promoting, regulating, and empowering the aspirants; municipalities must work coherently and cohesively with the other spheres of government. Failure to work cooperatively with other spheres of

government will result in a hostile environment that is counterproductive towards the growth of the middle class.

1.2.2 Class status in South Africa

The government efforts to alleviate poverty have had implications on class structure in South Africa that could be related to the emergence and growing phenomenon of the aspirant middle class status. Schotte et al. (2018) utilised the National Income Dynamics Study (NIDS) (2010) data to indicate the five main social classes, which are (a) the chronic poor, who are associated with persistence of high poverty; (b) the transient poor, who possess a high likelihood of transcending poverty; (c) the vulnerable or the non-poor (considered the aspirants in this study), who currently meet their basic requirements but still face high risks of descending to poverty; (d) the middle class, who can maintain a higher standard of living than the non-poor even on the face of undesirable shocks; and (e) the elite, who have standards of living far above the average (see Figure 1.2 below).

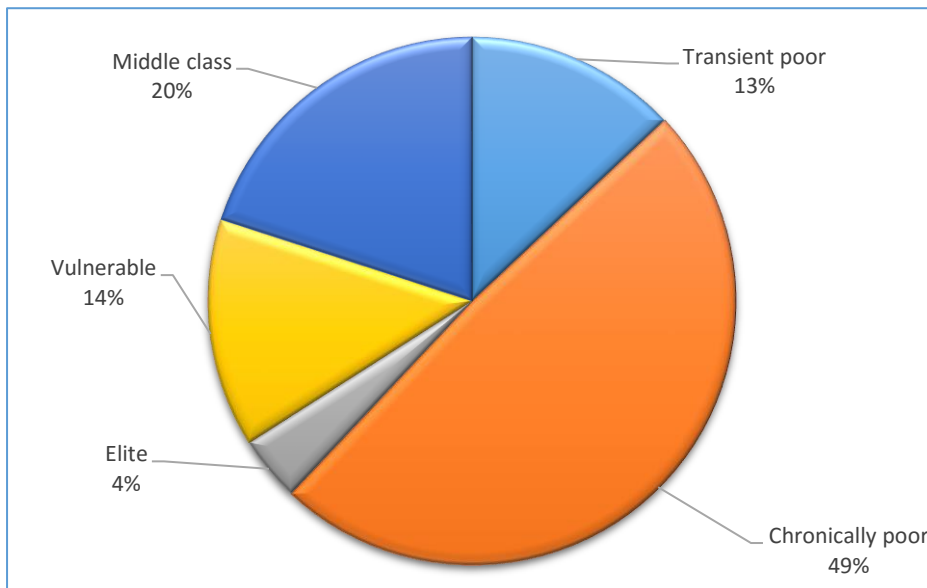


Figure 1.2: Class status in South Africa

Source: Schotte et al. (2018:95)

In 2017, only 24% of South Africans fell into the elite or the secure middle class. 14% fell into the category of the vulnerable, 13% were categorised as the transient poor, and 49% were chronically poor with a limited chance of progressing into the middle class. The most stable of the classes are the elite, who are stably not poor, and the chronic poor, who are stably poor.

It is also notable that most developmental studies thus far have focused on the poor with specific attention given to policy designs and programmes aimed at alleviating extreme poverty. The World Bank (2018), for example, offers an overview of the progress South Africa has made in reducing poverty since 1994, where they found that economic development has played a major role in reducing poverty. Mushongera, Tseng, Kwenda, Benhura, Zikhali and Ngwenya (2018) offer an analysis of changes in deprivation in Gauteng for the 1995-2010 period, as well as an evaluation of the effect of government support on poverty in the province. They found that poverty was declining at the aggregate level and for households headed by Africans. David, Guilbert, Hamaguchi, Higashi, Hino, Leibbrandt and Shifa (2018) provide income and multidimensional poverty estimates and they further identify poverty correlates across municipalities in South Africa. Their findings indicate that overall, areas traditionally marked by poor economic and welfare conditions tend to experience substantially higher rates of poverty and deprivation. The aim of this study is, however, not to understand the dynamics of poverty, but to identify the drivers of upward mobility and policy shifts that are required and necessary for the aspirants to progress towards becoming a stable middle class. In this study, the focus is shifted towards the aspirants rather than the poor as the basis for growing the middle class in the CoJ. This will lead to the proposals of a hybrid policy framework which is based on the integration of pro-poor policies as well as those designed to sustain the middle class. Policies that promote the progression of the aspirants towards becoming a stable middle class can also lead to an improvement of the economic conditions of chronically impoverished populations through job creation. Factors affecting the aspirants may be distinct from those affecting the poor, which is what matters in policymaking. Therefore, in analysing the CoJ case, this study identifies the antecedents and consequences of the concept of social mobility, as discussed in Zongozzi and Wessels (2016:226).

1.2.3 Overview of the CoJ Metropolitan Municipality

The case for the CoJ in growing the middle class supports the national imperatives to grow the South African economy using cities as the engines of growth as outlined in Chapter 13 of the South African's National Development Plan (NDP) (2011). To foster the growth of the national economy, the NDP (2011) alludes to the need for municipalities to adhere to their mandate of spatial planning, developing infrastructure, and providing basic services. The CoJ Integrated Development Plans (IDPs) thus need to be used more strategically to focus attention on these critical priorities.

The CoJ is also the biggest metropolitan municipality in South Africa (Udjo 2019:11) with an estimated population of approximately five million inhabitants. The population of the CoJ increased by 11.6% between 2011 and 2016 and a further 6.1% between 2018 and 2019 (Udjo 2019, StatsSA 2016a). Currently, the population represents 9.1% of South Africa's total population (Udjo 2019:38–39). Although the CoJ has the largest population, it is estimated to have the lowest age dependency ratio of 36.6 dependants for every 100 persons in the working-age group (Udjo 2019:24). The low dependency ratio indicates that the composition of the aspirants is mainly drawn from the working age that is actively seeking employment opportunities and entrepreneurship opportunities. The CoJ also boasts a significant share of the financial and business services sectors compared with other metropolitan areas (Human Sciences Research Council 2014:17). The CoJ possesses one of the most popular city strategies in South Africa, called the Growth and Development Strategy 2011 (Joburg 2040 GDS 2011) (subsequently referred to as Joburg 2040 GDS), which aligns the city with growth policies that develop a knowledge-based economy and enhance the city's ambition to become a world-class African city. The CoJ has the biggest institutional arrangement compared with other metropolitan municipalities in South Africa with a total complement of about 30 000 employees (CoJ Integrated Annual Report 2018/19:14) and an annual budget of over R50 billion (CoJ Integrated Annual Report 2018/19:346). The CoJ has also historically been regarded as South Africa's test case of urban reconstruction (Beall, Crankshaw & Parnell 2002:7) and is thus the leading focus for developmental planning. The growth of the aspirant middle class and the middle class is therefore more likely to be higher in the CoJ than in other municipalities in South Africa.

Despite the slow growth of the middle class in South Africa and Africa in general noted by Van Aardt (2016), Rivero et al. (2003) and Ncube et al. (2011), the Joburg 2040 GDS states that the CoJ faces several other challenges such as rapid urbanisation, population growth, poverty, and inequality. The CoJ also remains one of the most unequal cities in the world with a Gini coefficient of over 0.63 (CoJ IDP Review 2019/20:16), which is above the distress level of 0.4 acknowledged by the UN. Mushongera et al. (2018:84) puts the CoJ Gini coefficient even higher, at 0.74. The authors conclude that such high-income inequality is a potential source of socioeconomic tension and extreme incidences of violence such as xenophobia. Approximately 37% of the CoJ population is living below the poverty line and is mainly densely populated in the suburbs around the periphery of the City, as shown in Figure 1.3.

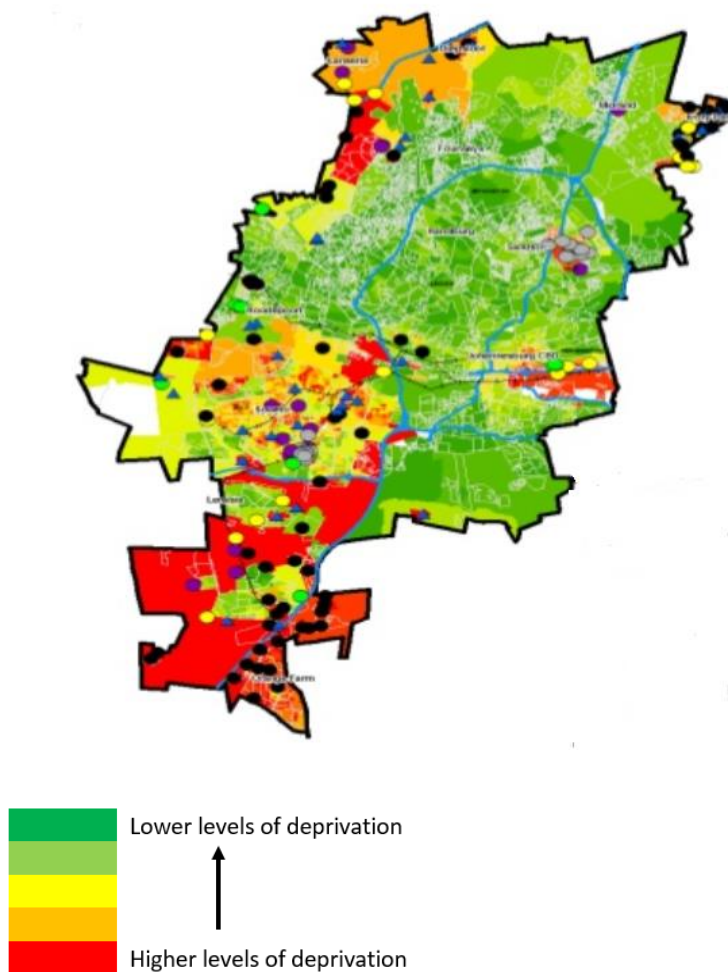


Figure 1.3: Deprivation map of Johannesburg

Source: CoJ IDP (2017)

Figure 1.3 reflects that deprivation remains a concern in the CoJ, including in the areas densely populated by the aspirants, where the deprivation index is greater than 65. Data from the quality of life survey that were conducted by Gauteng City-Region Observatory (GCRO), hereinafter referred to as GCRO QoL (2017/18)) shows that the aspirants are densely populated around the Central Business District (CBD) and Soweto, where the deprivation index is high. Unemployment was the most dominant deprivation dimension on the collection of indicators that were used in the analysis in Figure 1.3. A lack of access to work opportunities restricts the capability of the aspirants to gain access to other opportunities and amenities, thus trapping them without opportunities of moving up the income ladder.

In an endeavour to deal with the above challenges, the CoJ and the rest of other municipalities in South Africa instituted a variety of policy-related interventions to improve the welfare of households through the provision of free basic services (FBS) comprising water, electricity, and sanitation. These endeavours increased the number of indigent households accessing basic services. For example, the analysis of the StatsSA (2016c) data indicates that between 2011 and 2015, access to free basic water and electricity more than doubled (increased by 149% and 158% respectively), while access to refuse removal increased by 13%. Statistics South Africa's non-financial census of municipalities (2018) reports that by 2018 there were 3.6 million indigent households who benefited from FBS as follows: 2.8 million benefited from the support system for water, 2 million for electricity, 1.8 million for sewerage and sanitation and 2.3 million for solid waste management. However, the aspirants do not benefit from the policies relating to FBS since their income is regarded as being higher than the minimum threshold of R5 800 (US\$370) required by the means test.

1.3 Purpose of the research

The purpose of this study is to analyse the key determinants of social mobility, the characteristics of the aspirants, and the impact of the determinants of social mobility on the upward mobility of the aspirants. Ultimately this information will be used to develop a policy framework aimed at growing the aspirants to become a stable middle class in the CoJ. The strategy of growing the middle class in metropolitan areas through graduating the aspirants into a stable middle class is key, as this study argues that this group of individuals has been neglected by local government policy

frameworks. It is in the metropolitan areas where the growth of the middle class is evident. This study therefore has strong policy relevance, in particular to the local government and good governance contexts. This study combines relevant literature in Public Administration, Development Economics, Sociology, Political Economy, and Public Sector Regulation to challenge existing policy and proposes a new policy framework as a recipe for upward social mobility for the aspirants in the CoJ.

Globally, there appears to be a shift in policy and development approaches away from exclusively targeting the poor towards including the aspirants (López-Calva & Ortiz-Juarez 2011; Inter-American Development Bank [IDB] 2015). For example, in Latin America, the IDB (2015:2) found that despite progress in reducing poverty by 35% between 2000 and 2013, the region remained characterised by a substantial vulnerability that affected the growth of the middle class. López-Calva and Ortiz-Juarez (2011:17) also found that the aspirants face the prospect of experiencing poverty in the future, which may suggest that social safety nets continue to be relevant for many that are currently free of poverty. The IDB (2015) argues that their findings have important implications for the design and implementation of development policies in the sense that interventions that target the aspirants in Latin America needed to adopt flexible entry and exit guidelines in response to income mobility (IDB 2015:20).

According to Birdsall, Lustig and Meyer (2014:132), as the size and the income of the middle class rises, the aspirants could, progressively, turn out to be disenfranchised. For example, the provision for assistance received in cash by this class is largely offset by taxes that are directly levied on goods and services they consume. Moreover, the aspirants are susceptible to descending into poverty, if a family member falls sick or experiences a fall in income as a result of shocks in the economy. Thus, there is a need for greater consideration to protect the interests and needs of the aspirants when designing and implementing economic and other social policies. Following this, Birdsall et al. (2014:142) suggest that the design and the implementation of policies that minimise exposure to marginalisation by the aspirants need to be prioritised. The process of designing such policies should focus on progressively improving the ratio of income to GDP and that the incremental income should guarantee the provision of public investments to benefit the aspirants as well as the poor. Also, it is essential to give priority to social security reforms and the strengthening of the labour market. This

will ensure that the risk protection against, for example, health and unemployment are extended and broadened, while preventing the escalation of costs associated with formalities and removing anomalies to the growth in productivity.

Against the above background, the purpose of this research is to create a policy framework with recommendations that will enable and promote the progression of the aspirants towards a stable middle class. This will be achieved through the investigation and understanding of the characteristics of this group, their key determinants of social mobility, and the impact of these determinants on their upward mobility.

1.4 Problem statement

The developmental approach in the CoJ municipality has been traditionally pro-poor in response to challenges of poverty and inequality. The White Paper on Local Government (1998) promotes the developmental process that targets specific groups within communities that are most excluded or marginalised. The White Paper (1998) has resulted in many development policies in local government being reduced to a pro-poor focus, hence excluding the aspirants who may have just stepped out of poverty and are still struggling to progress up the income ladder. While the White Paper (1998) could be widely credited for leading to a reduction of household poverty, the increasing majority of these households are trapped as the aspirants, with negative ramifications for middle class growth in the CoJ. Future strategies to grow the middle class in the CoJ require new approaches to graduate individuals from their aspirational status. If the CoJ strategies and policies are not tailored to acknowledge the existence of the aspirants, they will remain largely unstable and susceptible to sliding back into poverty in the case of exogenous shocks. This pattern retards the growth of the middle class and has negative implications on economic prosperity in the CoJ. The failure of aspirants to progress towards a stable middle class is partly due to policy failure by the CoJ. For example, there is no policy articulation in the City's strategies that target the aspirants. Most of the strategies and policies assume that people move out of poverty and settle sustainably into higher classes. However, this has not been the case, as most of them remain as aspirants (Unilever Institute of Strategic Marketing 2012), the floating (Shimeles & Ncube 2015), the transitory poor (Fuwa 2003) or the slow emerging middle class (Van Aardt 2016). Thus, these policies, particularly in local government, that do not promote upward mobility have resulted in people remaining

perpetually as the aspirants or risking their regression into poverty. These policies are a reflection of a lack of understanding of the key characteristics of this class, the key determinants of social mobility, and the impact of these determinants on their upward mobility.

Even though there is a growing number of individuals who can be regarded as the aspirants in the CoJ, this class remains vulnerable and their upward mobility is hindered, as indicated in the literature by Netshitenzhe (2015), Unilever Institute of Strategic Marketing (2012), Ncube et al. (2011) and Kodila-Tedika, et al. (2016). If ignored, they easily fall back into poverty. However, if support mechanisms are put in place, they can become part of a stable middle class and contribute to the development process of the CoJ.

1.5 Research objectives and questions

The principal objective of this study is to create a framework for possible enrichment of policies² that are necessary to enable, promote, and empower the aspirants to grow towards becoming a stable middle class in the CoJ. Theoretically, empowering the aspirants embodies the "Capability Approach" pioneered by Sen during the 1980s and further developed by Nussbaum in the late 1980s onwards. Roybens (2005) and, more recently, Burger and McAravey (2014) embrace the "Capability Approach" by accentuating that policies ought to focus on what people can do and be, on their quality of life and on removing obstacles in their lives – so that they have more freedom to live the kind of life that they have reason to value. According to the "Capability Approach", sustainable policies will ensure that the people are capacitated, empowered, and are free to grow and realise their aspirations. The focus on establishing policies that capacitate and empower the aspirants provides a critical

² The policy documents under analysis were the GDS 2040; Economic Growth Strategy 2018; Expanded Social Package Programme 2008; Spatial Development Framework 2016; The Children's Strategy 2011-2016; Property Rates Policy 2019/20; Inclusionary Housing Incentives, Regulations and Mechanisms 2019; Integrated Development Plans 2016 - 2019; State of the City Addresses 2017 -2019; Annual Budget Statements 2017 -2019.

addition to the raft of policies that municipalities have been implementing in their endeavour to address poverty sustainably since the end of apartheid.

To address the above main objective, this research study:

- Identifies, from the literature, the key determinants of social mobility that may enable the progression of the aspirants towards becoming part of a stable middle class in the CoJ;
- Critically analyses key characteristics of the aspirants in the CoJ;
- Ascertains the impact of the identified key determinants of social mobility in promoting the progression of the aspirants towards becoming part of a stable middle class in the CoJ; and
- Develops a policy framework with recommendations to enhance the effectiveness of future CoJ policies that will ensure that the aspirants grow and become part of a stable middle class.

The research questions that were investigated to create the policy framework that allows the aspirants to progress towards becoming a stable middle class were developed from the research objectives, and are:

- What are the key determinants of social mobility, from the literature, that could assist in the progression of the aspirants towards becoming part of a stable middle class?
- What are the key characteristics of the aspirants in the CoJ?
- What is the impact of the identified key determinants on the ability of the aspirants to grow towards becoming part of a stable middle class?
- What policy framework with recommendations is necessary to enable, regulate, and promote the progression of the aspirants towards becoming part of a stable middle class?

1.6 Motivation for the research

Owing to the significance of political, economic, and social class for South Africa's emerging democracy, it is critical to study the growth of the middle class, and

especially the dynamics of the aspirant middle class. This should be done despite the fact that such endeavours could be frustrated by differences around the origins and meaning of class status as well as different opinions on how class status should be measured (Burger et al. 2015:26). Middle class growth in South Africa metropolitan areas is reliant on the ability of the aspirants to move up the income ladder towards the middle class. As indicated by Ncube et al. (2011:2), taking care of this class is critical because it serves as a connecting bridge between the lower middle class and the poor. Thus, the aspirants should not be left to be subject to exogenous shocks simply because they are no longer classified as poor.

There are also several challenges faced by the aspirants who require the enrichment of policies to address them accordingly (Netshitenzhe 2015:552). Firstly, Netshitenzhe highlights that the aspirants justifiably aspire to and practise the artificially high standard of living, yet unlike the established middle class, they do not have historically accrued assets. Secondly, the aspirants generally have large, extended families to sustain and consequently, they have to depend on huge debt and the windfall of patronage to maintain a so-called middle class lifestyle. Thirdly, as a result of having set their hopes on living the lifestyle of the middle class, but without such historical assets as are accessible to the established middle class, some of the aspirants attempt to obtain the resources in a way that compromises public values. Fourthly, Netshitenzhe states that the aspirants face deepening inequality and stratification, particularly within Black communities.

Also, it has been highlighted in section 1.3 that focus on the aspirants is not a new phenomenon worldwide (IDB 2011; López-Calva & Ortiz-Juarez 2011; Unilever 2012). In South Africa, the Unilever study (2012) suggests that the aspirants are determined to live middle class lifestyles, which makes them significant for policy consideration. Thus, policies aimed at developing the aspirants are a critical addition to the existing policies that the CoJ Metropolitan Municipality has been developing and implementing to address poverty. Also, enabling policies are required to ensure that the emerging aspirants find their way up the ladder sustainably. With good policies, upward mobility towards the middle class is facilitated, but without the right policies, the group easily regresses into poverty. It is against this background that this study explores the characteristics of the aspirants and profiles their key determinants of social mobility

and the impact of these determinants on their upward mobility in order to acquire knowledge to enhance policies for the advancement of the aspirants towards becoming a stable middle class that will participate in developmental processes. The study ultimately identifies development policies that provide for the aspirants as a critical mass for policy recommendations required to promote the sustainable progression of this class.

1.7 Contribution to the knowledge

This study is fundamental in proffering a new approach that provides the CoJ Metropolitan Municipality with new insights to grow their middle class by extending the developmental policies beyond the poor to include the aspirants. This is one of the key studies dedicated to creating a policy framework that can assist the aspirants as they attempt to progress towards becoming the middle class in the South African metropolitan context. This research study fills in gaps in the empirical literature on inclusive growth, inclusive social policy, and social mobility dynamics for the aspirants as they progress towards becoming a stable middle class. The study aims to reshape the Local Government policy environment to impact positively on the ability of the aspirants to become the realised secure middle class.

This study therefore contributes to knowledge in numerous ways. Firstly, it profiles the characteristics of the aspirants as a means to deepening understanding of this emerging and growing class in metropolitans of South Africa. To the best of the author's knowledge, this is the first attempt to recognise and profile this class in the metropolitan context, which will assist to target appropriately policies that promote the growth of the middle class. Secondly, it contributes to identifying impactful factors that sustain the growth of the aspirants in the CoJ. This is done theoretically by first determining factors that are logically considered as an explanation for the progression of the aspirants. These factors are mapped to show how they are related operationally, thus adding order to the conceptualisation by explicitly delineating patterns and introducing causality. Using theoretical assumptions and modelling, the study determines and justifies the selection of factors that will inform policy recommendations for enabling upward mobility of the aspirants towards becoming a stable middle class. Thirdly, the study reveals long-term policy perspectives that can be targeted at the aspirants as they transit themselves towards becoming a stable

middle class. A contribution is made towards closing the knowledge gap by integrating policies and strategies for poverty alleviation together with those for sustaining the middle class to reveal new and useful policy arrangements suitable to enable upward mobility of the aspirants.

1.8 Contribution to Public Administration

Raadschelders (1999:288) emphasises that the central role of public administration manifests itself in the governance of society; thus, public administration exists to underscore the governance of society. Raadschelders (1999) further argues that the role of public administration is to govern, and thus government and governance are the central concepts that assist in shaping the understanding of Public Administration. Therefore, this section situates this study within the broader discipline of Public Administration.

The problem of growing the middle class today necessitates solutions that traditionally could not be found in solutions to poverty alleviation and economic growth. The research objective that is pursued is how to ensure the progression of the aspirant middle class in public policy debates and how the government could design and implement public policies that will enable, regulate and promote the upward mobility of the aspirant middle class. Enabling the progression of the aspirants to become a stable middle class will always be difficult since political representatives and local government bureaucrats do not always have full control over the root causes of stagnation of the aspirants' attempt to climb along the transitory path. It is also important to note that policies that guarantee the progression of the aspirants can potentially advance conditions of parity in the enjoyment of fundamental rights, freedoms and equality of opportunities. However, when deliberating on such policies, the lack of these conditions can be viewed as obstructing the successful progression of these aspirants towards becoming a stable middle class. It is therefore essential to refer to the notion of social equity whenever there is an attempt to address the challenges that face the aspirants as they attempt to make the transit towards the middle class. While the necessary initiatives to achieve such an objective have to emanate from politicians, public administrators are ultimately the ones who will need to provide the strategy or formula that will ensure that these political imperatives are

fulfilled. This study therefore addresses how the public policymakers can enable and promote upward mobility of the aspirants towards becoming a stable middle class.

This study also argues that policies that promote development in the CoJ must be consistent with Chapter 10, section 195(1) of the Constitution, 1996, which outlines some of the basic principles and values that govern public administration in South Africa. For example, public administration ought to be orientated towards development, which implies that the CoJ should not just focus on a pro-poor development approach but rather a more inclusive development where everyone has a voice in the integrated development planning process of the City. This includes the spatial development of the city and the development of policies to ensure that they serve to improve service delivery across all social classes. Besides, public administration must maximise human potential through irreproachable human resource management practices. Thus the aspirants, by being aspirational, have a fair amount of education and motivation to participate productively in the affairs of the CoJ. It is therefore expected that the CoJ will maximise on the human capital capability of this class to catalyse economic growth and opportunities in the municipality. Finally, the need to redress the imbalances of the past to achieve broad representation is key and public administration must be broadly representative of all South African people. The CoJ must therefore redress imbalances and not perpetuate them. For example, policies that target a particular group over another are tantamount to perpetuating imbalances if they do not adopt a long-term perspective. Thus, in its endeavour to improve representation, the CoJ must consider the growing aspirant middle class as an additional class that requires attention.

1.9 Methodology

This study used the convergent parallel mixed methods design that was applied in the case of the CoJ Metropolitan Municipality following recommendations by Creswell (2012) and Guetterman and Fetters (2018). The quantitative data were obtained as secondary data from the GCRO, which conducted the Quality of Life Survey between 2017 and 2018 across all wards in the CoJ. The qualitative data were collected from interviews across the CoJ executives. The Descriptive statistics, the Chi-square tests, and the non-parametric Mann-Whitney U tests were utilised to establish the characteristics of the aspirants and how they differ from a stable middle class. The key

determinants of social mobility were obtained from the literature which was contextualised for the CoJ through analysis of the qualitative interviews. A binary logistic regression analysis was conducted, again using the GCRO QoL (2017/18) data to determine the impact of the identified key determinants of social mobility of the aspirants. The establishment of the characteristics of the aspirants, their key determinants of upward mobility, and the impact thereof of these identified key determinants ultimately informed the policy framework that, it is hoped, will assist to grow the middle class in the CoJ.

1.10 Limitations and delimitations of the study

It is important to recognise the limitations of this research so that readers have an adequate appreciation of the context, thus assisting them to assess sufficiently the impact and relevance of the conclusions of the study. This section of the study therefore highlights the limitations that have the potential to restrict some of the conclusions that were reached.

Purposive sampling was employed to select interviewees in the CoJ for this study. In purposeful sampling, the researcher's judgment is instrumental when selecting the interviewees who are deemed the most knowledgeable about the subject matter, although such judgement may be subject to bias (Saunders, Lewis & Thornhill 2007:230). However, experience in the field under study and, once again, the use of multiple sources of data collection and triangulation of such data enable the researcher to mitigate the problems.

At the time of conducting this study, the CoJ had just started a new era whereby the government comprised the coalition of different parties led by the Democratic Alliance Party. This government lasted for only three years, from 2016 to 2019, and another coalition government led by the ANC took over. All this happened concurrently with conducting this study. The rapid change of government may imply that some of the policies analysed and changes made thereto may quickly become obsolete as the coalition government attempts to realign policies and programmes. However, this study does not develop policies for the progression of the aspirants but rather proffers a policy framework with recommendations that can be adopted in any policy review process.

The information collection process through the case study method and the analysis that subsequently follow require a much longer period than other research options. That is because there is an enormous amount of data that must be scrutinised. This research was conducted with limited resources that would not allow extended time in the field. With a longer period analysing the case and the rapid change in the context, more data may have surfaced which may not be part of the findings in this study. However, because of the mixed research methods design adopted, allowing for a multiplicity of data to be collected, this problem was mitigated.

When conducting a case study, it is conceivable for the researcher to form a bias when collecting and analysing data that may influence the direction of the findings and conclusions (Yin 2003:35). The researcher could become close to the study participants and learn to identify with the subject. This limitation was mitigated by using numerous and highly knowledgeable informants who viewed the focal phenomena from diverse perspectives, as recommended by Eisenhardt and Graebner (2007:28).

Another common concern about case studies is that they provide little basis for scientific generalisation; however, when the case is selected correctly, it is possible to be generalised (Yin 2003:37). This study therefore chose the case of the CoJ since it is the biggest metropolitan area in South Africa where the highest number of the aspirants live. The CoJ has better economic opportunities which make it attractive to the aspirants from other parts of the country and even regionally abroad. While the findings in the CoJ may not be easily generalised, they will still form a baseline for further studies of the same phenomenon in other metropolitan areas. Also, the case for the CoJ was chosen based on its being historically considered a testing ground and a policy laboratory in the sense that it provides several examples, practices, and policies that have been adapted or adopted nationally or by other municipalities in South Africa (World Bank 2019; Socio-Economic Rights Institute of South Africa 2018).

Finally, the research problem in this study is not exclusive to the development of the aspirants. Other problems may have been considered. However, based on the motivation for conducting the research presented in section 1.6, this researcher believes that analysing public policies as the enabler for the progression of the aspirants is a good starting point. Also, the participants who were interviewed to elicit views on key determinants and policy recommendations in the CoJ were the

policymakers and not necessarily the aspirants themselves. However, the selected respondents had extensive experience and knowledge of working with public policy that affects social mobility and they also had knowledge about the aspirants in the CoJ. Such information from the key informants was also validated by the actual data drawn for the aspirants themselves using the GCRO QoL (2017/18) secondary data.

1.11 Ethical considerations

The University of Pretoria has a Research Ethics Committee in place that ensures that ethical requirements are observed when research is conducted. Therefore, this research was subjected to an ethical application process, which was subsequently approved by the Research Ethics Committee of the University of Pretoria on 19 November 2018 (see Appendix 4). The application pack submitted to the committee comprised the research topic, research proposal and the research instruments (the questionnaire and the interview guide) and the letter of permission to conduct the research within the CoJ.

In addition to the university ethical clearance requirements, the CoJ follows its own ethical clearance procedure before they issue the letter permitting research to be conducted within the institution. In order to get the letter permitting this author to conduct the research within the CoJ, the research instruments and the proposal had to be submitted to the CoJ Human Capital Management (HCM) Department, which is tasked with clearing all research conducted within the institution. This required the development of a full description of the research project, which was submitted to the CoJ HCM Department to seek permission. The project description included a list of the interview questions so that the CoJ HCM could determine how sensitive the questions could be. The CoJ HCM Department also required details of how the study would provide opportunities to "give back" to or reciprocate in some way the vision of the Joburg Growth and Development Strategy 2040, whereby a copy of the research thesis was agreed to be sufficient for submission to the City upon completion of the research. It was also obligatory that an appropriately designed informed consent form be included as part of the submission pack to the CoJ HCM Department for final approval. The permission to conduct interviews with the employees of the CoJ was granted by the HCM Department on 18 September 2018 (see Appendix 4).

Confidentiality was critical when conducting this research so that participants could freely express themselves. Thus, it was further explained to the participants that their information would remain confidential. This assisted in establishing trust with the participants in the early phase of the interviews.

1.12 Clarification of concepts and terms

The concepts clarified in this section ground this study on reshaping local government policies to grow the middle class in public administration.

1.12.1 Public Administration

The rationale and contribution of this study to Public Administration have been explicated in Section 1.7. The emergence of Public Administration is traced back to the seminal work of Woodrow Wilson (1887), who pioneered its lively discourse and stemmed the scope and theory of the study field (Van der Waldt 2014:9). The goal of Public Administration is to study the divisions of government in search of the common good by enriching civil society and making a contribution to social justice. As stated by Van der Waldt (2013:3), Public Administration is symbolised by multiple theoretical approaches and strategies which have resulted in its methodological and epistemological fragmentation. Thus, researchers in Public Administration will often borrow theories and insights from other disciplines, for example, economics, political sciences, sociology, and philosophy (Van der Waldt 2014:5).

1.12.2 Public service obligations

Public service goes hand in hand with obligations. Public service obligations refer to specific requirements that are imposed by public authorities on the provider of the service to ensure that certain public interest objectives are met, for example, in the provision of electricity, transport, water, and sanitation. The obligations can be applied at the municipal, provincial or national levels (Martin 2004:2). Section 197(1) of the Constitution proclaims that within public administration, a public service exists for the Republic, which must function, and be structured, in terms of national legislation, and which must loyally execute the lawful policies of the government of the day.

1.12.3 Local government

Most services are delivered to the citizens through the Local Government. The local sphere of government is comprised of municipalities which are the coalface of service delivery. Thornhill (2008:492) indicates that Local Government is frequently the first point of contact between individuals and a government and it is the government closest to the people. Section 152(1) of the Constitution states the purpose of local government as being:

- a) To provide a democratic and accountable government for local communities;
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment; and
- e) To encourage the involvement of communities and community organisations in the matters of local government.

In many countries, the local sphere of government is regarded as the third level of government, that is, secondary to the national and provincial government and in other cases to sub-regional structures (Thornhill 2011:48).

1.12.4 The middle class

Banerjee and Duflo (2008:3) state that no global dataset exists to answer the universal definitional questions of the middle class. Visagie and Posel (2013:150) refer to the middle class as individuals who have attained a certain absolute level of affluence. Another common method within the international literature, specifically in developed countries, as applied by Visagie and Posel (2013), defines the middle class as households that fall within a range of 50% to 150% of the median per capita household income. A vulnerability approach by López-Calva and Ortiz-Juarez (2011) widely used in Latin America and later adopted in South Africa by Burger et al. (2015) defines the middle class based on vulnerability to poverty. The approach challenges the notion that people above the poverty line are indeed part of the middle class. In this instance, an individual is not regarded as middle class if the probability of falling back into poverty is more than 10%, regardless of income. In this study, Birdsall et al.'s (2014)

income-based classification of households with daily income per capita between US\$10 and US \$50 (R150 to R750) (at constant 2005 Purchasing Power Parity (PPP)) is used to identify and characterise a group of people in the CoJ who are regarded as a stable middle class. This definition consolidates the vulnerability approach by López-Calva and Ortiz-Juarez (2011).

1.12.5 The aspirant middle class/ the aspirants

The aspirant middle class is the bridge between the poor and the middle class as they aspire towards the middle class lifestyles. In this study, the phrase 'aspirant middle class' is used interchangeably with the term 'aspirants'. This may occur with the assistance of policies such as subsidies or access to credit from the financial markets. According to the Unilever Institute of Strategic Marketing (2012), although the aspirants do not qualify as middle class, they are determined to get there and mimic the behaviour of those in the middle class. This study uses the income approach applied by Birdsall et al. (2014) to identify the aspirants in the CoJ. Birdsall et al. (2014) identify a group of people in Latin America who are not poor but are not middle class either as households with daily income per capita between US\$4 and US\$10 (R60 and R150) (at constant 2005 PPP).

1.12.6 Social mobility

Social mobility is a process of differentiation and interaction in the social class structure (Dong, Wang & Chen 2009:611). According to Nunn, Johnson, Monro, Bickerstaffe and Kelsey (2007:1), social mobility can be understood from two perspectives: relative and absolute social mobility. The former, sometimes called social fluidity, is associated with an individual's opportunities for progression within the social hierarchy, while the latter refers to processes of adjustment in the income or occupational structure of the economy. Social mobility can also be thought of as intra-generational (chances for social progression within an individual's lifetime) and inter-generational (a comparison of achieved social position with that of one's parents). In this study, absolute social mobility is used since the progression of the aspirants is measured as a sustainable improvement in their income to sustain their middle class aspirations.

1.13 Outline of the research study

Chapter 1 provided the background to the study, including its geographical delineation. This chapter also explains the purpose of the research; gives a problem statement; lists the research's objectives; and discusses the rationale for the study. Furthermore, it describes the contribution the study will make to public administration, the limitations of the study, and ethical considerations. This chapter also links the importance of the study to literature within the discipline of Public Administration.

In Chapter 2, the literature review is provided focusing on the rationale for studying social mobility; the definition and characteristics of the middle class and the aspirant middle class; social class theories; the key determinants of social mobility; the importance of the middle class in the economies of municipalities; and the role of policy design in enabling the aspirants to move towards higher classes. The literature review aims to expose a theoretical and empirical gap that enables the formulation of the research question and the selection of relevant variables to operationalise the research. In this chapter, the key determinants of social mobility are outlined based on the theoretical analysis by authors who have conducted similar studies.

Chapter 3 describes the methodology employed in this study. The convergent parallel mixed-methods case study design in the CoJ that was adopted to profile the aspirants by identifying their characteristics and analysing their determinants, and the impact of such determinants on their upward mobility, is described. The sampling procedure and the target population is described along with the instruments that were administered in the field. This chapter also describes the descriptive statistics, chi-square tests, non-parametric tests, and the logistic regression procedures that were used to evaluate the quantitative data to answer research objectives two and three. The analysis of qualitative data is also outlined as it provides the context and augments the understanding of all the research questions including the policy findings to enable the progression of the aspirants towards becoming a stable middle class

Chapter 4 presents the findings of the analysis of the key characteristics of the aspirant middle class. This chapter uses descriptive statistics, the Chi-square test and the non-parametric Mann-Whitney U test procedures to analyse and present the results of the

investigation into the characteristics of the aspirant middle class and how these differ from the middle class in the CoJ.

Chapter 5 presents findings on the impact of key determinants of mobility on the aspirants as they strive towards becoming a stable middle class in the CoJ. The chapter uses logistic regression modelling to determine the impact of the key determinants of social mobility, drawn from the literature, in enabling upward mobility of the aspirants. The results of the logistic regression modelling are also validated by key findings from the qualitative data analysis obtained from the CoJ key informants, as described in chapter 3.

Chapter 6 provides the results of the analysis and synthesis of qualitative data drawn from policy documents and interviews that were conducted with key informants drawn from the CoJ, as described in chapter 3. Firstly, the outcomes of the gaps in policy documents that are aimed at improving the quality of life for all the classes of people living in the CoJ are presented. Following this, this chapter presents the policy proposals that were made by the respondents during the interviews with the key informants that are aimed to enhance the upward mobility of the aspirants.

Chapter 7 provides for the aspirants the summary of their characteristics, the key determinants of social mobility, and the impact of these determinants on their upward mobility, as well as policy recommendations that will grow them to become a stable middle class in the CoJ. The contribution to knowledge by this study is also provided in this chapter. The proposed policy shift provided in this chapter is an add-on to the traditional pro-poor approaches that the CoJ has pursued since the unification of the different municipalities that formed it in 1999. This chapter finally offers a discussion on areas for future research.

1.14 Summary

Targeting the aspirants is the ideal strategy to grow the middle class in South African metropolitans. Currently, in the CoJ, development approaches are guided by pro-poor policies that are aimed at reducing poverty. However, preventing the aspirants from slipping back into poverty and growing them into a stable middle class remains an under-researched area both in terms of policy formulation and literature. Thus, this

study is intended to fill in gaps in the empirical literature on the social mobility dynamics of these aspirants as they strive to become and live a middle class lifestyle in a city context. The new phenomenon of the burgeoning aspirant middle class may imply a reduction in absolute poverty, but this class remains vulnerable to descending into poverty, or their upward mobility is precarious. It has been argued that if ignored, they easily fall back into poverty, but if support mechanisms are put in place, they may become part of a stable middle class and contribute to the development process. The study will, among other objectives, reveal key determinants of the aspirants in the CoJ as a critical mass for policy formulation to promote the sustainable progression of these households towards the middle class. Targeting the aspirants will guarantee the sustainable growth of the middle class in South African cities and the corollary is that the CoJ will become self-reliant and resilient. For example, the progression of aspirants towards the middle class will provide the opportunity to the CoJ for increased financial sustainability through a higher revenue tax base. The middle class also participates in the CoJ development processes, reduces polarisation and thus increases social cohesion. It is therefore imperative to explore and profile the key characteristics of the aspirants to enhance policy formulation and strategies that will enable this class to progress towards becoming a stable middle class. The middle class will always participate in the city's developmental processes. The next chapter provides the literature review, focusing on the theoretical aspects of the middle class and the key determinants of social mobility.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter provides a literature review that grounds this study. The first section outlines the rationale for studying social mobility. Following this, the theoretical perspectives and operationalisation of the concept of class are outlined. Thereafter, the exploration of the constructs of the meaning of middle class drawing from the international and South African perspectives is presented. In addition, the chapter will discuss the benefits of growing the middle class, including a deliberation on policy environment and approaches to policy formulation on growing the middle class. Consequently, an outline will be given on the characteristics of the middle class leading to the theoretical framework of the factors that drive social mobility.

2.2 The rationale for studying social mobility?

The interest in understanding the growth of the middle class in the CoJ is motivated by economic successes in Asia and Latin America, where the emerging middle class has played a major role in driving growth (Shimeles & Ncube 2015:178). In South Africa, metropolitan municipalities are encouraged to raise their own revenue and reduce dependency on national grants. The CoJ Annual Report for the financial year ending 2018/19 discloses that the City received only 19% of its total revenue from Government during the 2018/19 financial year, while the main revenue that supported most of the City's programmes and activities was from its own sources. This own revenue was generated from property rates and service charges that include electricity, water, and sanitation and refuse removal. To grow the revenue base, municipalities must develop and implement key policies that enable the middle class to grow sustainably. It is stated by Banerjee and Duflo (2008:3) that the middle class are prepared to pay a premium for quality services, which may imply that metropolitan municipalities, in their endeavour to grow their middle class, should provide consistently high-quality service delivery, which the middle class is prepared to pay for, and by so doing a sustainable tax base will be created.

The burgeoning of class status is essentially interconnected with a rise in progressive values and morals that are extremely favourable to a robustly growing economy,

poverty reduction and better governance (Ncube et al. 2011:6; Visagie & Posel 2013:150). As individuals move to become part of the middle class, they are almost certain to use their newly-acquired economic power to demand more accountability from their leaderships. This entails demanding property rights, higher quantity, and quality of public services as well as the rule of law. An argument echoed by Banerjee and Duflo (2008:3) suggests that new entrepreneurs arise from this growing middle class, which generates productivity and employment growth for society. The authors also assert that the growth of the middle class is principally a source of essential ingredients for the entrepreneurial drive because of their values that underscore the accumulation of human capital and savings.

The analysis of mobility can be conducted in relative terms or absolute terms. Mobility in relative terms examines how the ranks of households change between two periods; therefore, it is largely orientated towards the capacity of individuals to move up or down along the income rankings (Woolard & Klasen 2005:867). The relative measure of mobility has an advantage in that it is more consistent with the notion that the middle class represents less extremism and more temperate citizenry that enriches views that are progressive with regard to governance (Thurlow, Resnick & Ubogu 2015:591). However, Thurlow et al. (2015) are critical of relative measures of mobility, highlighting the following disadvantages. Firstly, they claim that the relative measure of social mobility fails to capture the degree of economic security that 'being in the middle class' ought to imply. This is particularly so when economic shocks occur that skew the overall distribution of income and thus alter those individuals who are regarded as the middle class. Secondly, there are problems with the relative measure of mobility, particularly in underdeveloped countries, owing to the huge number of persons who are still living in vulnerable conditions. Accordingly, applying relative measures to underdeveloped countries will typically account for those who are living on the margins of poverty. Lastly, the authors conclude that countries with higher income disparities also exhibit greater inequality across the different measures of the middle class.

Alternatively, mobility in absolute terms examines the nominal change in income from one period to the other and therefore is orientated towards the change in individual absolute wellbeing and poverty (Woolard & Klasen 2005:867). Thurlow et al. (2015:591) emphasise that the use of absolute measures implicitly suggests that

greater affluence results in individuals changing their preferences from just being survivalists to a more conspicuous commitment in their community and also a transformation of values. The ability of a person to consume goods and services over and above the basic needs is more accurately reflected by the relative measure. The limitation is, however, that the huge aggregate data employed to ascertain absolute mobility boundaries in low-income countries is premised on expenditure or consumption measures that exclude the dynamics of savings, levels of investments, and various levies that hypothetically underline anticipated political and economic behaviour of the middle strata. While social mobility in absolute terms could enable comparisons globally, it may not be sufficient in terms of capturing dynamics that are specific to a region. For example, a daily income per capita of US\$10 (R150) as the minimum threshold for a person to be considered the middle class may be applicable in the context of Latin American, whereas the same threshold will exclude many Africans. This study is more disposed to the absolute measure of mobility, where specific interest lies in the nominal change in income of the aspirants over time, enabling them to understand how to change their absolute wellbeing and status.

Despite their different measurement terms above, studies of mobility are useful for examining policies and strategies by governments on reducing poverty as well as vulnerability. Woolard and Klasen (2005:866) state that an understanding of stagnant people, people who are managing to get ahead and people who are falling behind, and the reasons therefor, has been given less attention in the South African context. This is significant since the South African government, in the aftermath of apartheid, promised to alleviate poverty, vulnerability and racial income inequalities, which suggests that the efforts were meant to increase social mobility. The emphasis of the post-apartheid policies was particularly on ensuring upward mobility of previously marginalised Africans. This is demonstrated by the massive expansion of the safety net programmes and accordingly increased number of people benefiting from social grants since 1997 (Bhorat, Oosthuizen & Van der Westhuizen 2012:81). As a result, South Africa implemented policies and strategies that were designed to reduce the reliance of the poor, who are regarded as vulnerable to the labour market, demographic and other shocks. An example of these policies and strategies that were aimed at enabling mobility were affirmative action, policies towards racial equalisation, increasing spending on education, subsidising housing for the poor and the expansion

of social safety nets targeting the indigent through increasing access to basic services. Further scrutiny may, however, be necessary to assess the extent to which these policies have yielded the desired outcome and to determine if, indeed, the targeted previously disadvantaged Africans have benefited more than other racial groups.

2.3 Class status: theoretical perspectives

In studying social mobility, clarity must be provided on the assumptions and theoretical underpinnings of the concept of class being investigated to operationalise class status. This allows claims about class to be empirically tested. There are three central schools of thought that are discussed in this study concerning the contemporary analysis of class, namely the Weberian class analysis, the Marxist class analysis, and the most recent Goldthorpe class schema.

According to Pyakurel (2001:14), the Weberian class analysis considers the stratification of class according to three categories: the economic class as represented by the goods and services including income possessed by individuals; the social class as characterised by honour and prestige enjoyed by the individuals; and the political power or party class as represented by the power exercised by individuals.

Weber (1978) explains that class exists if the individuals share the same likelihood of acquiring goods or services, obtaining status during their lifespan, and discovering internal fulfilment. Therefore, affiliates of any given category of class will share common life chances (Weber 1978:302). The market is considered the major determinant of life chances for individuals where these life chances are seen as the likelihood that people have to gain access to valued or scarce outcomes. The market allocates the life chances in accordance with the resources or assets brought by individuals into it and such resources vary from one individual to the other. Apart from the distinction between those who own property and those who do not own it, there are also differences in terms of other assets and skills. Nonetheless, all the assets referred to have value in the market and it is indeed the situation in the market that defines the state of class.

Weber (1978) differentiates the economic classes from the social classes in that social classes are comparatively smaller in their number because they are a result of the

aggregation of many economic classes. Social classes are formed based on other factors such as social mobility that intervene to change economic relationships into social relationships (Weber 1978:302).

Breen (2005:31–50) examines the foundations of a neo-Weberian class approach which identifies four social classes in a capitalistic context, namely: the dominant entrepreneurial class who own the property; the class of the petty bourgeoisie; the working class with formal credentials (considered to be the middle class); and the working class without the credentials and whose only strength is the power of their labour. The last Weberian group as analysed by Breen (2005) is synonymous with the aspirant middle class in South African metropolitan municipalities, who rely solely on their labour for income generation.

The distinction between status groups and parties as well as classes determines the different assets that could be brought to sway how life chances are distributed. If Weber (1978) coins the ‘working class’ without credentials as being considered a rising class in South African metropolitan spaces, what life chances could they then bring into the market? This is a central question that arises from Weber’s analysis for the aspirant middle class in metropolitan spaces. Thus, *Weberian class analysis* can potentially explain a range of outcomes. For example, class can assist to assess the relationship between life chances and class position. Secondly, it can explain unconscious or involuntary outcomes such as attitudes. Thirdly, it can explain conscious behaviour (not related to class consciousness): for example, people who have the same class position are likely to act comparably. In this instance, a policy can be targeted at the aspirants with confidence that it will have a uniform impact across the whole group. Lastly, Weberian class analysis can explain individuals with class-conscious behaviour, where they become cognisant of the association between the determinants and the outcomes of their class status (Weber 1978:929).

Another viewpoint of stratification was pioneered by Karl Marx in Marx, Engels, Moore and Aveling (1974). According to Marx’s school of thought, the history of the existence of societies is one of the class struggles. Thus different types of classes tend to develop based on different roles that individuals accomplish in the productive scheme of a particular society. This school of thought proposes that the conflict between the competing economic and social classes is a fundamental feature of society and is

dominant as a foundation of social change. It further proposes that persons in different relations to the means of production inherently tend to have opposed interests. For example, those with authoritative roles that benefit from the status quo and those without authoritative roles who suffer from it will define opposing attitudes or demonstrate a particular structure of conflict. Marx's views of class struggle emanate from his concept of surplus-value. The *Marxist surplus value* (Smith 2017:48) is based on the view with regard to the existence of exploitation of workers when they are remunerated lower than the worth of what they produce with their expended labour. Surplus value is therefore the variance between the market value of a good or service and the cost incurred, particularly that associated with the expended labour, during the production of that good or service. Cohen (1979:341) explains *Marxist surplus value* in terms of the degree of exploitation whereby the workers produce the value that is higher than that embodied by the variable component of capital. The approach by Marx to the study of stratification is therefore based on three concepts: class consciousness when workers become aware that they are being oppressed and divested of the surplus-value; solidarity within class when workers act together to realise common political and economic objectives; and class struggle, which is the conscious or unconscious and deliberate conflict between classes as workers develop an awareness of their historical role and act jointly to improve their condition, and eventually to take control of ownership of the production process (Wright 2005:20–21).

The concept of *Marx's surplus-value* and class struggle could explain the difficulty faced by the aspirants to progress towards higher classes. If aspirants are truly being exploited and are paid far lower than the value of the wages they produce, the corollary is that unless the policy is shifted to dismantle capitalistic tendencies in the production process, their progression towards higher class is not guaranteed. Additionally, if the aspirants develop an awareness of their historic role, as advocated by Marx, and act jointly to improve their condition, it is likely that administrative governments will not be stable without radical policies that encourage the progression of this class.

Marx and Weber offer differing theoretical perspectives and operationalisation of the concept of class. *Weber's approach* views society as containing three varieties of social masses: class based on economic focus, class based on the honour of status

groups, and class that is based on power (party). The *Marxist school of thought* is an ideal model for understanding stratification where the formation of class is distinct between the rich and the poor, thus creating a class grounded on social stratification. This implies that in metropolitans with such societies, they will have opposing class interests which will lead to conflict. This will also lead to new relations being found that result in increased consciousness within classes, reorganisation of mutual interests and policies, and the battle for political power.

Goldthorpe's framework of operationalising class, famously derived from the "Nuffield social mobility studies" (Goldthorpe, Llewellyn & Payne 1980; Halsey, Heath & Ridge 1980) has recently become popular in sociological tradition (Savage & Egerton 1997:645). Generational differences in origins and destinations can be explained by Goldthorpe's class schema that uses work-related grouping and roles in its stratification. As indicated by Penn (1981:266) and Nunn et al. (2007:21), the Nuffield mobility enquiry proposed a seven-class model stratified according to occupational groups and roles, namely: (i) executive level and specialised professions; (ii) junior management and less specialised professions; (iii) professions that are intermediate; (iv) proprietors in micro-businesses; (v) professions with low technical and supervisory roles; (vi) professions that are semi-routine; and (vii) professions that are routine. These seven classes are further clustered into three distinct occupational levels, namely professional, intermediate, and working classes. These seven classes are further clustered into three distinct occupational levels, namely professional (classes i and ii), intermediate (classes iii and iv), and working classes (classes v, vi and vii). Most of the aspirants are likely to be in the working class and a few of them may be participating in the intermediate class as proprietors of micro business, particularly in the informal sector.

While social mobility trends can be illuminated by observing the change in the occupational structure of society, researchers must be cautious to avoid superficially interpreting the proposed seven classes of the schema. Some occupations exhibit changing social and economic status over time. Also, there is no clarity that indicators of occupational position (for example earnings) are progressively distributed through the schema. The schema also does not take cognisance of people who may not be identifiable with particular classes, for instance, those who are employed

(Nunn et al. 2007:17).

Movement in and out of the classes identified by the schema occurs depending upon specific conditions. Absolute upward mobility is a consequence of structural changes away from occupations that are routine and manual to those that focus on administration, executive management, and specialised professions. Goldthorpe (2016:89–111) notes the continuing correlations between class origins and destinations, for example, children born in working-class families have a lower likelihood of becoming the middle class compared to children born in the middle class families. Nunn et al. (2007:22) argue that insecurity (financial and at the workplace), a lack of job satisfaction, joblessness, and overall low satisfaction with life are closely connected and more prominent among people with low skills and in inferior occupational classes. Thus, employment insecurity may be acceptable if prospects for upward job mobility exist. Nunn et al. (2007) further argue that as time spent doing a modest job increases, the prospect of leaving that job for a better-paid one diminishes. In addition, the degree of change in terms of earnings is short and thus, for the majority of individuals, growth in their earnings over time is on a small scale. The authors also note that the majority of people who leave low-paid jobs become jobless instead of progressing to higher professions.

2.4 Characteristics of the middle class

The middle-income strata also have several characteristics that differentiate them from the aspirants; therefore, understanding these characteristics is central to this study as it helps to target policy. For example, in Africa, middle class income is not derived from rural or agricultural activities but largely from salaried jobs and small businesses (Ncube et al. 2011:6). Banerjee and Duflo (2008:26) identify the following three characteristics of the middle class. These characteristics can stand out against the lower classes, the aspirants included. Firstly, the middle class relies on more expensive medical care when ill and depends less on public health services. Secondly, the middle class emphasises family planning. Thirdly, they spend more on education and nutrition. As a result, the middle class represents a healthier class, has superior education, and is inclined to have fewer children compared to the aspirants.

However, the empowerment approach by Burger and McAravey (2014:3) makes two recommendations about the ideal characteristics of the middle class. Firstly, the characteristics must gravitate around the empowerment and capacitation of individuals such that they are unhindered in maturing and realising their aspirations. Secondly, the middle-income strata must have accomplished the crucially needed capabilities and competencies beyond the least possible threshold. Thus, the most essential divide for the aspirants and the middle class is between individuals who can be considered empowered and those who are considered not to be empowered. According to the empowerment approach, the individuals who are considered less empowered consequently and frequently tend to place heavy reliance on external support through family remittances, support from friends and social grants from the state (Burger & McAravey 2014:3).

2.5 The middle class classification

Definitions of the middle class vary from author to author and can be traced back to the theoretical and seminal works of Weber (1978) and Marx (1974). Banerjee and Duflo (2008:3) argue that there is no global dataset that can provide a universal answer to define the middle class. Burger et al. (2015:25–26) also acknowledge tensions and contradictions relating to the definitions of and techniques available for estimating the magnitude of the middle class. Thus, the middle class can be defined in different ways depending upon the needs of the researcher, as discussed in the following sections.

The middle class can be described with respect to the individual's lifestyle, that is, as having accomplished a certain level of absolute affluence (Visagie & Posel 2013:150). These authors regard the middle class as individuals who have accomplished a certain level of absolute affluence or lifestyle. They intimate that the middle class could denote the relative economic status of the typical resident in the community. In the developing world, the middle class has been characteristically branded as persons that are concentrated in the middle strata along the income distribution and are likely to live lifestyles that are affluent in absolute terms. On the other hand, this definition is problematic in the context of developing countries where on average the majority of citizens are poor or are aspirants and not far from the poverty line.

The middle class can also be measured in terms of daily consumption per capita

(Ncube et al. 2011; Kodila-Tedika et al. 2016). The studies by Ncube et al. (2011) and Kodila-Tedika et al. (2016) pronounce the middle class in Africa in absolute terms as individuals with daily consumption per capita ranging from US\$2 to US\$20 (R30 to R300) in 2005 PPP. The studies specify three classifications of the middle class. At the lowest end of the classification is the 'floating middle' class which consists of individuals who had levels of per capita consumption ranging from US\$2 to US\$4 (R30 to R60) per day in 2005 PPP. The 'floating middle class' level of consumption, according to the Ncube et al. (2011) and Kodila-Tedika et al. (2016) studies, is marginally above the developing countries' poverty line of daily per capita consumption of US\$2 (R30) and essentially remains unstable and susceptible to sliding back to poverty in the case of exogenous shocks. The second classification is the lower-middle class, whose levels of consumption per capita range from US\$4 to US\$10 (R60 to R150) per day. This lower middle class can consume non-essential goods and save; therefore, this class lives above the subsistence level. The third classification, the upper-middle class, has daily per capita levels of consumption of US\$10 to US\$20 (R60 to R300).

2.6 The middle class: an international perspective

More recently, the discussions and measurements of the middle class have shifted away from the traditional approaches of income, consumption and lifestyle measures to a more nuanced analysis of the vulnerability of individuals. López-Calva and Ortiz-Juarez have been the main proponents of this new approach since 2011. Birdsall et al. (2014) later adopted this vulnerability approach and applied it in Latin American cities. According to their views, individuals who may not be poor could still be facing considerable risks of descending into poverty and, as a result, may not be considered to be the middle class. López-Calva and Ortiz-Juarez (2011:16) therefore define the middle class as individuals with earnings that guarantee them lower prospects (of below 10%, descending into poverty). In Latin America, the authors set an absolute lower limit of US\$10 (R150) per capita per day as the minimum income threshold that indicates the beginning of the middle class. Birdsall et al. (2014) provided the full range of the middle class income group as the individuals heading households with earnings between US\$10 and US\$50 (R150 and R750) per capita per day thresholds. This study applies this income definition of the middle class after converting the thresholds

to South African rands. In the South African context, Burger et al. (2015) applied the vulnerability approach and found that 27% of households were in the middle class in both 2008 and 2010. As for Burger et al. (2015), vulnerability emanates from a range of variables such as indicators that measure the extent to which services such as electricity, water and sanitation are delivered as well as individual socioeconomic features such as gender, age levels of education, and employment status.

2.7 The middle class: South African perspective

In South Africa, the income approach to defining the middle class is most frequently applied as the percentage range of a given median income, usually between 50% and 150% (Visagie & Posel 2013:154). However, this approach is problematic, given that South Africa is considered a dual economy with a level of income inequality that is viewed as one of the highest globally (World Bank 2018:43). The Bank further reports that wealth inequality in South Africa is even higher than income inequality. For example, in 2015 the richest 10 percent of the population assumed 71% of net wealth, whereas the bottom 60 percent assumed only 7% of the net wealth. High inequality has the potential to impact severely on intergenerational mobility as inequalities get passed down from one generation to the other. Aizer and Cunha (2012:23) cite the models of investment in children's human capital where it is shown that high income-related inequality leads to diminished private investments in children's' human capital among families at the bottom of the income distribution relative to families at the top. A further consequence of high inequality has therefore been a lack of homogeneity and cohesiveness among the middle class, which debilitates and complicates the traditional application of the income model of defining this class. The above discussion makes a logical call for a different approach to measure class in countries with low income or developing, such as South Africa. As a result, Burger and McAravey (2014:3) pointed out that the conventional definitions of the middle class that have been applied in South Africa have thus far assumed the following. Firstly, it embodies the growing availability of good jobs, the rise of new consumer markets and thus the retreat of poverty. Secondly, the middle class is perceived as embodying economic advancement and development and is regarded as contributing to social cohesion and a more effective democracy and good governance. Thirdly, the growing middle class

can provide incentives for the state to continue investing in public infrastructure such as health, schools, and roads.

If the meaning of the middle class is recontextualised from circumstances of a high-income country to developing countries such as South Africa, tension arises between its connection with the midpoint income and the associated implications on empowerment, skills and educational levels, standards of living, accumulation of assets and savings behaviour (Burger & McAravey 2014:3). For example, Burger and McAravey (2014) concur with the World Bank (2018) that the middle group in South Africa lacks homogeneity and cohesiveness as a result of high inequality, the fact that society is polarised and the consequences of the fragmented political system. Some of the people who are located on the midpoint along the income distribution are associated with low skills, low income, and few assets. It can therefore be maintained that the South Africa middle-income group still contains a proportion of vulnerable individuals who can barely be defined as comfortable or empowered middle class.

As a result of low levels of income across the population in most developing countries such as South Africa, the definition of the middle class must be conceived beyond the income-based method to include other things such as lifestyles and vulnerability. For example, to capture the middle class lifestyle in the less developed economies, Roybens (2005) advocates for the application of the capability approach by Sen (1980-1999) and Nussbaum (1988-2004). This framework can be used to assess and evaluate a person's prosperity, social structure, and propositions regarding societal transformation (Roybens 2006:352). This can be done by focusing on the individual's capabilities to function (Roybens 2005:95). The capability approach is similar to Burger and McAravey's empowerment approach (2014:3), which advocates that if the connotation of the middle class is to be reassigned meaningfully to less developed countries, then, in essence, it must capture the prevailing extent to which it empowers the people and not simply the income earned. According to the empowerment definition by Burger and McAravey (2014:4), the middle class must: be living in formal housing; be literate with a minimum of seven years of education; have access to basic services such as electricity, water and sanitation; be employed or living with a household member who is employed; live in a household with a cellphone or landline; and essentially live in a household with a refrigerator and stove. The individual may

be classified as less vulnerable and as part of the empowered middle class only if they meet all the criteria above.

It is worth noting that the composition and scope of the middle class in South Africa are dependent on the methodology used to define it. Moreover, the differences in definitions of the middle class have implications for the assessment, design, and targeting of policy. For example, the redistributive elements of policies that are aimed at stimulating the middle class growth vary as a function of the method used to define the middle class (Visagie & Posel 2013:150).

2.8 The aspirant middle class: an international perspective

Internationally, the definitions of the aspirant middle class differ, though literature largely converges towards the opinion that the aspirant middle class comprises individuals who earn a higher income than the indigent threshold, yet the same income is too low to afford the middle class lifestyle (World Bank 2019; Birdsall et al. 2014; López-Calva & Ortiz-Juarez 2011). Nonetheless, a study by PricewaterhouseCoopers (2014) on global trends and the rise of the emerging middle classes observes that the advent of an aspiring middle class in countries all over the world is one of the 21st century's most important social and demographic phenomena.

In the USA those aspiring to be middle class have certain aspirations for themselves and their children. They strive for economic stability and therefore desire to own a home and to save for retirement. They want to secure economic opportunities for their children and therefore strive to provide them with a college education (Reeves, Guyot & Krause 2018). A similar pattern to that of the USA is also evident in the Global South where the middle class has become aspirational in their spending. In the Global South, the aspirations relate to owning a home and a car and having a university education and regular family holidays (Short & Martínez 2019: 4).

Birdsall et al. (2014:132) classify the equivalence of the aspirants in Latin America as “strugglers”, whom they regard as neither poor nor the middle class. These strugglers live in households that have daily per capita income ranging from US\$4 to US\$10 (R60 to R150) at 2005 PPP. López-Calva and Ortiz-Juarez (2011) affirm that not all households with income above the poverty line in Latin America are regarded as the

middle class as some still face considerable vulnerability and risk of sliding into poverty. In their study, López-Calva and Ortiz-Juarez (2014:33) empirically define vulnerable individuals in Chile, Mexico, and Peru as those with a higher chance (above 10%) of descending into poverty. The IDB (2015), while acknowledging significant headway in reducing inequality and poverty in Latin America, states that most who escaped poverty enter the class of the vulnerable and still face considerable risk of descending into poverty. The IDB defines the vulnerable class as those individuals who have per capita daily income of less than US\$10 (R150) at 2003 prices. Their panel data indicate that 65% of those regarded as vulnerable in Latin America experienced some form of poverty at least once between 2004 and 2013. The IDB (2015) further reveals that the vulnerable also enjoyed less upper mobility in Latin America with as small a percentage as 28% of them progressing to become the consolidated middle class, whereas 62% continued to be stuck in their original class of income and 10% descended into poverty.

The most recent study by the World Bank (2019) identifies the aspiring middle class in Indonesia as an important group to target for development. The World Bank (2019:9) defines the aspiring middle class as those households no longer living in poverty or being vulnerable but who are not yet economically secure and with per capita consumption income between US\$3.30 to US\$7.75. The World Bank (2019) concludes that providing economic mobility starting with the aspiring middle class in order to grow the middle class population is crucial to unlocking development potential and propelling Indonesia towards becoming a higher income country. The World Bank (2019) study identifies the following three key characteristics that set apart the aspiring middle class from the stable middle class. Firstly, the study discovers that the aspiring middle class is sensitive to economic shocks and is likely to fall back into the vulnerable or poor income category. Secondly, fewer aspiring middle class households complete high school education, which lowers their chances of obtaining well-paying jobs and attaining economic security. Thirdly, the aspiring middle class is still reliant on public services on health and education offered by the government. Therefore, understanding the characteristics of this group in Indonesia has been a key milestone in leveraging programme design and interventions that will help to propel them to become a prosperous and a stable middle class. Knowledge of these characteristics is imperative for policy designing when targeting the aspirants for social mobility and

thus growing the middle class.

Similar findings to the Indonesian experience are observed by Ward (2018:541), who discovered that most poverty in China had been changing in such a way that either households were shifting into a state of being non-poor, or the aspirants had been moving in and out of poverty. In China, many of the characteristics of vulnerable non-poor households are found to be largely similar to the characteristics of poor households. Ward (2018: 550-551) revealed the following characteristics of the non-poor households or the aspiring middle class in China. The vulnerable non-poor have lower observed incomes, lower expected incomes, and greater income variability. Furthermore, their income sources are also less diversified. Their households are found to be young, with more than twice as many dependants and fewer economically active household members compared to the households considered to be a stable middle class. In addition, the vulnerable non-poor household heads have less education, as do vulnerable household members in general. The non-poor households exhibit significantly lower levels of asset ownership that include income-generating assets and commercial capital and other assets such as housing capital, transportation capital, and durable goods. Surprisingly, the one characteristic for which there is no statistically significant difference between the non-poor and the middle-class households is the gender of the household head.

2.9 The aspirant middle class: African and South African perspectives

Ncube et al. (2011) use the equivalent term “floating middle class” to refer to the aspirants whose per capita expenditure per day ranges from US\$2 to US\$4 (R30 to R60) per day. Shimeles and Ncube (2015) estimate that 60% of those regarded as middle class in Africa are still regarded as aspirants and concur with Ncube et al. (2011) that neglecting this particularly vulnerable group results in their regression back into poverty as a result of negative economic shocks. Ncube et al. (2011) conclude that the movement in and out of the middle class by the aspirants in Africa is frequent and that this class remains vulnerable and unstable.

In South Africa, the aspirants in 2012 had a household income in the range of US\$850 to US\$1300 per month [per capita income of US\$10 to US\$15] (Unilever 2012). The

Unilever (2012) study refers to the aspirant middle class as individuals who have too much money to qualify for free houses and yet have too little to qualify for a home loan. These aspirants in South Africa remain fragile and insecure (Netshitenzhe 2015:553). This has resulted in them losing pride in their professions, or engagement in nation-building, or shaping of positive value systems for society. Rather, the aspirants see their purpose as fighting for survival and attempting to climb up the steep social ladder. As a result of their vulnerability and uncertainty, the conduct of the aspirants is consequently driven by the fear of descending into poverty. However, those considered to be aspirants in South Africa are determined to live and imitate the behaviour of the middle class regardless of the fear of slipping back into poverty (Unilever 2012).

Visagie (2015:6) defines the non-poor as households that earned between R515 to R1 399 (US\$68 to US\$185) per capita per month at 2008 prices. These non-poor separate the poor from the middle class can be considered equivalent to the aspirants in this study. Van Aardt (2016) further points out that in SA, the middle class is not homogeneous and refers to the aspirant middle class as the low income, or non-middle class, households, earning a monthly income of R3 200 to R6 400 [US\$400 to US\$800]. This equates to the income per capita of US\$4 to US\$9 (R60 to R135) per day based on a household size of three persons.

Burger et al. (2015:31) applied the vulnerability approach based on López-Calva and Ortiz-Juarez (2011) model to determine how big the middle class is in South Africa by making use of the National Income Dynamics Study (NIDS) 2010 data. The authors defined the middle class in terms of their lower prospects of sliding into poverty and that these are the households that are not poor but are still not yet considered wealthy. Profit regressions were run to estimate the chance of a household of descending into poverty, based on the following characteristics of the head of the household: unemployment status, age, education, race, gender, the size of the household and the ownership of assets. According to their methodology, (a) a household was considered as belonging to the lower class if the likelihood of becoming well off was below 10%; (b) the household was classified as vulnerable if the likelihood of being well off was in the range of 10% to 50%; (c) the household was classified as the middle class if the likelihood was in the range of 50% to 90%; and (d) if the likelihood was above 90%,

the household was classified as the upper class. Their findings indicated that almost 30% of Black South Africans were lower class, 46% were the vulnerable class, 24% were the middle class and 3% could be classified as upper class.

Lappeman, Ferreira, Robertson and Chikweche (2019:308-315) uncover the following five key characteristics of the aspiring middle class in South Africa that separate it from the stable middle class. Firstly, the aspiring middle class has fewer chances for using family ties for support and to sustain their middle class status when faced with shocks. As is usually the case, they are their family's first generation to advance to this income bracket. Hence, family and friends are unable to assist readily in times of financial distress or income shocks, such as when they lose jobs or their business fails. Secondly, the aspiring middle class has higher levels of extended family responsibilities which often threaten their middle class status. Thus, the aspiring middle class is financially overburdened by assisting multiple extended family members with education, household expenses and funerals. Thirdly, the aspiring middle class have fewer assets compared to the established middle class. Being the first generation to enter this status, the middle class aspirants have not inherited assets from past generations and are still experiencing asset catch-up to confirm their middle class status. Since the accumulation of some of their assets is aspirational, they often use debt to fund several important family milestones, such as buying a house or funding education. Fourthly, the government plays a significant role in facilitating and accelerating the progression of the aspirants towards becoming a stable middle class. As such, most of the aspiring middle class households are beneficiaries of government policies, for example, employment equity, which has been aimed at correcting past injustices. Fifthly, the aspiring middle class live in areas that are not close to better-performing schools, which gives them less access to quality education that prepares them for tertiary enrolment (Lappeman et al. 2019).

The characteristics of the aspirant middle class globally and in South Africa have significant implications, and should, therefore, be taken into consideration in analysing the aspirant middle class in urban contexts. Thus, the complex nature of the aspirational needs of the aspirants as elucidated above guides in the selection of appropriate frameworks for analysing the growth of the middle class in urban contexts such as Johannesburg. Moreover, the individual and context-specific characteristics

of the aspirant middle class which may assist in the review of urban policies reflect the variation in the nature and severity of vulnerability in terms of support to and from family and friends, asset accumulation, quality of education and government support. Knowledge about the growing phenomenon of the aspirant middle class is furthermore essential for more nuanced middle class classification in urban contexts such as the City of Johannesburg. The following section therefore explores the connotation of the aspirant middle class in the City of Johannesburg, which is the main focus of this study. The concept of the aspirant middle class in the City of Johannesburg explored below is regarded as a very important concept, given that in South Africa, the City of Johannesburg, like other global cities, is considered an engine of growth.

2.10 The aspirant middle class: CoJ Metropolitan Municipality perspective

Section 1.2.3 highlighted the following two important aspects of the CoJ that affirm it as an important case for this study. Firstly, it was indicated that the case for the CoJ in growing the middle class supports the national imperatives to grow the South African economy using cities as the engines of growth. Secondly, it was also indicated that the CoJ is the biggest metropolitan municipality in South Africa and is regarded one of the most progressive city economies in Africa. Therefore, the growth of the aspirant middle class and the middle class is more likely to be higher in the CoJ than in other municipalities in South Africa.

In the City of Johannesburg, as a result of a high level of unemployment, three levels of poverty are considered for households that cannot afford to pay for municipal services. Table 2.1 shows the income bands used by the City of Johannesburg to define the three poverty levels used to access a range of benefits from the indigent policy. The qualification criteria shown in Table 2.1 indicate that the benefits passed to the indigent households, in terms of electricity and water, increase with the severity of poverty. For the household to be considered poor and benefit from Free Basic Services (FBS) under the Expanded Social Package (ESP) Programme, the total household income should be less than R5 900 (US\$393) per month. When the ESP threshold of R5 900 per month is applied, a computation by the author using the GCRO QoL (2017/18) data released by the GCRO indicate that approximately 38% of the

population in the CoJ is considered poor and could qualify for the FBS.

Table 2.1: Expanded Social Package income bands and benefits, 2018

Band	Description	Monthly income	Daily per capita income	Electricity benefit	Water benefit
Band 1	The lowest level of subsidy, aimed at helping those on the borderline of poverty.	R3 901-R5 900 (US\$261-US\$393)	R44-R66 (US\$2.87-US\$4.4)	50kwh	10kl
Band 2	The middle level of subsidy, aimed at those who earn some formal income but whose earnings fall below the survival level defined by the poverty index	R1 000-R3 900 (US\$67-US\$260)	R11-R43 (US\$0.73-US\$2.86)	100kwh	12kl
Band 3	The highest level of subsidy, aimed at those with no formal income living in the most deprived circumstances.	Less than R1 000 (Less than US\$67)	Less than R11 (Less than US\$0.73)	150kwh	15kl

Source: City of Johannesburg Expanded Social Package Policy (2018)

As reflected in Table 2.1, households that earn above R5 900 (US\$393) cease to benefit from free basic services and other services offered through the ESP such as food parcels and job pathways. These households therefore graduate to become the aspirant middle class with potential characteristics of vulnerability that may result in their slipping back into poverty. As indicated in sections 2.8 and 2.9, the aspirants in the CoJ are likely to be no exception to experiencing the levels of vulnerability shown globally and in South Africa. Therefore, the aspirants in the CoJ are likely to be associated with a lack of assets, reliance on government support for health and education, low levels of education, weak support mechanism from family and friends and carrying a greater burden to support extended families. Since the aspirants' income in the CoJ starts just above R5 900 (US\$393) per month, they have lower

observed incomes and are likely to have lower expected income too. Having graduated from receiving government subsidies, their income is less diversified. Above all, their desired economic, social, and political life is still the aspiration and admiration of those in the middle class, and like their peers all over the world, they are likely to adopt lifestyles of the middle class but without the prerequisite resources to sustain these livelihoods.

For this study, the definition by Birdsall et al. (2014) of the households with earnings of US\$4 to US\$10 (R60 to R150) per capita per day thresholds is adopted for the aspirants in the CoJ. For the average household size of three persons in the CoJ (StatsSA 2016a), the US\$4 to US\$10 (R60 to R150) per capita per day threshold is suitable to define the aspirant middle class. This income level identifies individuals who have a lower chance of being considered poor in absolute terms using the CoJ upper poverty line of approximately US\$4.4 (R66) per capita per day (see Table 2.1). This income level also identifies individuals who are short of being regarded as the middle class whose income is below US\$10 (R150) per capita per day. Individuals captured by the US\$4 to US\$10 (R60 to R150) daily per capita thresholds are considered vulnerable to slipping back into poverty as defined by Birdsall et al. (2014). Van Aardt (2016) agrees in the study that he conducted on the size of the middle class in Johannesburg that these individuals are above the poverty line, but not the middle class. The transition of these aspirants from one level to the next involves different risks that range from environmental, health and market to public related, upon which the strategies at the household and public level try to cope. Thus, the importance of analysing the progression of the aspirants towards becoming a stable middle class supports the growing interest in embracing their growth when designing and implementing social and development policies. Therefore, it must be considered as a requirement of public policy to guarantee an acceptable level of protection, given the assumption that the vulnerability of the aspirants may trigger uncertainty and thus a decline in their welfare status (López-Calva & Ortiz-Juarez 2011:4).

2.11 Key determinants of social mobility: a theoretical framework

Theorists such as Sorokin (1927) and Erikson and Goldthorpe (1992) argue that mobility is an essential element of modernity as it acts as the functional precondition of change in social structures. The theorists indicate that social mobility is indeed an

influential avenue used by people to drive their ambitions during their life cycle. Concerning policy, this study focuses on the role of both the ascribed and the acquired characteristics as the core pathways towards promoting upward mobility of the aspirant middle class. The role of education is theoretically reflected in the context of meritocracy theories, while other ascribed and acquired characteristics that determine the progression of the middle class are drawn from various literature.

2.11.1 Education and the meritocratic framework of social mobility

The majority of the literature on social mobility demonstrates that education, and therefore meritocracy, is the main strategic determinant of social mobility. The functionalist theorists (Blau & Duncan 1967:165-177) claim that economic development would give rise to meritocratic industrial societies that would enjoy higher rates of social mobility. Their meritocratic theoretical framework is premised on the notion that societies have turned into a culture that is more open in recent years. Consistent with this viewpoint, the individual's occupational status accomplished is no longer associated with ascribed characteristics, for example, gender, race, and social origin. Instead, occupational status is dependent on the individual's motivation and ability. The authors consequently conclude that individuals who are more motivated and have the ability will accomplish higher occupational positions. This process can be further explained by the human capital theory by Becker (1993), which provides important insights. According to the theory, education and training are the most significant human capital investments. Human capital epitomises the individual's skills and knowledge and hence his or her labour productivity in the market. Becker (1993:17) showed that education prominently raises an individual's income, even after adjusting for the better family backgrounds and after discounting for direct and indirect costs of schooling. He further notes that the earnings of people with more education are almost always well above average, and the gains are generally larger in less developed countries. In South Africa there is evidence of educated individuals' earnings being much higher compared to those with less education (World Bank 2018:64). In line with this microeconomic theory, persons who have more human capital are regarded to be more attractive and more likely to be hired in better positions in the labour market. As argued by Arrow (1973:194) and Thijssen and Wolbers (2015:998), educational accomplishment is therefore a significant indicator for

employers that signals the individual's motivation and abilities. Thijssen and Wolbers consistently proved that when individuals do not have the essential educational credentials, they have a low probability of upward mobility and their risks of regressing into poverty are also high.

The meritocratic ideal, as a key determinant of social mobility, lends itself to a hypothesis that individuals who have accomplished higher education are most likely to be upwardly mobile. It is also argued that the meritocratic theoretical framework relates to merit as being those qualifications that an individual has achieved which resemble the outward demonstrations of inner capacities and skills. Educational qualifications (Jackson 2001:3) could signal suitability for a specific role: for example, high educational credentials may well open the doors to complex functionally significant social roles, and a lack of educational credentials could leave the doors shut. Loveday (2015:570) states that embarking on university education for working-class people in England was understood as a method of achieving upward mobility, or of aspiring to become the middle class.

The meritocratic framework is also well complemented by Bourdieu's (1973) cultural reproduction theory (Thijssen & Wolbers 2015:998). According to this theory, parents endeavour to pass on their position to their children to circumvent downward mobility by making use of various types of resources. The cultural reproduction theory further postulates that parents in higher social classes enjoy superior economic resources, which give their children better chances to attend the best schools, which provide them with quality education. In turn, better education reduces the risk of downward mobility.

Educational attainment also increases the capability of an individual. For example, in analysing human wellbeing, the Capability Approach (CA) viewpoint by Sen (1980-1999) and Nussbaum (1988-2004) begins by fundamentally asking the question: "*What are people able to be and to do in their daily lives?*" (Roybens 2005:94). Additionally, the CA examines the range of real opportunities (capabilities) from among which people have to choose as well as effectively realise those opportunities into beings and doings ("functionings") that they value for their own lives. The CA posits that the ultimate aim of development or social progress should be that of expanding people's real opportunities or freedoms to realise beings and doings that constitute a

good or flourishing life. Education therefore provides the impetus to what Sen and Nussbaum alluded to as building human capabilities.

The 'liberal' view illustrated in Figure 2.1 expresses that education is a key antecedent of social mobility (Goldthorpe 2016:101, Breen 2010:368). According to this view, the expansion of education and educational reform equalises educational opportunity and attainment, and therefore weakens the origin–education (OE) relationship. Simultaneously, the pressures as a result of technological advancement and economic efficiency make for more 'meritocratic' selection in labour markets which is based on formal educational qualifications. This meritocratic selection strengthens the education–destination (ED) relationship and, resultantly, the direct origin–destination (OD) relationship, without mediation via education, deteriorates.

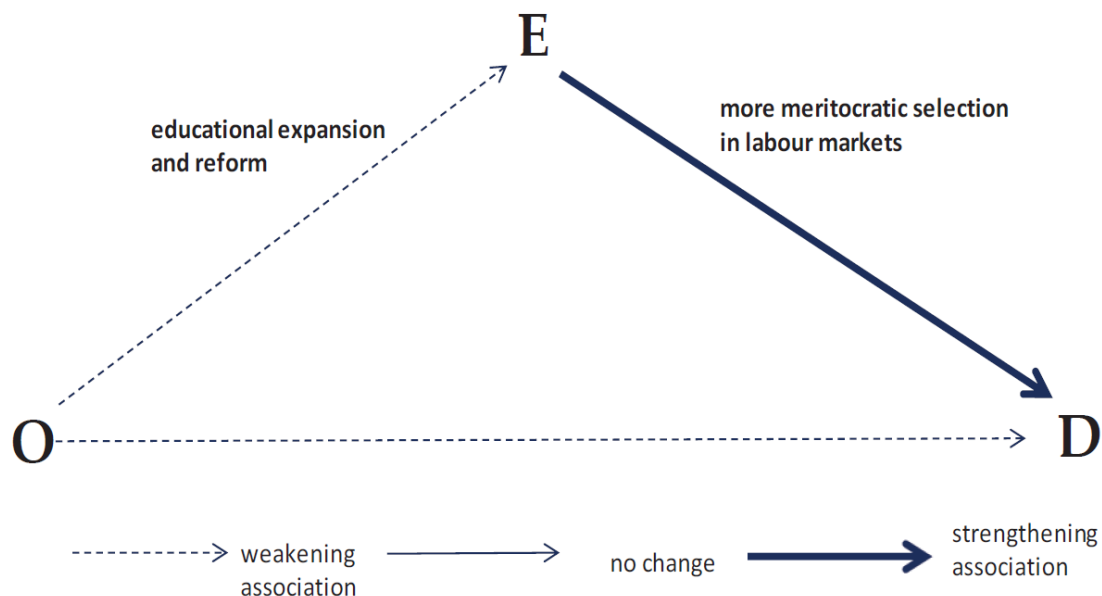


Figure 2.1: The OED triangle: the liberal view

Source: Goldthorpe (2016:101)

The role of education as illustrated by Goldthorpe (2016) and Breen (2010) is also reinforced by Shimeles and Ncube (2015:188) in their findings from their multiple country-level household surveys analysis conducted across 37 countries in Africa. Their findings show that, in Africa, the middle class is likely to be well educated and that the returns to education concerning asset accumulation are reliably high for all levels of education than no education. Their results also show that for the household

head without education, the prospects of remaining in the initial class status were very high, with very limited mobility across classes. For the head of the household with primary education, a substantial proportion fell back from the upper class to the middle class during the period under study. Among the households with secondary education, mobility across classes was either upward or downward, and for the head of the household that had tertiary education, their mobility was upward during the two decades. Policies that emphasise building a high stock of educated people could therefore foster the growth of the middle class if they focus particularly on secondary and higher education and sufficiently need to be matched with measures to expand demand for their services as well. In South Africa, the role of education in social mobility is well captured by Woolard and Klasen (2005:881–889), who identified poor early education as a mobility trap in KwaZulu-Natal. They found that high initial education significantly improved upward mobility and therefore, improvements in education appeared to be the most promising ways to improve incomes.

2.11.2 Other key determinants of social mobility

While formal education is important, Jackson (2001:2) notes that other ‘non-meritocratic’ conditions also have a meaningful role. Goldthorpe (2016:107) agrees that if the government aims to increase social mobility, what can be achieved through educational policy alone is limited. Therefore, the non-meritocratic characteristics could relate to ascribed characteristics more than those achieved, and in many instances could be more accessible to a particular group of people in the society. It is therefore suggested that other additional characteristics apart from educational qualifications could be as important and that after controlling for educational qualifications, significant relationships between origins and destinations remain.

Woolard and Klasen (2005:881–889) describe the types of mobility traps linked to poor households' asset base, large household size, and unemployment. Firstly, larger household sizes have reduced adult equivalent income, which suggests that large households have greater difficulty in enhancing their economic status. Large households that have many children face a demographic poverty trap situation in the sense that it is harder for large households to escape poverty. Findings by Woolard and Klasen (2005) suggest that more than one-quarter of KwaZulu-Natal households which moved into poverty between 1993 and 1998 did so because of a shift in

demographic composition. Secondly, the number of durables owned by households at the beginning has a significant positive effect on the subsequent change in income; those households with a poor asset base have greater difficulty in raising their incomes. Thirdly, households with fewer employed members at the beginning and with a significant number of unemployed find it harder to improve their incomes subsequently. This therefore suggests a significant segmentation and disadvantages for households with no experience in the labour market. Therefore, reductions in household size, ensuring policies that are aimed at increasing initial asset base and improving the prospects of employment seem to be the most positive means of raising incomes.

The impact of gender in social mobility cannot be disregarded. For example, Woolard and Klasen (2005:883) discovered that households headed by women fared worse than households headed by men in the province of KwaZulu-Natal, South Africa. Women also often suffer particularly huge employment penalties. In this regard, Nunn et al. (2007:49–52) maintained that problems faced by many women when attempting to secure adequate childcare are more prevalent when they are at work, which has a direct and indirect impact on their occupational mobility. Nunn et al. (2007) further argued that women who take career breaks often have difficulty re-entering the labour market in the same position compared to men and they therefore frequently experience downward social mobility after having children. In concurrence, Heath and Payne (1999:19) found a weaker correlation between women's destinations and their father's occupational class origin, which is a reflection of gender imbalances in employment. Education also fails to equalise the opportunities of females and males, as indicated by a study by Dessens, Jansen, Ganzeboom and van der Heijden (2003:69), where the authors find that the effects of educational status are stronger in men than women. In their final analysis on gender effect, Nunn et al. (2007) argue that government in the United Kingdom has thus endeavoured to address disadvantages in the early years of women through programmes that provide universal access to services for pregnant women under school age in targeted regions who are selected based on the scale of their deprivation.

Progression into the middle class is also determined by the individual race, whereby Blacks are often disadvantaged compared to their White counterparts. The issue of

race has been a contentious issue for researchers, as far back as five decades ago when Weiss (1970) found that, within specific age groups, Black males received substantially lower returns from education than their White counterparts. Wright (1978) also found that discrimination is a key factor in the distribution of races within authority structure as various types of racial discrimination influence access to the mechanisms such as educational credentials and connections, which sort individuals into the management hierarchy. Wright (1978) therefore concluded that prejudice appears specifically to discourage Blacks from being promoted above Whites.

Familiar to the South African context are socioeconomic inequalities and structural legacies that were inherited from the apartheid rule. These legacies were largely due to the deliberate marginalisation of the majority Black population concerning access to political participation, economic opportunity, financial resources and quality education (Meiring, Kannemeyer & Potgieter 2018:5). Similarly, a study conducted in the United States of America by Wilson (2012:143) discovered the emergence of a racialised hierarchy that benefited Whites over Blacks, both in terms of timing and the determinants of mobility into occupational categories. His study showed that the route to mobility for black Americans is largely narrow and organised around the causal factors of the traditional stratification and that black Americans are slowest to experience social mobility. The path to social mobility for Whites, by comparison, is the broadest and is unstructured by the causal elements of the traditional stratification, and that Whites tend to experience mobility faster. On the other hand, Latinas in Latin America (reminiscent of the Coloured race group in South Africa) tended to occupy intermediate positions between Blacks and Whites.

In addition to the impact of racism, the middle-class growth is also a function of the degree of ethnic fractionalisation which is a proxy of social cohesion and to some extent, the quality of available social capital in the given space. For example, Shimeles and Ncube (2015:179–180) highlighted that regions that have homogeneous ethnic groups tend to have a higher population in the middle class. Casey and Owen (2010:16) provided evidence that ethnic fractionalisation is the major driving force behind differing paths to political and economic development. Montalvo and Reynal-Querol (2005:294) also contend that a high degree of ethnic heterogeneity hurts economic growth. The authors proved that the existence of social cleavages results in

frictions among social groups as well as rent-seeking where resources spent by the groups to obtain political influence become a social cost with a negative effect on economic growth. Besides, ethnic fractionalisation could generate conflict, thereby affecting growth negatively as a result of associated instability and uncertainty, which reduces investment. In this instance, the government is likely to increase consumption expenditure to mitigate the potential conflict, which further hurts the growth of the economy (Montalvo & Reynal-Querol 2005:308).

Shimeles and Ncube (2015:179–180) also showed that difference in middle-class distribution across thirty-seven African countries is explained, among other things, by differences in social structure, mainly the extent of mutual trust among citizens. Their findings obtained from a synthetic panel-based random-effect regression model indicate that trust plays a very important role in influencing the asset index. Cloete (2014:1–6) concluded that trust is indeed an essential element that enables individuals to expect good from others and to act on behalf of others accordingly, creating a brighter future for all. Trust is a resource that is derived from participation in available social networks and both trust and social networks are prominent in the formation of social capital. Cloete (2014) acknowledged that relational dimensions of social capital must focus on trust and social networks, which reflects the quality of the individual connections that make up the broader network. To generate trust, there must be norms and values that guide the participation process in the available networks. Cloete (2014) concluded on this aspect of trust by emphasising that individuals who possess values such as trustworthiness and who are caring of their fellow humans have a higher likelihood of generating social capital. This social capital will result in the formation of the public good, hence providing a fertile environment for the growth of the middle class. In this regard, the situation in South Africa appears untenable, where the country remains plagued by the constant recurrence of xenophobic attacks and the lack of trust in foreigners as revealed in public opinion data, the high levels of racism and the common experience of lack of trust in other race groups (Meiring et al. 2018:5).

Recent literature has pointed to the impact of inequality on the growth of the middle class. For example, Pickett 2015 and Keeley (2015:12) argued that high levels of inequality reduce opportunities for people to learn; thus, there is a direct correlation

between income inequality and educational inequalities. In China, Yang and Qiu (2016:123) found that income inequality is a result of differential investment in human capital. Fournier and Koske (2012:22), in their analysis of the drivers of labour earnings inequality, also showed that an increase in the stake of workers with secondary education is accompanied by a reduction in labour income inequality. While education is important, there exist inequalities of education itself, which result from the inequality of conditions in terms of various kinds of resources that exist among facilities (Goldthorpe 2016:107). The Organisation for Economic Cooperation and Development (OECD) (2018:31) observed that high persistence of income vulnerability is most importantly explained by persistent unemployment as well as by perennial low wages for those who are working. Globally and in South Africa, numerous arguments have been put forth that race has an impact on the incomes of individuals and therefore inequality in societies. For example, in the United States, being black has a negative impact on earnings, while in the case of Brazil, indigenous individuals and individuals of mixed origin also suffer from lower earnings (Fournier & Koske 2012:30).

In the aftermath of the apartheid period, South Africa continued to be characterised by high levels of economic inequality not usually located in upper-middle-income countries (Adato, Carter & May 2006:226). Meiring et al. (2018) concluded that Black Africans in South Africa have been subjected to discrimination concerning access to political participation, economic opportunity, financial resources, and quality education, which has seen the consequences of continued high inequality. As a result, a higher income and education inequality potentially impacted on the mobility of the aspirants as it created an environment which is a threat to social cohesion. Social polarisation and political fragmentation have been the result of this extreme inequality, and thus South Africa's middle class has not been homogeneous and cohesive (Burger & McAravey 2014:3). Adato et al. (2006) further argued that inequality in South Africa and its resultant polarised society continues to leave a legacy of ineffective social capital and blocks pathways of upward mobility. Burger and McAravey (2014) accordingly questioned the idea of a 'middle class' in an unequal society as an appropriate assessment of economic and social progress and as a guide to the formulation of economic and social policies in South Africa. To eliminate inequality, more proactive efforts will need to be undertaken to guarantee that households have

access to assets and markets they need to build effectively on those assets over time (Adato et al. 2006:226).

Research also indicates that a healthy society is likely to be more progressive along the social ladder than the unhealthy one. In this regard, Nunn et al. (2007:57) referred to the “health selection” school of thought, which postulates that ill-health and caring responsibilities may lead to declining socio-economic status. According to the school of thought, social mobility is impacted by health, and that those who are healthy move up the class hierarchy, while those who are less healthy move down it. The findings of a study by Thijssen and Wolbers (2015:1004–1005) on determinants of intergenerational downward mobility in the Netherlands also demonstrated a negative correlation between better health and downward mobility. The authors reveal that individuals who face health problems are to a lesser degree able to achieve a similar social position than healthy persons since health problems hinder later labour market success. Thus, Thijssen and Wolbers (2015) appeared to suggest that individuals with health problems are likely to perform worse in the labour market, and, as a result, are more likely to experience downward mobility.

Motivation is vital for the upward mobility of the aspirants. According to Dunn (2015:38), motivation manifests itself through the state of mind and attitude or the way of thinking that encourages people to go above and beyond instead of merely performing their tasks well. Motivation is the foundation by which action is initiated toward the accomplishment of goals and ambitions in one’s life. Blau and Duncan (1967) concluded that more motivated individuals will accomplish higher occupational positions. Javalgi and Grossman (2016) also maintained that motivation to achieve specific goals and aspirations in life leads to a higher entrepreneurial spirit, which is an important driver to ensure that the aspirants progress towards the middle class. Javalgi and Grossman (2016) cited the latest studies in India that indicated that entrepreneurs in that country who became successful had high levels of motivation to achieve personal growth. There is, thus, a need to place a high significance on people’s goals, which will result in higher motivation to pursue the goals and consequently a higher probability of achieving them (Javalgi & Grossman 2016).

An improved transportation system enhances the prospects of upward mobility as it brings jobs closer to people and people closer to jobs. This is maintained by the World

Bank (2018:44), which argues that improving transport mobility is a necessary condition for accessing jobs and other economic opportunities. For a public transport system to be successful, it ought to be convenient, punctual, affordable and accessible (Hui 2016). Lee, Same, McNamara and Rosenwax (2018:59) contended that the availability of affordable and reliable transport mobility ensures that individuals fully participate in society. Thynell (2017:9) concurred that poor transport connectivity co-produces exclusion and vulnerability. Thus, improving possibilities of travelling through improved transportation systems improves individual prospects and therefore is a determinant of social mobility. Thynell (2017) also concluded that since immobility imposes high costs at all levels of society, exposure of vulnerable groups to risks associated with precarious living conditions can be reduced if matters associated with improving transport connectivity are enhanced in the policy. Closely linked to transportation is the proximity of people to amenities and therefore economic opportunities. World Bank (2018:44) argued that locating people closer to economic centres is another necessary condition for accessing economic opportunities. This supports Kährik, Temelová, Kadarik and Kubeš (2016:365), who emphasised the 'proximity' criterion as the popular reason for the choice of residence in the inner cities around the globe. Proximity is therefore valued because of the overall comfort and time-saving aspects for all household members and its economic benefits, such as reduced transportation costs. It offers the possibility of being able to cycle or walk from home to many destinations.

According to Burger and McAravey (2014:3), the middle class must have access to basic services such as electricity, water, and sanitation as determinants of their status. The South African Constitution acknowledges the right of people to access basic services and places responsibility on local government to fulfil the services. Thus, according to Part B of Schedule 4 of the Constitution, the municipality has the responsibility of providing water, electricity and sanitation services to the people. Improved access to basic services impact positively on health which results in an improved labour market and education outcomes and consequently has an impact on upward mobility (Moses, Van der Berg & Rich 2017:11). Thus, people without improved access to basic services face diminished opportunities to realise their potential (Armah, Ekumah, Yawson, Odoi, Afitiri & Nyieku 2018:2). The NDP (2011:44) also argues that access to basic infrastructure services promotes inclusive growth and

provides citizens with the means to improve their own lives and boost their income. Thus, backlogs in the delivery of services inhibit economic and social inclusion in the deprived areas. Gnade (2013) further emphasises that access to a comprehensive set of basic infrastructure services is essential to attain social development goals and ensure equal opportunity for all people to participate in an economy. This is the case, as the effect on their welfare is greater when compared with communities where certain infrastructure services are not available (Gnade, Greyling & Blaauw 2017:349).

The middle class is more likely to have access to information through technology such as the internet at home and they often have more access to online opportunities (Nunn et al. 2007:68). Thus, access to information via the internet is recognised in the literature as facilitating social mobility. Nunn et al. (2007) also maintained that access to new technology is imperative in fostering social inclusion and that access to the internet fulfils the role of accessibility, which can either substitute for or complement physical mobility. This, thus, alleviates problems associated with access to physical transport for excluded people. Access to information through the internet increases access to employment and other opportunities (OECD 2018:23). For example, OECD argued (2018:46) that there are often students from disadvantaged backgrounds who do well in school but still face difficulties in obtaining good jobs, because of a lack of information. As a result, Nunn et al. (2007:68) suggested that a lack of access to, and use of, technology presents another dimension of inequality of resources which affect social mobility. Therefore, equalising access to information via technology will build new forms of social capital as well as access to new forms of information that may facilitate better social outcomes in the future.

Finally, the literature indicates the positive role played by economic growth in fostering access to economic opportunities and therefore upward mobility. Shimeles and Ncube (2015:188) submitted that the growth of the middle class is positively correlated with the level of development as measured by the gross domestic product (GDP) per capita. The prominence of economic growth is also evident as it is strongly linked to level industrialisation (Sorokin 1927). The Nuffield mobility studies, in their application of the class schema scale, also discovered that the factors that lead to social mobility were the economic change that results in the change in occupational structure (Nunn et al 2007:19). Subsequent to the Nuffield mobility studies, Erikson and Goldthorpe

(1992) reconsidered mobility in terms of the attributes of individuals, particularly with regard to occupation and work relations, which they take as providing an adequate proxy for economic resources. Erikson and Goldthorpe (1992) further argued that industrialised societies are highly stratified because of an increase in the differentiation of labour compared to non-industrial societies. Differentiation gives rise to a net increase in training and education and therefore a multiplication of scarce technical and professional skills that result in the emergence of the middle class. Thus, downward absolute mobility stems largely from the declining prominence of skilled manual workers in the class schema. In South Africa, the human settlements agenda, which has largely been focusing on delivering housing units, has unintentionally perpetuated apartheid spatial patterns where the vulnerable have been left on the periphery of urban areas that are surrounded with few economic opportunities (World Bank 2018:44). The World Bank (2018) also concludes that low growth potential in countries such as South Africa has been inhibiting people from reaping the new economic opportunities that are emerging around the globe.

2.12 Empirical studies on social mobility

The empirical studies on social mobility have been broadly deliberated on in the domain of social sciences. On the issue of the aspirants, there has been some international literature that discusses and measures the concept. The importance of investigating the progression of the aspirants in modern literature is identified with developing enthusiasm for including the idea into the design and implementation of social development policies. While there is general agreement on the incorporation of the vulnerability of the aspirants as a component of development policies, the inquiry remains focused on finding the right method of measuring it and how to measure its effects on government assistance.

The empirical studies indicate that use of logistic regression has been key in analysing determinants of social mobility in Africa and the rest of the world. Bossuroy and Cogneau (2013) analysed intergenerational occupational mobility between the farm and non-farm sectors in five African countries using household survey data. The authors argue that it is now the general practice in quantitative sociology to quantify mobility using logistic regression modelling. Thus, the authors analysed the determinants of intergenerational mobility through a comparative method based on

pooled logistic regressions. They then used the logistic models to examine the regressors with the potential of absorbing differences between countries in the estimates of intergenerational mobility. Their findings indicate that education and employment are key to determining intergenerational mobility. However, the findings differ from one country to another. Their other striking finding was that the national identity of the colonial power has an impact on economic structures and social mobility in Africa. There is evidence of this in South Africa, where the apartheid legacy has always been blamed for obstructing social mobility, especially among Black communities (Meiring et al. 2018).

Haile (2018) used data from two comprehensive national labour force surveys to model ordinary least squares and generalised ordered logistic modelling to analyse intergenerational mobility in socio-economic status in Ethiopia. The results indicated that educational opportunities, extensive public sector investments in infrastructural development and gender are significant factors in determining social mobility. The study concluded that public policy must therefore promote the equality of opportunities and be cognisant of gender issues in its endeavour to promote mobility.

Che Mat, Harun and Bakar (2016) used the logistic regression model to analyse the key determinants of social-economic mobility in the northern region of Malaysia. They regressed social mobility on several dependent variables that included income, education and occupation, among others. The authors used the dummy dependent variable (of 0 and 1) in their model. A value of 1 was assigned if there is social mobility occurring and a value of 0 if there is no mobility. Their analysis found that for social mobility to be realised, the individual simultaneously requires a combination of education, employment, the right attitude, asset accumulation, and that government must play a role.

Sokołowska (2013) also applied the logistic regression model to determine the determinants and perceptions of social mobility in Poland for the period between 1992 and 2008 using data from the Polish General Social Survey. His findings indicated the probability of being in the middle class in Poland was determined by both individual ability and level of education, connection or social networks, family origins and the level of education of the parents. Sokołowska concluded that the success of the

individual's life is dependent not only on one's abilities, their level of education or their work habits, but also on the family, gender and age.

López-Calva and Ortiz-Juarez (2011) applied logistic regression analysis to analyse the key determinants of being poor in the following three Latin American countries: Peru (2002-2006), Chile (2001-2006) and Mexico (2002-2005). In all their logistic model applications, the dependent variables were the poverty status of households. Their findings indicate that across the three countries, education, social insurance grant, professional employment, and household size were the key determinants of class status. Thijssen and Wolbers (2015) applied logistic regression to establish the determinants of intergenerational downward mobility in the Netherlands. In their analysis they took several control variables into account, for example, education, occupational status, age, ethnicity and gender, and used them as variables in their multivariate analysis. They found that the meritocratic perspective was more important in explaining downward mobility for individuals.

From the above empirical studies, education consistently stands out as the major determinant of social mobility, which is conformity with meritocratic frameworks by Blau and Duncan (1967). According to Che Mat et al. (2016), the returns to education are higher in societies characterised with high inequality. The authors also argue for the existence of higher social mobility in instances where incentives are provided from obtaining additional education. Lastly, Che Mat et al. (2016) argued that educational opportunities for the whole family can indeed be transmitted towards the motivation to succeed in children. Thus educational regimes where access to education is unfavourable to lower-income families adversely affect intergenerational mobility.

2.13 Policy environment for growing the middle class

One of the goals of this study is to recommend a policy framework that will assist municipalities to graduate the aspirant middle class into becoming the consolidated and secure middle class.

As a start, it is noteworthy to mention that the policy environment in South African metropolitans has been characterised by fundamental transformation since the end of apartheid. The trajectory of this transformation is spearheaded by policy reforms, the

majority of which have been designed to address the racial imbalance. Many policies at all spheres of government that had to be amended or introduced were essentially tailored at eliminating social ills that were a result of apartheid. Bhorat et al. (2012:91) argue that the implementation of some of these policies, such as the provision of free basic services, had positive results in moving people out of poverty. However, a new phenomenon of the aspirant middle class is emerging in South African Metros. Local government policies and strategies therefore need to be refined to provide an enabling environment for this class to progress to higher levels.

Another challenge in South Africa is evident when it comes to translating public policy objectives into measurable outputs. In many instances, government policies are rational on paper yet some fail to achieve the desired results (Maphalla & Malan 2014:7). It is against this background that Chitiga-Mabugu (2016:169) argues for governments to put in place appropriate public policy and similarly to evaluate the impact of such policies on the affected and other target population groups. Thus prior to policy identification, it is ideal to evaluate existing policies intended to address a given goal, but that could have different impacts.

Many policies also fail on the implementation side; therefore local governments must pay attention to policy gaps that they may identify through research or monitoring and evaluation of existing policies. According to Brynard (2007:358), the policy gap is what occurs during implementation between policy expectations and observed results. Several factors affect policy implementation. For example, a lack of reliable data impedes the ability of policy formulators to conceive clear policy objectives and articulated implementation plans, including monitoring evaluation mechanisms. Also, a lack of political commitment, that is, government lacking coordination among political officials and divisions of government; orientation towards centralisation; poor technical and financial resources accompanied by the quality of human resources; and corruption are also obstacles to appropriate policy implementation (Brynard 2007:359–360).

To explore policy actions that positively impact on the aspirants, it is central to understand the policy environment in public administration. Municipalities in their endeavour to guide and inform the implementation of various programmes and activities resort to public policy as a tool to achieve desired goals. By definition, public

policy describes programmes and principles that ought to be followed to attain specific results to alter for the better a preceding situation which is deemed undesirable. Thus, any given policy acts as an indicator of the municipality's plans of action. Since public policies are usually embodied in legislation, they are applied to a whole state, country, province or municipality (Chitiga-Mabugu 2016:168).

Chitiga-Mabugu further divides policy into two categories (2016:168). The first is a political policy, which is legislative, and the second is policy emanating from the executive, which relates to Cabinet decisions. The latter can also be related to provincial executive committee decisions or decisions by the mayoral committee from a municipal perspective. Chitiga-Mabugu (2016) also outlines different policy classifications as allocative or redistributive, which would incorporate distributions such as social grants; extractive, with tax policies as a good example; regulatory, which includes those pertaining to pollution for instance; and symbolic, which may be thought of as having nation-building functions within the local context.

In this study, the enabling policy environment for moving the aspirants into the middle class is therefore considered in the context of the capability approach, which is essentially an extensive normative framework of thought and a mode of thinking used to assess and evaluate existing social arrangements, policy design, and propositions around social change in a given society (Roybens 2005:94). The capability approach is useful to evaluate the average well-being of the members of a given group, for example, the aspirant middle class. The approach can also be used as a framework for designing and evaluating policies that will enable the promotion of the aspirant towards becoming the middle class. The central characteristic that defines the capability approach is its emphasis on what individuals are ultimately able to do and to be, namely, on individual capabilities (Roybens 2005:94). Policies therefore ought to focus on what people can do and be, on the quality of their life, and on removing obstacles in their lives so that they have more freedom to live the kind of life that they have reason to value (Roybens 2005:94).

2.14 Approach to policy formulation

In order to design the policy framework for regulating, promoting and empowering the aspirant middle class, the researcher must decide on an appropriate theory of policy

analysis. Due to a large number of policies and strategies in the CoJ that attempt to deal with developmental approaches, a limited number of high impact policies available are considered for analysis. Thus, the approach that is adopted in this study is the incremental model propounded by Lindblom (1959), which entails that the policymakers examine a limited number of policy alternatives and that new policy formulation is a perpetuation of the previous policy process that requires minimal changes. According to Rusaw (2007:354), the policymaking process induced by the incremental model brings about marginal changes that are aligned with existing strategic goals, are flexible, and necessitate few resources to implement. All the existing policies are considered as a base and legitimate because of uncertainties brought about by designing completely new policies.

The incremental model also recognises the existence of limits of resources on the ability of the administrator to comprehend complex problems and make different policies about them (Anyebe 2018:10). Due to these shortcomings, the policymakers, despite their attempt to be rational, assent to the previous policies that they deem to be legitimate and sufficient to deal with the matter. Incrementalism is therefore the appropriate policy-making in pluralist societies such as the CoJ. In the CoJ, most of the aspirants have been the beneficiaries of the existing pro-poor policies, before their transition, and it is only fair to consider changes to these existing policies incrementally. Incrementalism is convenient, politically, since it makes it easy to reach consensus when the disputes among different groups relate to only limited adjustments of existing policies. Incremental decisions tend to minimise the risks and cost of uncertainty about the future consequences of actions by policymakers. The drawback is that sometimes previous policies may not necessarily provide a useful baseline, especially under rapidly changing demands from society.

2.15 Conceptual framework

The arguments presented in the literature suggest numerous potential key determinants that could affect the growth of the middle class in the CoJ, as depicted in Figure 2.2. Firstly, as illustrated in Figure 2.2, the meritocratic framework argues that when individuals do not have the essential educational credentials, they have a low probability of upward mobility and their risks of regressing into poverty are high. The returns to education are therefore consistently higher for all levels of education

than no education at all (Shimeles & Ncube 2015:180; Goldthorpe 2016:100; Ncube et al. 2011:6). The meritocratic framework therefore lends itself to a hypothesis that individuals who have accomplished higher education are most likely to be upwardly mobile where merit is the qualification that an individual has achieved, which is the outward demonstration of inner capacities and skills. The meritocratic framework is also consistent with the “capability approach” discussed by Roybens (2005), as it enables individuals to realise their capabilities or what they are ultimately able to do and to be.

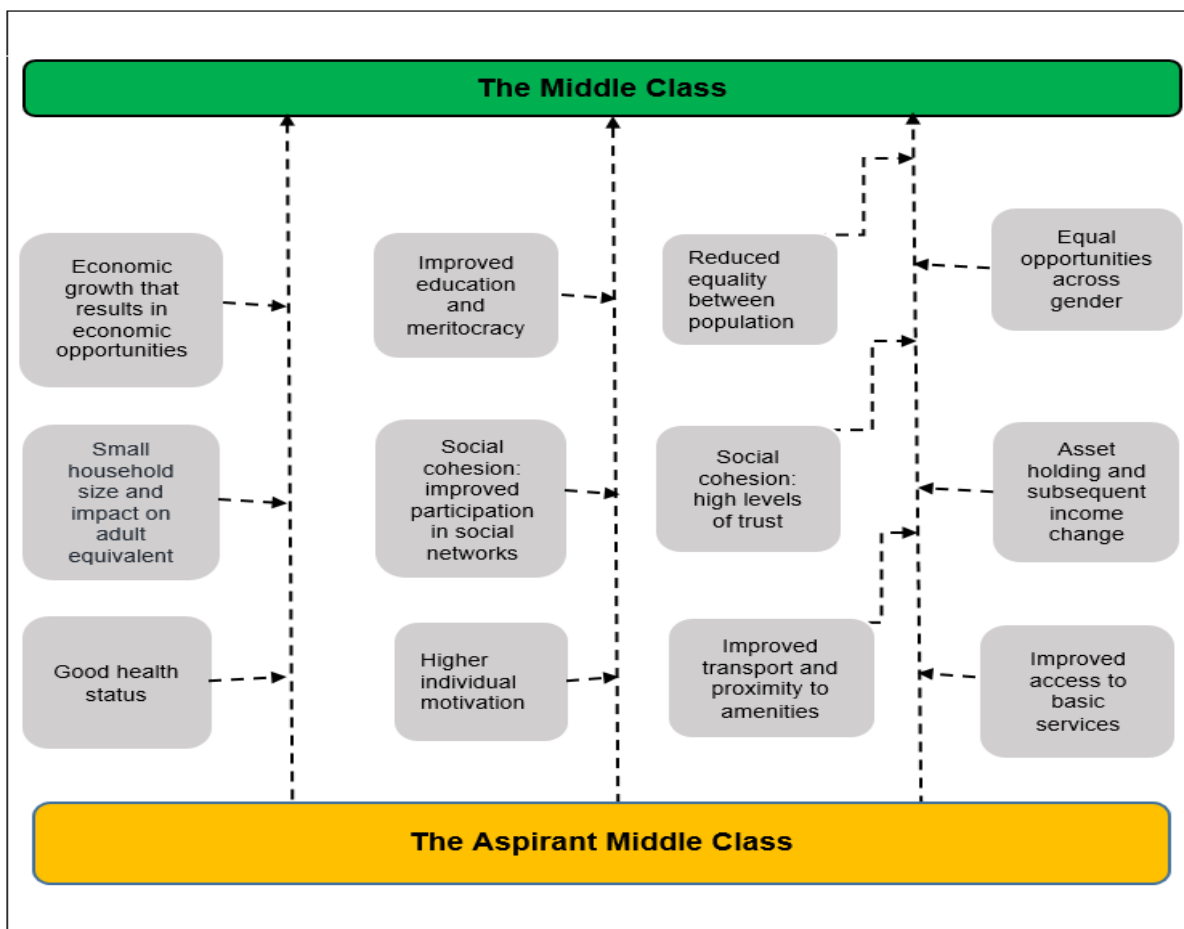


Figure 2.2: Conceptual framework for key determinants of social mobility

Source: Author's construction from the literature review

Jackson (2001:2) and Goldthorpe (2016:101) noted that while formal education is important, other “non-meritocratic” conditions also have a meaningful role. These non-meritocratic characteristics have been argued in the literature as relating to ascribed characteristics more than achieved ones. Therefore, the following identified individual characteristics of the household head, apart from educational qualifications, that

determine movement along the social gradient focus based on household size, race, health, degree of asset accumulation and locational factors (Shimeles & Ncube 2015; Burger et al. 2015).

The effect of gender on social mobility is emphasised by Nunn et al. (2007), as women often suffer particularly huge employment penalties compared to men. Progression into the middle class can be determined by the individual's race and Blacks are often disadvantaged compared to their White counterparts (Weiss 1970; Wright 1978; Fournier & Koske 2012; Meiring et al. 2018). This phenomenon is apparent, particularly in South Africa, as a result of the inherited socioeconomic inequalities and structural legacies of the apartheid rule (Meiring et al. 2018). Household sizes can potentially reduce adult equivalent income, suggesting that larger households find it harder to improve their economic wellbeing (Woolard & Klasen 2005). The assets held by households at the beginning also have a significant influence on subsequent change in income, therefore the households that have a poor assets base find it harder to improve their levels of income (Woolard & Klasen 2005). Regions that have stronger social capital as captured by mutual trust tend to have a larger middle class. The growth of the middle class is also a function of the degree of ethnic polarisation which is a proxy of social cohesion and to some extent the quality of available social capital in the given space (Shimeles & Ncube 2015). The Nuffield social mobility studies argued that the factors that lead to social mobility are the economic change that results in the change in occupational structure (Nunn et al 2007). Thus, the growth of the middle class is positively correlated with the level of economic development as measured by GDP per capita, which results in greater opportunities and job creation (Shimeles & Ncube 2015). Woolard and Klasen (2005) concur by stating that households with fewer members employed at the beginning and with a significant number of unemployed members find it harder to raise their levels of income and progress to higher classes.

2.16 Summary

To understand social mobility, it was imperative that the term 'class' be operationalised. Various operationalisations of the term were discussed in the literature. The Weberian model considered class stratification in three dimensions: economic class, as represented by the goods and services including income

possessed by individuals; social class, as characterised by the honour and prestige enjoyed by individuals; and the political power or party, as represented by the power exercised by individuals. The Marxian model advocates that the history of people is about class struggles; thus, different types of classes tend to develop based on different roles which individuals accomplish in the productive scheme of a particular society. The Goldthorpe model explains class in terms of generational differences in origins and destinations, through a class schema which stratifies society in terms of occupational groups and roles.

Though the operationalisation of class has been well argued by Goldthorpe, Weberian thought and the Marxian models; disparities remain in terms of the meaning of the middle class. It was indicated that the definition of the middle class varies from author to author and that no global dataset can be used universally to describe this class. The definition of the aspirant middle class accordingly differs; however, authors conceptually agree that the aspirant middle class comprises individuals who earn a higher income than the indigent threshold, yet the same income is too low to afford a middle class lifestyle. This implies a vulnerable group that is sensitive to external shocks. This study adopts this vulnerability approach in defining the aspirant middle class in terms of the high probability that these individuals will fall back into poverty.

Several key determinants of social mobility were identified that can be utilised by municipalities in their endeavour to guide and inform their public policy design and the implementation thereof, to achieve desired goals of promoting the aspirants towards becoming a stable middle class. This addressed the first research question, which sought to determine the key determinants of social mobility based on a thorough theoretical literature review. It was argued that the growth of the middle class is positively correlated with the level of development as measured by GDP per capita. Education was found to be a key determinant of the growth of the middle class and greater professional opportunities result from the expansion of state education and free secondary education. Middle class growth was found to be a function of the degree of ethnic fractionalisation; for example, regions that have homogeneous ethnic groups and stronger social capital as captured by mutual trust tend to have a larger middle class. Other key determinants that surfaced were asset accumulation, household size, gender, population groups and proximity to amenities. In all this, good

governance matters in that the middle class is more likely to have values aligned with good governance. Strong institutions also matter in that the middle class tends to thrive in the presence of catalysing strong institutions that promote greater integration and trust among citizens. The literature further suggested benefits to municipalities that ensure the establishment of enabling policies that regulate, promote and empower the growth of the aspirants into a fully-fledged and stable middle class. Such growth of the middle class will result in progressive values and morals that are extremely favourable to a robustly growing economy, poverty reduction, and better governance. The next chapter outlines specific methods chosen to conduct this research. The chapter describes the research setting, provides a detailed explanation of the methods that were applied, explains the techniques used for data collection, and describes the methods of data analysis conducted to investigate the research questions.

CHAPTER 3: METHODOLOGY

3.1 Introduction

This chapter outlines the research methodology of the thesis. The mixed-method research approach was applied to address the principal objective of this study, which is to investigate possible pathways and policy recommendations that are necessary to enable, promote, and empower the aspirants to grow towards becoming a stable middle class. In this chapter, the research approach, research design, selecting the case study location, sampling and data collection process, quantitative data analysis and qualitative data analysis are discussed in detail.

3.2 The research approach

This study used mixed research methods that comprised a combination of qualitative and quantitative approaches, as described in more detail in this section. Creswell (2012:535) defines the mixed-methods research design as an approach for collecting, analysing, and mixing both qualitative and quantitative methods in a single study or a chain of studies to understand a research problem. The mixed research methods approach employed in this study was designed to meet the research objectives to find pathways for the aspirants to progress towards becoming a stable middle class in the CoJ, to analyse key characteristics of the aspirants critically, to identify their key determinants of social mobility, to ascertain the impact of the identified key determinants on their upward mobility and to develop a framework to enhance the effectiveness of future policies that will ensure that they grow and become sustainable as middle class.

Growing numbers of researchers are using mixed methods to study social science research problems, particularly those connected with policy engagement (Gamlen & McIntyre 2018). The mixed approach methodology was adopted in this study because of its usefulness in case study analysis (Onwuegbuzie & Collins, 2007:281). Guetterman and Fetters (2018:900) argue that in case study research, it has become a tradition to collect multiple forms of data (qualitative and quantitative) to obtain a more comprehensive understanding of the case. It is therefore important to emphasise the epistemological and theoretical reasons for using the mixed methods in finding

policy solutions to enable the progression of the aspirants towards becoming the stable middle class. In particular, Gamlen and McIntyre (2018) argue that mixed methods designs are well adapted for research that seeks to explain socio-economic behaviour within a post-positivist epistemological context. Post-positivism encourages approaches to mixed methods insofar as post-positivists appear to condemn what they see as a false dichotomy between the positivists, who rely on quantitative and the interpretivists, who rely on qualitative research paradigms (Gamlen & McIntyre 2018:238, Sheppard 2014:6). Thus, the post-positivism paradigm in this study argues that research strategy should be motivated, not by adherence to one epistemological theory over the others, but by the efficacy of information to be generated or problem statement to be solved by applying a suitable range of quantitative and qualitative research methods accessible.

Moreover, Creswell (2012) recommended the following arguments in favour of the mixed methods approach. For example, a mixed-methods study was suitable because both quantitative and qualitative types of data were available together to provide a better appreciation of the research problem. The mixed-methods approach was a good research design to build on the strengths of both qualitative and quantitative data. Sometimes one type of research is not enough to address the research problem or answer the research questions, and in that case, there is credence in conducting a mixed-methods study. The mixed method also provided an alternative perspective in this study; for example, during the policy-recommendation process, it became imperative to analyse both the stories and the statistics on socioeconomic mobility of the aspirants. Furthermore, while the qualitative research was most appropriate with the small sample, its outcomes were not easily measurable and quantifiable, and the quantitative methodology mitigated against this. The basic conjecture was that the mixed-methods approach used the combination of both qualitative and quantitative methods to provide a superior understanding of the required policy recommendations to enable upward mobility of the aspirants than either method by itself. This author's central argument, threaded throughout this study, is that a mixed-methods research design was well matched to this study of social mobility of the aspirants informed by the post-positivist worldview. Therefore, the mixed-methods research approach in this study comprised integrating, merging and linking the qualitative and the quantitative

datasets to provide a better solution to the research problem and questions outlined in chapter 2.

3.3 Research design

This study utilised the convergent parallel mixed methods design to collect both quantitative and qualitative data simultaneously, merge the data, and use the results to address the overall research objective. A basic premise for this design was that the forms of data collection strengthened one another and also that there was a greater chance of a complete understanding of the research problem from collecting both quantitative and qualitative data (Creswell 2012:540). In this study, the quantitative data from the GCRO QoL (2017/18) survey provided support to the qualitative data collected from the key informants. The qualitative data also provided support to the GCRO QoL (2017/18) data by providing detailed information about the context in which the respondents provided information. Thus, in this study, both the quantitative and qualitative data were analysed separately, and the results from the analysis of both datasets were used to make the appropriate interpretation that addressed the main research objective. The analysis was merged to provide recommendations on policy by relating the results from the two forms of data analysis, through examining patterns of different themes about statistics (Guetterman & Fetters 2018:903).

3.4 Selecting the case study location

Following the logic of critical sampling (Patton 2001:236), the CoJ was selected as a case with a high likelihood of yielding the most information and the greatest impact on the development of knowledge about the subject matter. The importance of the CoJ as a case cannot be underestimated based on the following economic indicators reported by the Economic Growth Strategy (2018:14). Firstly, the CoJ has the biggest and best-diversified economy in South Africa, which contributes 15% to the national economy. Secondly, the economy is characterised by a strong modern services sector base – particularly in finance, business services, and the trade and logistics sectors. Thirdly, the CoJ contributes significantly (16%) to formal employment in South Africa. As a result of the strong economy and possibilities of better access to economic opportunities, the CoJ is likely to attract more aspirants from the rest of the country and the continent.

The mid-year population estimates by Udjo (2019) also indicate that approximately 5.2 million people are currently living in the CoJ, representing 8.9% of South Africa's total population. Between 2011 and 2016 alone, the population of the CoJ increased by 11.6% and a further 5.3% between 2016 and 2018 (Udjo 2019; StatsSA 2016a). The CoJ IDP review (2016/17:13) reported that the influx of migrants contributes significantly to the CoJ population growth rate, which has been averaging 3% over the past 10 years. The IDP review (2019/20) further noted that 40% of the residents are migrants, made up of 10% from outside the country and 30% from other provinces in South Africa. Apart from these considerations, the institutional arrangement has a bearing on the way the CoJ carries out its mandate to deliver quality services. In terms of this institutional arrangement, the CoJ is the largest South African metropolitan municipality, with a total employee complement of 30 000 (CoJ Integrated Annual Report 2018/19:14).

As a result of being the largest metropolitan with the strongest economy and the largest population, the CoJ serves as a benchmark for the performance of the country or other cities. Furthermore, it is, in many respects, a policy laboratory or testing ground in that the city provides numerous examples of practices and policies that have either been adopted or adapted by other South African cities (World Bank 2019; Socio-Economic Rights Institute of South Africa 2018:22). The CoJ is thus a typical representative case as argued by Creswell (2012:2008) and Zongozzi and Wessels (2016:218). They maintain that a case study is regarded as typical if it is representative of the unit of analysis under consideration. The case selection strategy, for this research study, entailed the selection of the CoJ as a representative or typical case to capture the circumstances and conditions of the vulnerability of aspirants and their dynamics of social mobility. Zongozzi and Wessels (2016) also regard the case study as revelatory if it explores a phenomenon never studied before. Therefore the case for the CoJ is also revelatory as it investigates the phenomenon of the aspirants who previously has not been given prominence in the metropolitan contexts in South Africa.

3.5 Sampling and data collection process

This section outlines the sample selection procedure followed in this study. Two types of datasets were collected that are discussed as follows: firstly, quantitative data

collection and secondly, qualitative data through interviews and the gathering of essential documents.

3.5.1 Quantitative data collection process

Secondary data from the GCRO QoL (2017/18) was used as a sampling frame where the entire list of both the aspirant head of the household and the middle class were drawn for analysis. The GCRO QoL (2017/18) is a household-based survey where adults (18+ years old) were randomly selected as respondents. All the respondents were interviewed in person, where they live. The GCRO QoL (2017/18) is a biennial survey that measures the quality of life, attitudes to service delivery, socio-economic circumstances, value-based psycho-social attitudes and other characteristics of the Gauteng City Region. The GCRO QoL (2017/18) is useful as a diagnostic tracking tool and also presents a rich information base for policy making. The GCRO QoL (2017/18) survey was also the largest survey ever conducted in the Gauteng province, reaching over 30 000 respondents. The CoJ alone had approximately 9 000 respondents (the largest sample in all metros of the City Region), which enabled ward-level representation of the data collected.

The survey allowed for the sample to be drawn representing the heads of households randomly selected across 135 wards in Johannesburg. During the GCRO QoL (2017/18) survey, respondents were asked questions, that included topics such as satisfaction with government, basic services, transport and mobility, local community and neighbourhood dynamics, livelihoods, migration, health and well-being, as well as social and political attitudes and values (GCRO 2018). This huge dataset was also useful for triangulation purposes, the significance of which is highlighted by Zongozzi and Wessels (2016:222).

The GCRO QoL (2017/18) survey was used to analyse the characteristics of the aspirant middle class and how these characteristics differ from those of the middle class. The GCRO QoL (2017/18) also allowed analysis to determine the impact of key drivers of social mobility identified in the literature on the progression of the aspirants up the income ladder. Table 3.1 shows the thresholds applied in this study to sample the targeted households that were regarded as the aspirants and the middle class for analysis, based on recommendations by Birdsall et al. (2014). In both cases, the

samples were purposefully selected from the GCRO QoL (2017/18) database targeting all the aspirants and the middle class that responded during the survey.

Table 3.1: Definitions of socioeconomic classes in the CoJ

	Daily income per capita (at constant 2005 purchasing power parity (PPP) dollars).	Daily income per capita converted into rands	Monthly income for the average household size in CoJ
The Poor	<US\$4	<R60	<R5 400
Aspirant Middle Class	US\$4-US\$10	R60-R150	R5 401-R13 500
Secure Middle Class	US\$11-US\$50	R151-R750	R13 501-R67 500
The Upper Class	>US\$51	>R751	>R67 501

Source: Author's analysis of Birdsall et al.'s (2014) income thresholds

The sample for the aspirants was drawn from the 9 000 individual respondents, targeting all respondents who had indicated that they were the heads of the households. In this instance, variables representing the head of the household and income were used to extract purposefully those respondents who indicated that they were the heads of households and could be regarded as aspirants according to the definition used in this study. These were the individuals heading households with earnings between US\$4 to US\$10 (R60 to R150) per capita per day thresholds (Table 3.1). The literature indicated that intuitively, for the average household size of three persons in the CoJ (StatsSA 2016a), the R60 to R150 per capita per day threshold is suitable as it identifies individuals who are unlikely to be considered poor in absolute terms, considering that the CoJ upper poverty line is also approximately R60 per capita per day. The upper threshold of US\$10 (R150) per capita per day also identifies individuals who are short of being regarded as the middle class. This process retained 449 aspirants who are the heads of households for analysis.

A second sample for the middle class was also drawn from the same 9 000 individual respondents, targeting all the respondents who had indicated that they were the heads of the households. The income variable was, once again, used to extract purposefully

all respondents in the GCRO QoL (2017/18) who indicated that they were the heads of households and could be regarded as the middle class, according to the definition in this study. These were the individuals heading households with earnings between US\$10 and US\$50 (R150 and R750) per capita per day thresholds (Table 3.1). This process retained 578 middle-class heads of households for analysis.

3.5.2 Qualitative interview data collection process

Qualitative data was collected using in-depth interviews and through the gathering of documents. The next sections outline a detailed process that was followed in conducting the interviews and the ethical consideration as well as the process of gathering of the documents.

3.5.2.1 Interview data collection and ethical considerations

This study adopted the following steps to collect data during the qualitative phase, as suggested by (Creswell 2012:205). This author hereby emphasises that these steps, although interrelated, are not regarded as linear approaches. Firstly, the site was identified where this study would be conducted. This step also involved the engagement in a sampling strategy to understand the central phenomenon and the research questions. The next step was to obtain the sample frame with a complete list of the population from which the sample was selected. The sampling frame was obtained from the CoJ HCM Department as part of the application for permission to conduct research in the City. For this study, the selection of the CoJ as a case was followed by a non-probability sampling to select purposefully senior executives who maximised understanding of the aspirants concerning their characteristics, their drivers of social mobility and recommendations for policy to enable their progression towards becoming a stable middle class. The use of non-probability purposeful sampling is recommended by Onwuegbuzie and Collins (2007:287) and Creswell (2012:2006) in the case where the respondents are considered "information-rich", in order to understand a particular phenomenon.

In this study, the CoJ Senior Executive Managers directly accountable to the Municipal Manager were regarded as appropriate key informants and were purposefully selected for interviews based on their experience in local economic development. Where the

Senior Executive Manager was not available for the interview questions, they were replaced by a Senior Manager reporting directly to them. Apart from interviewing Senior Executive Managers, two additional interviews were conducted drawn from structures that provide oversight to the administration of the CoJ. In this instance, a political member of the Mayoral Committee (MMC) and a senior official in the Department of Cooperative Governance & Traditional Affairs (COGTA) were targeted for these additional interviews. The MMCs are directly responsible for political oversight of the implementation of programmes in the CoJ, whereas COGTA is the national arm of government responsible for overseeing Local Governments in South Africa.

The second step required the consideration of the types of information that could best provide the answer to the research questions. This necessitated appropriate designing of the research instrument and protocols, based on literature, for collecting and recording the information. According to Creswell (2012:205), qualitative research relies on general interviews or observations to ensure the views of participants remain unrestricted. Thus, in qualitative research, open-ended questions can be gathered that are designed by the researcher. As a result, the study utilised semi-structured interviews because of their numerous advantages in research inquiry. For example, semi-structured interviews involve several open-ended questions based on the topic areas the researcher wants to cover and they also provide opportunities for both the researcher and interviewee to discuss some topics in more detail (Mathers, Fox & Hunn 2009:36).

Questions were designed to obtain expert opinions from policy implementers on the understanding of the aspirant middle class concerning their characteristics, the key drivers of their social mobility and the recommendations for policies to enable and promote the progression of this vulnerable group towards becoming a stable middle class. This is also akin to minimising their probability of falling back into poverty. The interviews were designed to elicit the extent to which the policies can be improved to cater for the aspirants and the support mechanism that they require from other spheres of government to guarantee that the vulnerable aspirants are assisted to grow and become the fully realised middle class.

The third step involved gaining access and permission to interview the participants drawn from the different CoJ departments, as discussed earlier. This author had to go through all the compliance processes of the University of Pretoria and the CoJ to obtain the ethical clearance and permission to access participants to conduct this research study. Thus, the procedure discussed in section 3.5.3 was followed to get the necessary permissions and gain access to interview the participants. In the event where a participant was sceptical about participating, the CoJ HCM Department assisted in setting up those interviews using the CoJ official communication channel.

Finally, the data collection was administered with special attention to potential ethical issues also described in the following section. Data collection was conducted through one-on-one interviews with the identified respondents. Although this is regarded as the most time-consuming and costly approach to conduct individual interviews, this approach is ideal for interviewing participants who are not hesitant to speak, who are articulate, and who can share ideas comfortably. During the interviews, whenever the interviewee had difficulty answering a particular question, the researcher could use prompts to encourage the interviewee to elaborate the question further. It was also possible, through the semi-structured interviews, to probe further a line of inquiry introduced by the interviewee. It happened that one respondent was not comfortable answering some of the interview questions through the one-on-one approach and an email interview was considered whereby the respondent was allowed to answer the questions by way of replying to the email. The final number of participants was determined by whether an additional interview conducted was bringing new information or not. In this case, the interviews were conducted in such a way that additional participants would be added as long as new information was derived from an additional participant. During the interview process, no new information could be provided by each additional participant after the sixth interview. As a result, this researcher stopped at the ninth interview when it became apparent that the additional interviews were no longer bringing new information.

The allure of the above qualitative research process was that it enabled the researcher to conduct a comprehensive study about the characteristics of the aspirant middle class, the key drivers of their social mobility and the recommendations for policy to enable their progression towards becoming the stable middle class. Moreover, the

qualitative methodology above offered greater latitude compared to, for example, the experimental design approach that would have been typically constrained by the inability to establish the necessary research conditions. The qualitative methodology was not limited by the unavailability of a satisfactory data series or lack of coverage of adequate variables. Lastly, the qualitative methodology was not compromised by the possible difficulty in drawing a sufficient sample of respondents and obtaining an adequately high response rate.

Ethics has become very important in conducting research to the extent that universities must ensure that measures are in place to protect the safety and dignity of those partaking in the research (Silverman 2009). The University of Pretoria has a Research Ethics Committee in place that ensures that ethical requirements are observed when research is conducted. In this regard, this research was subjected to an ethical application process, and this was subsequently approved by the Research Ethics Committee of the University of Pretoria. The application pack submitted to the committee comprised the research topic, research proposal and the research instruments (the questionnaire and the interview guide) and the letter of permission to conduct the research within the CoJ. In addition to the university's ethical clearance requirements, the CoJ follows its own ethical clearance procedure before it issues the letter permitting the researcher to conduct research within the institution. To get the letter permitting this researcher to conduct the research within the CoJ, the research instruments and the proposal had to be submitted to the CoJ HCM Department, which is tasked with clearing all research conducted within the institution. This required the development of a full description of the research project that was submitted to the CoJ HCM Department to seek permission. The project description included a list of the interview questions so that GCSS could determine how sensitive the questions could be. The HCM Department also required details of how the study would provide opportunities to 'give back' or reciprocate in some way towards the vision of the Joburg Growth and Development Strategy 2040, whereby a copy of the research thesis was agreed as sufficient for submission to the City upon completion of the research. It was also obligatory that an appropriately designed informed consent form be included as part of the submission pack to CoJ HCM Department for final approval.

To comply with ethical considerations in conducting this research, all participants in the interviews provided written consent to participate in the research. Additionally, all participants in the survey provided verbal consent to be interviewed and to participate in the survey. The respondents of both the survey and the interviews consequently became willing participants in this study after the research objectives and process were explained following the written and the verbal consents sought by the researcher. While it is good practice to request written and verbal consent, it is more important to support these highly formalised methods of securing consent through fostering relationships in which ongoing ethical regard for participants is sustained.

The participants were fully briefed on the purpose of the research and they were informed that they were at liberty to withdraw at any point during the interview if they wished to do so. The researcher also obtained permission from the participants to record the interview. None of the participants expressed difficulties with the recording of the interviews.

Confidentiality was critical when conducting this research so that participants could freely express themselves. Thus, it was further explained to the participants that their information would remain confidential. This assisted in establishing trust with the participants in the early phase of the interviews. In the beginning, sharing personal stories and my life journey with participants was critical. This further assisted to build trust and in turn encouraged the participants to share their stories and openly participate. The final report substituted pseudonyms for the identity of the participants.

At the end of the interviews, both the participants and the researcher engaged in an open discussion about the topic, the interview itself and any other related matter. This was critical to ensure that the participants were not left with any uncertainty about aspects that might not have been covered during the interview. All participants reported having enjoyed the interview and appreciated the contribution of the topic in searching for solutions to bringing the aspirants to middle class status.

3.5.2.2 Documents data collection

This research study was also supplemented by document analysis to determine the gaps in the CoJ policies and strategies that are aimed at improving the lives of the vulnerable. In this regard, documents that were gathered for analysis are the Growth

and Development Strategy (GDS 2040) Economic Growth Strategy, Expanded Social Package Programme or the Indigent Policy, the Spatial Development Framework, the Inclusive Housing Policy, the Broadband Policy and the Integrated Development Plans (IDPs). The State of the City Addresses (SOCAs) by the Executive Mayor and annual budget statements by the Members of the Mayoral Committee (MMC) for finance were also a focal point of analysis as these statements provide the policy direction to be undertaken by the CoJ. Document analysis is recommended by Creswell (2012:223) for the following reasons. Firstly, it can represent a good source for text data for a qualitative study that can be explored; secondly, the documents provide the benefit of being in the language and words of the participants, who have usually given thoughtful attention to them; and thirdly, documents are also ready for analysis without the necessity of transcribing, as required with data collected through observations or interviews. Bowen (2009:28) also supports the use of document analysis in mixed-methods studies, particularly in case studies, to address the research problem statement. For example, document analysis, when combined with other qualitative research, is occasionally used to triangulate the research finding.

3.6 Quantitative data analysis

Quantitative data analysis was conducted in three phases: firstly, the computation of indices for use in analysing, asset base, proximity to amenities and participation; secondly, the descriptive analysis, chi-square tests, and non-parametric tests to determine the characteristics of the aspirants; and thirdly, logistic regression analysis to determine the impact of the key determinants of social mobility on the aspirants. These phases are discussed in the following sections.

3.6.1 Computation of indices

The first step in data analysis was to generate the weighted indices for use during the quantitative analysis phase. The generation of weighted indices is important to operationalise abstract subjects. The process of generating indices that comprise a subset of variables from a database has thus been embedded in several data processing and analytical methods such as principal components analysis (PCA) (Chao & Wu 2017:5). In this study, three indices were calculated for use in analysing characteristics of the aspirants outlined in chapter 4 as well for inclusion in the logistic

regression analysis outlined in chapter 5. An indexing method using a Principal Component Analysis (PCA) for binary variables (Filmer & Pritchett 2001; Moser & Felton 2007) was executed to aggregate several appropriate binary variables into a single dimension. PCA is a method of extracting, from a set of variables, the few orthogonal linear combinations of those variables that most successfully capture the common information. Intuitively, the PCA of a set of variables is the linear index of all the variables that captures the largest amount of information that is common to all of the variables (Filmer & Pritchett 2001:116). The variables that were used in the PCA analysis were as follows:

- a) The index of proximity to amenities and public infrastructure was calculated based on the ability of the household individuals to walk within 15 minutes to the following: crèche/daycare; uncooked food source; cooked/prepared food source; hardware store; financial services/bank; internet café; business services; bar, tavern, shebeen, liquor store; post office; park; library; and other areas of interest.
- b) The index of participation was calculated based on participation by the household in the following organisations: ratepayers; street or block committee; neighbourhood watch; church or religious organisation; choir; social recreational sports club; savings club stokvel or burial society; women's, men's, or youth organisation; political party; trade unions; business or professional organisation; and any other organisation(s).
- c) The asset index was calculated based on principal components using only the indicators that reflect ownership of household consumer durables such as ownership of a landline telephone; cellphone; television; personal computer, laptop or tablet; radio, CD player or music system; satellite TV; car; bicycle; fridge (Filmer & Scott 2008).

3.6.2 Descriptive statistics, chi-square tests, and non-parametric tests

The second step in quantitative data analysis was to analyse the GCRO QoL (2017/18) survey data to address the first research question in order to analyse critically the key characteristics of the aspirants in the CoJ. Using descriptive analysis, the chi-square tests and the nonparametric Mann-Whitney U tests, the quantitative

analysis of the GCRO QoL (2017/18) assisted in revealing these key characteristics, as discussed below.

The characteristics of the respondents were analysed using the descriptive statistics to provide a summary and features of the sample drawn from the GCRO QoL (2017/18). These characteristics were analysed following the adapted World Bank (2014) framework on the measurement of living standards of the poor. This framework was applicable as the aspirants are not far from the poverty margins and most of them are still lacking the same services that are provided to the poor by the CoJ. Thus the World Bank (2014) framework was adapted to relate to the measurement and diagnosis of the living standards of the aspirants, as shown in Table 3.2.

Table 3.2: Main determinants of upward mobility

Regional characteristics	<ul style="list-style-type: none"> ● Location ● Resource base ● Inequality
Community characteristics	<ul style="list-style-type: none"> ● Infrastructure ● Isolation and access to markets ● Access to public goods and services (e.g. proximity of schools, clinics) ● Social structure and social capital
Household characteristics	<ul style="list-style-type: none"> ● Size of household ● Gender ● Population group ● Assets ● Employment and income structure ● Health and education of household members
Individual characteristics	<ul style="list-style-type: none"> ● Age ● Education ● Employment status ● Health status

Source: Adapted from World Bank (2014)

Together with graphic analysis, the descriptive analysis conducted on the variables in the framework above formed the foundation for the following further quantitative data analysis.

The characteristics variables in Table 3.3 whose responses were dichotomous were subjected to further analysis using the Pearson Chi-square test for independence to determine whether or not social mobility depended on these variables. Chi-square tests can be used to analyse information related to association or independence among data (Bolboacă, Jäntschi, Sestraş, AF, Sestraş, RE & Pamfil 2011:529). The chi-square tests required the construction of contingency tables, which was conducted for characteristics of the aspirants, whose responses were categorical. This procedure produced tables of counts and percentages for the joint distribution of two categorical variables. The contingency tables in this study served as a summary reporting tool and were useful in the analysis of GCRO QoL (2017/18) survey data. The procedure was also used to calculate statistics and tests such as Fisher's exact test and also to produce a broad set of association and correlation statistics for contingency tables such as the Phi and Cramer's V.

Before considering the application of the Chi-square, Bolboacă et al. (2011) recommend that the following four assumptions be met. Firstly, the data must be drawn randomly from a given population. Secondly, the type of variables can be dichotomous, ordinal, nominal or grouped intervals. Thirdly, the sample size must be sufficiently large, with a minimum sample size of 50. Fourthly, values on cells must be adequate in that there are no cells with zero count.

The GCRO QoL (2017/18) survey data that were used to compute the Chi-square test in this study met all the above requirements. Thus, Pearson's Chi-square test was conducted to assist in determining if the differences were sufficient to conclude that the test is statistically significant. Below is the formula for Pearson's chi-square test (Bolboacă et al. 2011:530).

$$\chi^2 = \sum_{r=1}^R \sum_{c=1}^C \frac{(O_{R,C} - E_{R,C})^2}{E_{R,C}} \dots\dots\dots \text{(Equation 3.1)}$$

Where:

- χ^2 = Chi-square test

- $O_{R,C}$ = the observed count in a cell defined by row R and column C, which is the actual data as collected during the survey
- $E_{R,C}$ = the expected count in a cell defined by row R and column C, which is the count that would be obtained if the hypothesis of row-column independence were true.

The resulting statistic follows a chi-square probability distribution with degrees of freedom (df) equal to $(R - 1) (C - 1)$, where:

- R = the number of rows in the contingency table (in this study R =2 representing class status: the aspirants and the middle class)
- C = the number of columns in the contingency table (in this study C depended on the number of responses, binary or more).

The Pearson's Chi-square test was therefore computed on the following category of variables representing access to basic services, household characteristics, gender, population group and accumulation of debt. In all the cases, the Chi-square test null hypothesis (H_0) specified that there is no association between socioeconomic class and the given characteristic variable and the alternative hypothesis (H_1) specified that there is an association between socioeconomic class and the given characteristic variable.

To test the differences in the data distribution for the given characteristics between the aspirants and the middle class, the Mann-Whitney U test procedure was applied on the following variables: proximity³ to services; participation; accumulation of assets; satisfaction with community, family and friends; the health status of the household in general; the health status of the household head; satisfaction with health services; the average age of the household head; the number of working hours; and satisfaction with basic services. According to Nachar (2008:14), the researcher has the option of using the Mann-Whitney U test as a statistical procedure to compare two independent groups whose samples may not exhibit large normally distributed samples. Another

³ When conducting the Quality of Life survey, the Gauteng City-Region Observatory considers amenities as accessible if the travel time is within 15 minutes by walking. This is also in line with the International Transport Forum (ITF) (2019), which considers amenities accessible when travel time is within 15 minutes by walking and 30 minutes by public transport.

advantage of the non-parametric test is that the model structure does not require a priori specification as it can be determined from the data itself. In this study, the Mann-Whitney U test nonparametric tested the null hypothesis (H_0) that the aspirant middle class and the middle class are homogeneous and have the same distribution of the given characteristic against the alternative hypothesis, H_1 that the aspirant middle class data distribution differs from that of the middle class for the given characteristic. The guidelines by Nachar (2008) were adopted whereby H_0 would be rejected in favour of H_1 for values of the test statistic falling into either tail of the sampling distribution. Before considering the application of the Mann-Whitney U test, Nachar (2008:15) makes the following recommendations about the key assumptions that need to be met. Firstly, the two investigated groups must be randomly drawn from the target population. Secondly, there ought to be independence within groups and mutual independence between groups. Thirdly, the data measurement scale must be of a continuous or ordinal type. The data from the GCRO QoL (2017/18) survey used to compute the Mann-Whitney U test met all the above requirements.

3.6.3 Logistic regression analysis

The third step of quantitative data analysis addressed the third research question, which is to ascertain the impact of the identified key determinants of social mobility in promoting the progression of the aspirants towards becoming part of a stable middle class in the CoJ. In this step, a binary logistic regression analysis was performed on the dataset of the aspirants and the middle class extracted from the GCRO QoL (2017/18). Logistic regression modelling allows for the prediction of a discrete outcome, for example, group membership from a set of variables that may be continuous, discrete, dichotomous, or a mixture (Seltman 2018:389; Tabachnick & Fidell 2007:437). Therefore, logistic regression is a flexible approach that does not impose assumptions about the distributions of the independent variables. Empirically, logistic regression has been widely applied in various studies that attempt to establish determinants of social mobility and also in class analysis when attempting to predict membership of being poor, middle class or other higher classes (López-Calva & Ortiz-Juarez 2011; Sokołowska 2013; Bossuoy & Cogneau 2013; Che Mat et al. 2016; Haile 2018).

This study therefore modelled the binary logistic regression analysis using a dichotomous dependent variable (socioeconomic class): 0 = “aspirants” and 1 = “middle class.” This is consistent with other studies that describe the use of the dummy dependent variable of 0 and 1 in their model where a value of 1 is assigned if success or social mobility is occurring and a value of 0 if there is no success or social mobility (Che Mat et al. 2016, Seltman 2018:390). The key determinants in the model were suitable for logistic regression analysis because they satisfied the following four assumptions. Firstly, using the GCRO QoL (2017/18) income variable, it was possible to draw a sample of both the aspirants and the middle class following recommendations by Birdsall et al. (2014). Secondly, there was more than one independent variable, of which some were continuous and others categorical. Thirdly, the dependent variable had mutually exclusive and exhaustive categories: being the aspirant middle class and being the middle class cannot occur at the same time. Fourthly, there was a linear relationship between some continuous independent variables, for example, household size, and the logistic transformation of the dependent variable (class).

Logistic regression permits the researcher to predict discrete outcomes, for example, group membership from variables that are discrete, continuous, dichotomous, or a mixture of them. Furthermore, logistic regression is applicable even in cases where the independent variables are not normally distributed, linearly related, or of equal variance within each group. Thus, logistic regression modelling underscored the likelihood of a specific outcome of class status for each case (Tabachnick & Fidell 2007:437). In this study, and following Tabachnick and Fidell (2007), the probability of success (belonging to the middle class), was determined with the formula below:

$$Pr (Y = 1) = \frac{1}{1+e^{-u}} \dots\dots\dots \text{(Equation 3.2)}$$

Where Y refers to the aspirant middle class or middle class

$Pr (Y = 1)$ is the probability of belonging to the middle class

u is a linear combination of the predictors

e is the error term.

Correspondingly, the probability of failure (belonging to the aspirant middle class) is

$$Pr(Y = 0) = 1 - \frac{1}{1+e^{-u}} \dots\dots\dots \text{(Equation 3.3)}$$

Where Y refers to the aspirant middle class or middle class

$Pr(Y = 0)$ is the probability of belonging to the aspirant middle class

u is a linear combination of the predictors

e is the error term.

In the above formulae, u represents the log odds of belonging to the middle class and is the linear combination of subjective indicators, thus $u = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \dots + \beta_n x_n$ where β_0 and $\beta_1 \dots \beta_n$ are the constants and logistic regression coefficients (Tabachnick & Fidell (2007:438). The constant β_0 and coefficient $\beta_1 \dots \beta_n$ are computed so that the likelihood of the data is at a maximum. By assigning 0 (if aspirant) and 1 (if middle class) based on the data from the GCRO QoL (2017/18), one can calculate the likelihood of a household progressing from being the aspirant middle class to becoming a stable middle class.

Following Seltman (2018:390), the odds ratio can be calculated as the ratio of the probability of success to the probability of failure, as shown below.

$$\text{Odds}(Y = 1) = \frac{\text{Pr}(Y=1)}{1-\text{Pr}(Y=1)} = \frac{\text{Pr}(Y=1)}{\text{Pr}(Y=0)} \dots\dots\dots \text{(Equation 3.4)}$$

The odds of being in the middle class (where $Y=1$ indicates success) hold the same information as the probability of being in the middle class; thus, the greater the odds, the greater the probability. Specifically, where the probability ranges from 0 to 1, the odds range from 0 to ∞ (infinity).

3.6.4 Description of the variables and the model specification

Logistic regression was run on variables representing the key determinants of upward mobility that were obtained from the literature review as outlined in the theoretical

framework of key determinants of social mobility in chapter 2. These variables representing the key determinants of social mobility that were included in the logistic regression modelling are shown in Table 3.3.

Table 3.3: Independent variables: key determinants of social mobility

Independent Variable	Author	QoL Survey Variable
Education	Blau & Duncan (1967); Becker (1993); World Bank (2018); Arrow (1973); Thijssen & Wolbers (2015); Loveday (2015); Goldthorpe (2016); Breen (2010); Shimeles & Ncube (2015); Woolard & Klasen (2005)	Respondents were asked about their highest level of education completed (x_1) and the responses were measured on a Likert scale as follows: 1 = Less than matric level certificate, 2 = Matric level certificate, 3 = College certificate or diploma, 4 = University degree, 5 = Postgraduate degree.
Access to economic opportunities	Shimeles & Ncube (2015); Goldthorpe (1972); Erikson & Goldthorpe (1992); World Bank (2018)	On unemployment (x_2), respondents were asked whether they were currently unemployed and looking for work. The responses to this statement were on a binary scale with 0 = No and 1 = Yes. Another variable measured whether the responded owned the business or not (x_3) and the responses to this statement were on a binary scale with 0 = No and 1 = Yes.
Households' assets base	Woolard & Klasen (2005); Anderson (2012); Burger & McAravey (2014)	Asset holding (x_4) was measured using the indices derived from the PCA approach explained in section 3.4.1.
Gender	Nunn et al. (2007); Heath & Payne (1999); Dessens et al. (2003)	The variable representing gender (x_5) was a binary variable with the following categories: 0 = Males and 1 = Females.
Individual race and inequality	Weiss (1970); Wright (1978); Meiring et al. (2018); Wilson (2012); Pickett (2015); Keeley (2015); Yang & Qiu (2016); Fournier & Koske (2012);	The variable representing population group (x_6) was measured as a categorical variable as follows: 1 = Black Africans, 2 = Coloureds, 3 = Indians/Asians and 4 = Whites.

	Goldthorpe (2016); OECD (2018); Burger & McAravey (2014); Adato et al. (2006)	
Social cohesion – the degree of mutual trust and participation	Shimeles & Ncube (2015); Cloete (2014); Meiring et al. (2018); Cloete (2014); Casey & Owen (2010); Montalvo & Reynal-Querol (2005)	Participation in various networks (x_7) was measured using the PCA index of participation as described in section 3.6.1. The statement reflecting trust (x_8) was measured on whether the respondents trusted people in their community. The responses were measured on a Likert scale as follows: 1 = Most people can be trusted, 2 = You need to be very careful and 3 = I don't know.
Motivation	Dunn (2015); Blau & Duncan (1967); Javalgi & Grossman (2016)	Individuals were asked to solicit motivation to do things in community (x_9), for example, whether they believed in themselves to influence developments in their community. The responses were measured on a Likert scale from 1 = strongly agree to 5 = strongly disagree.
Individual health status	Nunn et al. (2007); Thijssen & Wolbers (2015)	The respondents were asked to describe the state of their health status lately (x_{10}). The responses were measured on a Likert scale from 1 = excellent to 5 = very poor.
Improved transportation system	World Bank (2018); Hui (2016); Lee et al. (2018); Thynell (2017)	Respondents were asked whether transport has improved for the household in the previous year (x_{11}). The responses were measured on a Likert scale from 1 = strongly agree to 5 = strongly disagree.
Proximity to amenities	Kährlik et al. (2016); NDP (2011); World Bank (2018)	Proximity to amenities (x_{12}) was measured using the PCA index, as described in section 3.6.1.

Access to basic services	Burger & McAravey (2014); Moses et al. (2017); Armah et al. (2018); NDP (2011); Gnade (2013)	Respondents were asked whether they had access to potable water (x_{13}). Electricity and sanitation were excluded because the chi-square test found them not significantly associated with class status. The responses on access to water were on a binary scale with 0 = No and 1 = Yes.
Access to information through technology such as the internet	Nunn et al. (2007); OECD (2018)	The respondents were asked if they had access to the internet (x_{14}) for use in getting information on the following: to access a government organisation; to access public transport; for work or business opportunities; for health services; for online banking; and for educational purposes. In each case, the responses were on a binary scale with 0 = No and 1 = Yes.

Source: Author's construction from the literature review

As in the case of multiple regression, the prediction equation in logistic modelling includes a linear combination of the predictor variables. For example, in this study, with 14 predictors, the following fundamental equation (Equation 3.5) will be used to find the odds of being in the middle class from being an aspirant, given the combination of scores ($x_1, x_{10} \dots x_{14}$) in Table 3.3.

$$\bar{Y}_i = \frac{e^{\beta_0 + \beta_1 X_1 + \dots + \beta_{14} X_{14}}}{1 + e^{\beta_0 + \beta_1 X_1 + \dots + \beta_{14} X_{14}}} \dots \dots \dots \text{(Equation 3.5)}$$

The linear part of the logistic regression model above ($\beta_0 + \beta_1 x_1 + \dots + \beta_{14} x_{14}$) depicts the probability of being an aspirant or in the middle-class category based on the combination of predictors indicated above.

3.7 Qualitative data analysis

This section outlines the fourth step in the analysis of the qualitative data collected, as described in section 3.5.2. According to Creswell (2012:238), there is no single accepted methodology to analysing qualitative data, although numerous guidelines

exist. Thus, qualitative data analysis can be regarded as an eclectic process. The qualitative research analysis is "interpretive" research, in which the researcher makes a personal valuation in terms of a description that fits the situation or themes that capture the major categories of information. The interpretation made of the collated transcripts, for instance, may differ from an interpretation that someone else might make. It is also important to recognise that qualitative research is inductive in form, going from the particular or the detailed data, for example, transcriptions, to the general codes and themes.

As indicated in Figure 3.1, the data collection and analysis were simultaneous activities. As the data were being collected, other information previously collected was analysed to look for major ideas. The qualitative data analysis phase was also iterative between its collection and analysis. That is, data were read several times and analysis was conducted each time to develop a deeper understanding of the information supplied by participants.

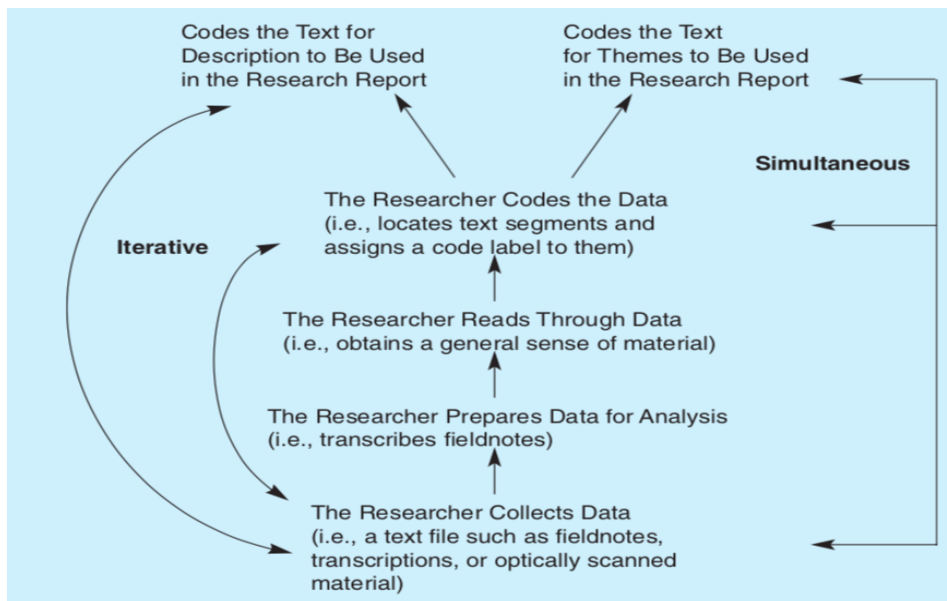


Figure 3.1: Qualitative data analysis steps

Source: Creswell (2012:237)

To conduct the steps in Figure 3.1, the interviews were recorded, transcribed, uploaded and analysed in ATLAS.ti 8 since the software is suitable for a large amount of unstructured textual data (see Appendix 2 for network trees of codes used). Thematic content analysis was conducted to find common patterns across the

qualitative data set. There was a need to interact with the qualitative dataset by reading the transcripts several times to become familiar with them. The whole texts were then coded and labelled in ATLAS.ti 8, thus enabling the search for themes with broader patterns of meaning. After analysing the codes, four themes emerged that were reviewed to ensure that they fitted the qualitative dataset and then were clearly defined and named accordingly. These themes related to determinants of social mobility within the control of the CoJ, determinants of mobility outside the control of the CoJ, determinants that are of ascribed nature, and recommendations for policies. These themes were generated based on the information that was suited to answer the research questions. Finally, a coherent narrative was generated that included quotes from the interviewees, as presented in chapter 6. The ATLAS.ti 8 software was useful to ensure that the analysis and processes were organised, transparent, integrated and grounded in the evidence (Lewis 2016:1). This facilitated the triangulation of data collected through multiple methods, that is, the interviews with CoJ executives, field notes/observations and archival research/documents.

Lastly, as part of qualitative data analysis, document analysis was conducted to determine the gaps in the CoJ policies and strategies that are aimed at improving the lives of the vulnerable that are highlighted in section 3.5.4. Document analysis is recommended by Creswell (2012) as a good source of data for a qualitative study that can be explored. To make document analysis inevitable, it was argued in chapter 2 that in making policy recommendations in this study, the incremental model propounded by Lindblom (1959) should be adopted. This incremental model entails that the policymakers examine a limited number of policy alternatives and that new policy formulation is a perpetuation of the previous policy process that requires minimum changes. Thus, the adoption of the incremental model informs the basis for the analysis of selected policy documents outlined in section 3.5.4.

Owing to a large amount of unstructured textual data from the policy documents under consideration, the use of ATLAS.ti 8 was also instrumental. All the policy documents were uploaded to ATLAS.ti 8 to ensure that the analysis and processes were also organised, transparent, integrated and grounded in the evidence. The process involved the discourse analysis to locate text segments, words or phrases that reflected the targeted groups for the implementation of policies in the CoJ. These text

segments that were searched in all the documents were the poor, the aspirant middle class, the vulnerable, the emerging middle (which, if found, would be the proxy of the aspirants) and the middle class. Thus, the analysis was conducted in ATLAS.ti 8 to generate the frequency of words or phrases that refer to different classes that were mentioned for targeting the implementation of programmes in the CoJ. Against these targeted groups, and for each policy, the analysis was conducted to ascertain what the respective policy is which is intended to assist the targeted group.

The analysis of the qualitative data supported the findings on the impact of the key determinants of social mobility in chapter 5, thus firming up the second and third research objective. The qualitative analysis, including analysis of documents, was also instrumental in the policy findings in chapter 6 and together with the quantitative analysis, it contributed towards making the recommendations in chapter 7. This addressed the last research objective, which is to make policy recommendations to enhance the effectiveness of future CoJ policies that will ensure that the aspirants grow and become part of a stable middle class.

3.8 Summary

The principal objective of this chapter was to establish a methodology to determine for the aspirants in the CoJ their characteristics, their key determinants of social mobility, including the impact of these determinants on their upward mobility, and to determine the enabling policy framework that will promote and empower them to grow towards becoming a stable middle class. This chapter provided an outline of the case study research strategy targeting the CoJ and the mixed-methods methodology that was used to research the study problem statement. The chapter described the research setting, provided a detailed explanation of the methods that were applied to select the participants, explained the techniques used for data collection and described the methods of data analysis conducted to investigate the research questions. The next chapter provides the results of the key characteristics of the aspirant middle class based on the descriptive statistics, the chi-square test and the non-parametric tests.

CHAPTER 4: DESCRIPTIVE STATISTICS AND ANALYSIS OF KEY CHARACTERISTICS OF THE ASPIRANTS

4.1 Introduction

This chapter uses descriptive statistics to present the results of the investigation into the characteristics of the aspirants and how they differ from the middle class in the CoJ. This research adopted the World Bank (2014) framework on the measurement of living standards to analyse the characteristics of the aspirants and the middle class presented in this chapter. This framework was adapted for the aspirants, who are regarded in this study as non-poor but also not in the middle class (as discussed in Chapter 3). The adapted method, which related to the measurement and diagnosis of the living standards of the aspirants, was applied using the data obtained from the GCRO QoL (2017/18) survey conducted in 2018 by the GCRO, as outlined in chapter 3. Both the aspirants and the middle class were represented by the head of the household (HH). The results of the investigation into characteristics are presented in the following order: regional, community level, household, individual, economic and attitudinal characteristics.

4.2 Regional characteristics

According to the GCRO QoL (2017/18), and using our definition of the aspirant, approximately 13% of the households in the CoJ were aspirants with daily per capita income from US\$4 to US\$10⁴ (R60 to R150), as described in chapter 2. This is not far from the findings of Schotte et al. (2018) stated in chapter 1, which estimated the aspirants to be 14% of the households. This is a substantial figure that requires special attention concerning managing the transition of these households towards becoming the middle class. As indicated in Figure 4.1, the aspirants are not necessarily located in the most deprived areas.

⁴ The declared income by the head of the household was the total amount of money brought into the household by all members. This implies that if the head of the household is an aspirant, the entire family is characterised as aspirant.

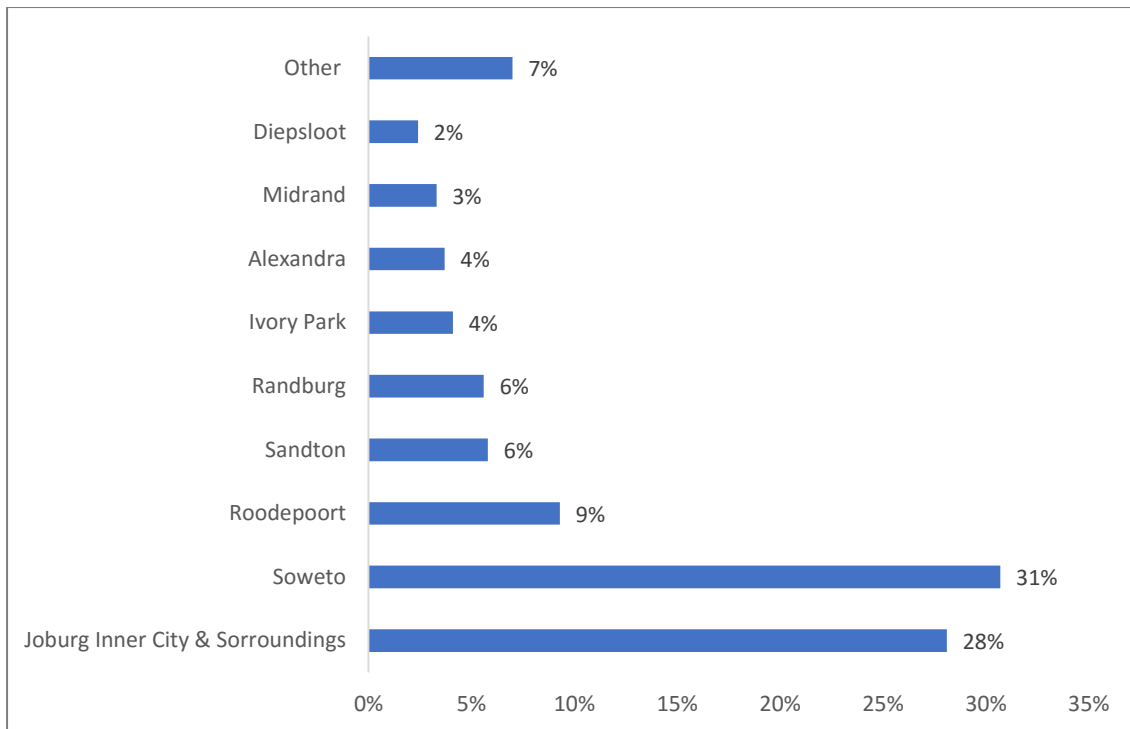


Figure 4.1: The distribution of the aspirant households

Source: SPSS Iterations, QoL Data (2018)

The majority of the aspirant household heads are located in Soweto and the inner city and its surroundings. Soweto, with the highest concentration of the aspirants, also has the lowest payment rates for services, particularly related to electricity, which artificially places those who could have been regarded as the poor as the aspirants. For example, Soweto alone owed the electricity service provider (Eskom) R17 billion in electricity bills, which is half of its total national debt of 34 billion (Africa News Agency 2019). The location of the aspirant household heads in the inner city is also expected, given the centrality of the region and its proximity to economic regional nodes, for example, Johannesburg Central Business District, Sandton, and Randburg. Kährlik et al. (2016:365) emphasise the 'proximity' criterion as the popular reason for the choice of residence in the inner cities around the globe. The authors refer to proximity as good access to workplaces or study, social infrastructure, leisure facilities, or just closeness to the city centre. Proximity is valued because of the overall comfort and time-saving aspects for all heads of the households and for its economic benefits such as reduced transportation costs. It offers the possibility of being able to cycle or walk from home to many destinations.

4.3 Socioeconomic characteristics of the head of the household

Income or consumption is typically used to define whether a household is poor, vulnerable or in the middle class. The income approach was used in this study to stratify the various classes. However, other economic characteristics are important as they correlate with the vulnerability of the aspirant household heads. In this study, economic characteristics relate to employment status, sources of income including debt accumulation and consumption spending among the aspirant household heads and those in the middle class, as indicated by the World Bank (2014:81).

4.3.1 Sources of income

This section presents the analysis of sources of income for the two groups. The sources of incomes that were identified in the GCRO QoL (2017/18) survey were from social grants, formal employment, informal employment, support from family remittances, renting out property, income from savings and remittances from friends. The contingency tables and the chi-square tests described in chapter 3, section 3.6.2, were used to analyse the characteristics of the aspirants, whose responses were categorical. The contingency table (Table 4.1) therefore serves as a summary reporting tool for the sources of incomes that were identified in the GCRO QoL (2017/18) survey.

Table 4.1: Class status by the source of income for the HH

		Social grant			Formal employment		
		No	Yes	Total	No	Yes	Total
Aspirants	Count	309	140	449	119	330	449
	Expected count	356.4	92.6	449	80.4	368.6	449
	% within class status	68.8	31.2	100	26.5	73.5	100
Middle Class	Count	507	72	579	65	514	579
	Expected count	459.6	119.4	579	103.6	475.4	579
	% within class status	87.6	12.4	100	11.2	88.8	100
Total	% within class status	79.4	20.6	100	17.9	82.1	100

		Support from family			Support from friends		
		No	Yes	Total	No	Yes	Total
Aspirants	Count	371	77	448	431	18	449
	Expected count	393	55	448	430.2	18.8	449
	% within class status	82.8	17.2	100	96	4	100
Middle Class	Count	529	49	578	554	25	579
	Expected count	507	71	578	554.8	24.2	579
	% within class status	91.5	8.5	100	95.7	4.3	100
Total	% within class status	87.7	12.3	100	95.8	4.2	100
		Informal employment			Renting out a property		
		No	Yes	Total	No	Yes	Total
Aspirants	Count	354	94	448	396	53	449
	Expected count	368.5	79.5	448	405.7	43.3	449
	% within class status	79	21.0	100	88.2	11.8	100
Middle Class	Count	490	88	578	532	46	578
	Expected count	475.5	102.5	578	522.3	55.7	578
	% within class status	84.8	15.2	100	92	8.0	100
Total	% within class status	82.3	17.7	100	90.4	9.6	100
		Savings					
		No	Yes	Total			
Aspirants	Count	339	110	449			
	Expected count	318.8	130.2	449			
	% within class status	75.5	24.5	100			
Middle Class	Count	391	188	579			
	Expected count	411.2	167.8	579			
	% within class status	67.5	32.5	100			
Total	% within class status	71.0	29.0	100			

Source: SPSS Iterations, QoL Data (2018)

Table 4.1 above shows the observed count, which is the value directly calculated from the actual data collected during the survey and the expected count, which is the value that would be obtained if the assumption that there is independence between the class status and the sources of income were true. The results indicate that 31.2% of the aspirant household heads are on social grants compared to 21.4% of the middle class. This suggests that social grants could be key to sustaining the aspirants. The results

further indicate that income from formal employment is vital for both the aspirants and the middle class household heads. However, the proportion of the aspirant household heads that depend on this source of income is relatively lower (73.5%) compared to the middle class (88.8%). This suggests that fewer of the aspirant household heads are employed or that they earn lower wages and salaries in the formal sector compared to those in the middle class. In contrast, for those who earned income from informal employment, the proportion of the aspirant heads of households was relatively higher (21%) compared to the middle class (15.2%). Thus, the aspirant household heads rely more on income from informal employment compared to their middle class counterparts. Probably as a result of low returns in the informal sector, family support is also key in supplementing incomes of the aspirant households as 17.2% of them depended on family remittances compared to 8.5% of the middle class. There is also a high dependency on income from renting out the property by the aspirant household heads (11.8%) compared to the middle class household heads (8.0%). Manomano, Tanga and Tanyi (2016:115) indicate a high prevalence of misuse of property such as low-income housing whereby beneficiaries rent the housing out to augment income. There is also a common culture among this class of subletting their property, particularly those who live in the high-rise buildings, to augment their income for status and to enhance their affordability to live in often expensive areas that are closer to workplaces (Fourie 2018).

Table 4.1 also reflects an indication of a low savings culture among the aspirant household heads. For example, the proportion of the aspirant heads of households that depended on savings was relatively lower (24.5%) compared to the middle class (32.5%). This may require the City to initiate campaigns aimed at raising awareness of financial planning and saving among the aspirant household heads, as well as keeping this class informed about alternative investments. A low savings culture may be a result of a range of economic issues already discussed, such as the aspirants' concentration in sectors with lower returns, bad financial decisions as they finance their aspirational lifestyles, and a lack of discipline.

The chi-square statistics used for testing relationships between categorical variables as outlined in section 3.6.2 of chapter 3 was computed for the sources of income in Table 4.1. In this case, the chi-square tested to determine if there was any significant

association between these sources of income and whether the head of the household is an aspirant or in the middle class. As a result, a chi-square was computed which produced the results tabulated in Table 4.2. The following hypothesis was specified for this purpose:

H₀: Being the aspirant head of the household is not significantly associated with the following sources of income: social grants, formal employment, informal employment, family remittances, help received from friends, renting out property and savings.

H₁: Being the aspirant head of the household is significantly associated with the following sources of income: social grants, formal employment, informal employment, family remittances, help received from friends, renting out property and savings.

Table 4.2: Chi-square test – class status and sources of income of the HH

Source of Income	Chi-square tests χ^2		Effect size
	Pearson Chi-square	Df	Cramer V
Social grants	54.284***	1	.230
Formal employment	40.164***	3	.198
Informal employment	5.733*	1	.017
Family remittances	17.774***	1	.132
Renting out property	4.290*	1	.065
Savings	7.805**	1	.087
Friends	.060	1	.008

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$), df = degrees of freedom.

Source: SPSS Iterations, QoL Data (2018)

The results in Table 4.2 indicate that the chi-square test statistics for social grants, formal employment, and support from family remittances were statistically highly

significant at 1% level of significance. The results also show that the chi-square test for informal employment, renting out property and savings were statistically significant at the 5% level of significance. Based on the test statistics, H_0 was rejected in favour of H_1 for sources of incomes from social grants, formal employment, informal employment, support from family remittances, renting out property and income from savings.

The results above indicate that there is an association between being the aspirant and the following sources of income. Firstly, being the aspirant is significantly associated with income received from social grants, which implies that receiving a social grant is important in sustaining the aspirant households. Secondly, being the aspirant is significantly associated with formal employment and informal employment, which implies that the household aspirant heads that are employed, whether formally or informally, have greater incidences of being in the middle class. Thirdly, being the aspirant is significantly associated with support from family remittances, which implies that remittances play a significant role in sustaining the aspirants to maintain a so-called middle class lifestyle. Fourthly, being the aspirant is significantly associated with renting out a property, which implies that the aspirant heads of households who let out property to sustain their lifestyles have greater incidences of being in the aspirant middle class. Lastly, being the aspirant is significantly associated with savings, which implies that the aspirant heads of the households who have substantial returns from investment savings have greater incidences of being the middle class.

Contrary to a priori expectation, H_0 was accepted for the aspirants' sources of income from friends. Therefore, it can be concluded that there was no significant association between being the aspirant head of the household and remittances from friends ($\chi^2=0.060$, $p = .806$). In other words, assistance from friends does not influence whether the head of the household is an aspirant or in the middle class.

4.3.2 Debt accumulation

While employment is the primary source of income in most households, family consumption is also related to access to credit by the head of the household. Through debt financing, families can borrow against future earnings to support consumption in the early years. In this section and to discuss the characteristics of debt accumulation,

the distribution of debt among the aspirants and the middle class is summarised in Table 4.3.

To sustain their aspirational middle class lifestyle, reliance on borrowing was apparent among the aspirant household heads, where 59.7% indicated that they had a debt compared to the middle class (50.6%). However, what is striking was the inability to service such debt by the aspirant household heads compared to their middle class counterparts. The results also indicate that 42% of the aspirant heads of the households occasionally skipped paying their debts compared to 23.1% of the middle class. This finding is expected as it is revealed in the literature that the aspirants, in particular, have large extended families to sustain and consequently depend on huge debt to maintain the so-called middle class lifestyle. Netshitenzhe (2015) supported this by stating that the aspirant middle class aspires to live the lifestyle of the middle class but without adequate assets, and therefore some may obtain these resources in ways that compromise their sustainability.

Table 4.3: Class status by HH debt and debt repayment

		Have a debt			Missed a debt repayment		
		No	Yes	Total	No	Yes	Total
Aspirants	Count	268	181	449	105	76	181
	Expected count	245	204	449	126	55	181
	% within class status	59.7	40.3	100	58	42	100
Middle Class	Count	293	286	579	220	66	286
	Expected count	316	263	579	199	87	286
	% within class status	50.6	49.4	100	76.9	23.1	100
Total	% within class status	54.6	45.4	100	69.6	30.4	100

Source: SPSS Iterations, QoL Data (2018)

The findings in Table 4.3 corroborate the study conducted by First National Bank (FNB), reported by Businesstech in July 2019, that concluded that the middle class in South Africa is heavily reliant on debt with some spending up to a quarter of their

monthly income to pay interest on the debt. As reported by Businessstech (2019), the lower-income threshold used by the FNB for the middle class was R7 000 per month, which included a substantial number of the aspirant household heads as per the definition in this study. Businessstech (2019) further reflected on the data, which indicated that 43% of the middle class deplete their income before the end of the month and depend on borrowing to meet expenses for the rest of the month. As a result, for those who deplete their income before the end of the month, about 9% turn to banks, 20% rely on their credit cards and 59% depend on family and friends.

The chi-square statistics used for testing relationships between categorical variables as outlined in section 3.6.2 of chapter 3 were computed for the variables that indicated the accumulation of debt and ability to repay such debt in Table 4.4. The results of this procedure are tabulated in Table 4.4. In this case, the chi-square tested to determine if there was any significant association between the accumulation of debt and being an aspirant head of the household. The following hypothesis was specified for this purpose:

H₀: To sustain their aspirational middle class lifestyle, reliance on borrowing was apparent among the aspirant household heads compared to the household heads in the middle class, and the aspirant household heads occasionally skipped paying their debts compared to the middle class.

H₁: To sustain their aspirational middle class lifestyle, reliance on borrowing was the same between the aspirant household and the household heads in the middle class, and the aspirant household heads equally skipped paying their debts, like the middle class.

Table 4.4: Chi-square test – class status and HH debt

	Chi-square tests χ^2		Effect size
	Pearson Chi-square	df	Cramer V
HH has a debt	8.417***	1	.090
HH skips debt repayment	18.736***	3	.2

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$), df = degrees of freedom.

Source: SPSS Iterations, QoL Data (2018)

As indicated in Table 4.4, the chi-square test statistics for the household heads that had debt and those who skipped debt repayment were statistically highly significant at 1% level. Thus, the test statistics firstly indicate an association between being an aspirant head of the household and the accumulation of debt. It can be concluded that the household heads who accumulated debts had greater incidences of being the aspirants. Secondly, the test statistics indicated that being an aspirant head of the household is significantly associated with the inability to repay the debt. It can also be concluded that the aspirant household heads were not able to repay their debts compared to the middle class. These results are consistent with findings by Netshitenzhe (2015) and FNB (2019) that the aspirants generally depend on huge debt to maintain a so-called middle class lifestyle.

4.3.3 Employment status

Unemployment is more prevalent among the aspirant household heads compared to those in the middle class (Table 4.5). About 22% of the aspirant household heads were unemployed and were actively looking for employment. Only 9% of those in the middle class were unemployed, which suggests that employment is a key driver of the growth of the middle class.

Table 4.5: Employment status of the HH

Class status	Unemployed	%
Aspirants (%)	No	78
	Yes	22
	Total	100
Middle Class (%)	No	91
	Yes	9
	Total	100

Source: SPSS Iterations, QoL Data (2018)

Another striking feature of the aspirant household heads is that they tend to depend on family and friends in terms of gaining employment (22%) compared to those in the middle class (9%). As a result, strengthening family ties and participation in social networks, as discussed earlier, is therefore vital for this class in terms of widening their economic prospects.

When the top employment sectors for each class were analysed (Table 4.6), the aspirant household heads were found to be concentrated in less-skilled sectors that can accommodate low skills such as: wholesale industries, including repairs of motor vehicles (12.6%), construction (11.6%) and transport (6.9%). The analysis of the occupational structure and educational skill level by the Department of Higher Education and Training (2019:81) indicates that these sectors accommodate low-skilled elementary workers.

Table 4.6: Employment by sector of the HH

Sector	Aspirants %	Middle class %
Wholesale and retail trade, repair of motor vehicles	12.6	4.6
Construction	11.6	5
Transportation and storage	6.9	2.9
Financial and insurance services	4.2	12.4
Information and communication	1.9	8.2
Professional, scientific and technical activities	0.6	6.4

Source: SPSS Iterations, QoL Data (2018)

Contrary to this, the household heads in the middle class were found employed in highly skilled sectors, predominantly the service sectors, such as the financial and insurance services (12.4%), information and communication services (8.2%) and professional, scientific and technical services (6.4%).

The analysis of the number of hours worked per week also indicated that the aspirant household heads tend to work more hours (42 hours) in a given week compared to those in the middle class (39 hours). The Mann-Whitney U test statistical procedure used to compare two independent groups as outlined in section 3.6.2 of chapter 3 was computed in Table 4.7 to test the difference in working hours under the following hypothesis:

H₀: The working hours of the aspirant household heads are the same as the working hours of the middle class.

H₁: The working hours of the aspirant household heads differ from the working hours of the middle class.

Table 4.7: Mann-Whitney U test – Hours worked by the HH

Social Class	N	Mean Rank	Sum of Ranks	U	p
The aspirants	263	360	94924	126520	.002
Middle class	402	314	126520		
Total	665				

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$)

Source: SPSS Iterations, QoL Data (2018)

The Mann-Whitney U test above confirmed that the number of working hours of the aspirant household heads per week are statistically significantly more than the hours worked by those in the middle class at the 1% level of significance ($U = 126520$, $p = 0.002$). This finding conforms the conclusions made by Butcher and Schanzenbach (2018) that most workers in the low-wage labour market tend to work substantially longer hours.

The characteristics of the aspirant household heads also manifested in the type of employment that they hold relative to those in the middle class. For example, the aspirant household heads account for 45% of the full-time employment in the formal sector, whereas those in the middle class account for 55% in the same sector (Figure 4.2). However, the aspirant household heads exceed those in the middle class in terms of employment in the informal sector, where their contribution to full-time employment in this sector accounts for 79% and 74% part-time compared to only 21% and 26% respectively for those in the middle class.

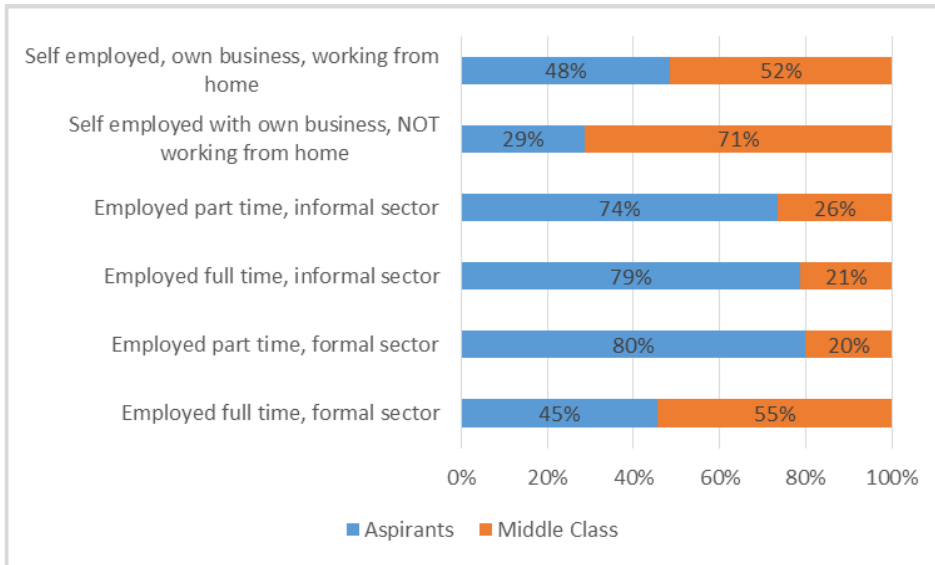


Figure 4.2: Type of employment of the HH

Source: SPSS Iterations, QoL Data (2018)

The aspirant household heads also appear to be highly dependent on part-time employment, whether in the formal or informal sector, compared to their middle class counterparts. The aspirant household heads contributed a total of 80% to part-time employment in the formal sector and 74% to part-time employment in the informal sector compared to those in the middle class, who contributed 20% and 26% part-time employment to the same sectors respectively. Part-time employment is risky and does not provide sustainable income for permanent progression into the middle class. Eurofound (2017:16) shows that most of the individuals who work part-time do so because they cannot find a full-time job, and this has detrimental ramifications on the individual's career progression and earnings and therefore the pension value. Thus, chances of regression into poverty are high, as this type of employment can easily be terminated without much legal recourse. The relatively longer working hours for the aspirant household heads and a higher proportion of this class employed part-time suggest that they work more than one job. Also, sustainable self-employment is less evident among the aspirant household heads, where they accounted for only 29% towards self-employment with their own business, officially established away from home, compared to those in the middle class, who contributed 71%.

These findings on the employment structure may call for the CoJ to consider policies that drive skills for the aspirants so that they are absorbed into high income and skilled

sectors as the middle class. These policies could be linked to improving the levels of education that were previously described as lower compared to those in the middle class.

4.3.4 Entrepreneurship

Figure 4.3 indicates that entrepreneurship is relatively lower for the aspirant household heads. Of those who owned a business, the aspirant heads of households accounted for only 31% compared to 69% of those in the middle class. Most of the businesses owned by the aspirant household heads tend to be in the informal sector, where they accounted for 63% of the businesses. The aspirant household heads account for only 39% of the businesses in the formal sector compared to 61% of their middle class counterparts.

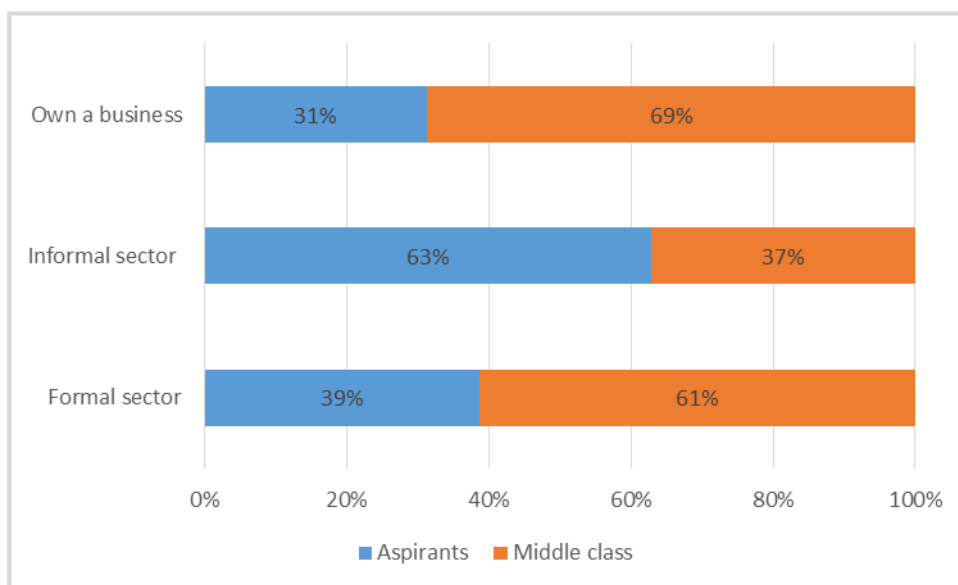


Figure 4.3: Type of business owned by the HH

Source: SPSS Iterations, QoL Data (2018)

The prevalence of the aspirant household heads owning informal businesses raises the following two critical policy implications. Firstly, should the CoJ enrich policies aimed at formalising the informal sector, thus balancing the aspirant heads' businesses with those of their counterparts in the middle class? Secondly, should initiatives be viewed in terms of recognising the informal sector entrepreneurs and ensuring that the sector thrives and is respected alongside the formal sector? These two questions are discussed in chapter 6 and chapter 7, where the synthesis from the

qualitative interviews and the overall policy recommendations are presented respectively.

The sectors in which the aspirant household heads own businesses differ from the sectors where those in the middle class own theirs. Figure 4.4 below indicates the sectors where the aspirants and the middle class own their businesses, which provides important insights into the industrial sectors that the CoJ may need to promote among the aspirant household heads.

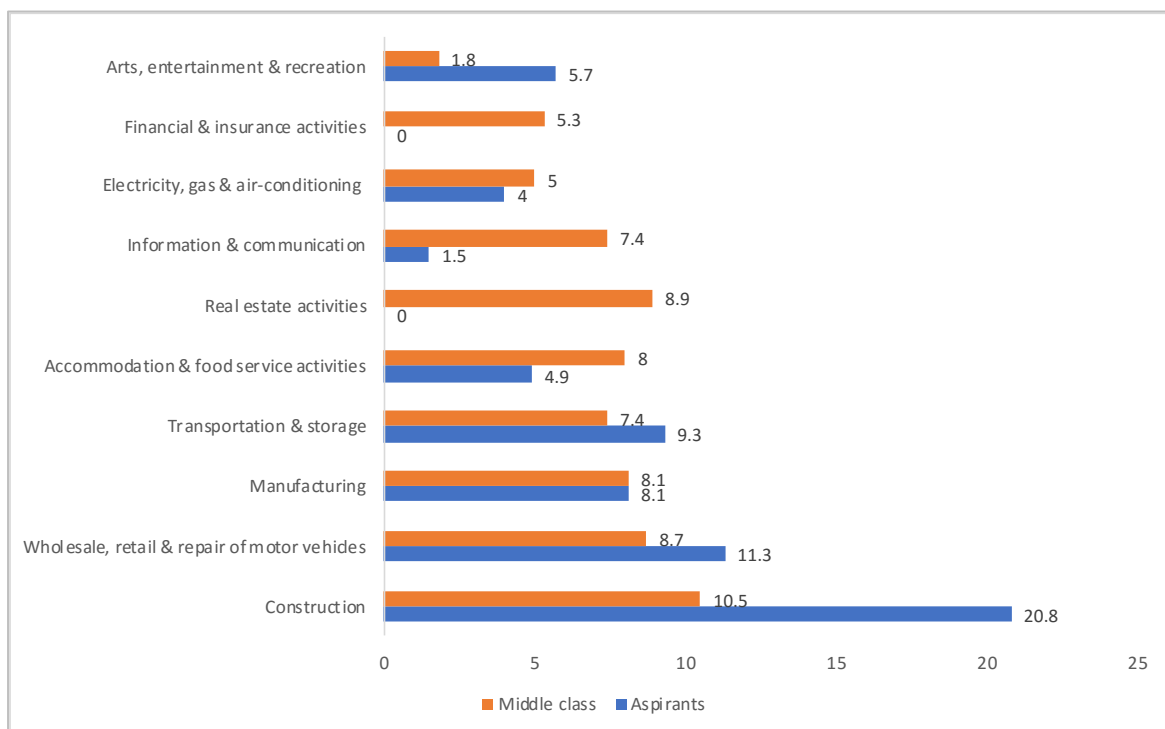


Figure 4.4: Top 10 business sectors operated by the HH (percent)

Source: SPSS Iterations, QoL Data (2018)

The analysis of the top 10 business sectors in Figure 4.4 revealed that the aspirant household heads were dominant in the ownership of businesses in construction (20.8%); wholesale, retail and repair of motor vehicles (11.3%); transportation and storage (9.3%); and arts, entertainment and recreation (5.7%). The sectors in which the household heads in the middle class were dominant with respect to their ownership were financial and insurance services (5%); electricity, gas and air-conditioning (5%); real estate activities (8.9%); accommodation and food activities (8%); and information and communication services (7.4%). The common sector across the two groups was manufacturing. These results show that the middle class is dominant in sectors that

require highly skilled entrepreneurs and that have the potential for a high yield on investments.

4.4 Access to basic infrastructure services

The World Bank (2014) identifies characteristics such as infrastructure availability as a major determinant of class. This section discusses indicators of infrastructure, namely access to basic services such as electricity, water and sanitation and proximity to services such as schools, early childhood centres, libraries, and parks. The GCRO QoL (2017/18) survey asked household heads to indicate with an answer of either yes or no to the question relating to whether they received access to basic infrastructure services (electricity, potable water, refuse removal and flush toilet). As described in chapter 3, section 3.6.2, the contingency table and the chi-square test were used to analyse the indicators of infrastructure. Table 4.8 below provides the proportion of household heads with access to basic services for the aspirants and those in the middle class.

Table 4.8: Proportion of HHs with access to basic services

		Electricity			Potable Water		
		No	Yes	Total	No	Yes	Total
Aspirants	Count	35	414	449	69	380	449
	Expected count	25.3	423.7	449	46.7	402.3	449
	% within class status	7.8	92.2	100	15.4	84.6	100
Middle Class	Count	23	556	579	38	541	579
	Expected count	32.7	546.3	579	60.3	518.7	579
	% within class status	4	96	100	6.6	93.4	100
Total	% within class status	5.6	94.4	100	10.4	89.6	100

		Access to Flush Toilet			Refuse Collection		
		No	Yes	Total	No	Yes	Total
Aspirants	Count	22	425	447	47	402	449
	Expected count	10.5	436.5	447	39.3	409.7	449
	% within class status	4.9	95.1	100	10.5	89.5	100
Middle Class	Count	2	573	575	43	536	579
	Expected count	13.5	561.5	575	50.7	528.3	579
	% within class status	0.3	99.7	100	7.4	92.6	100
Total	% within class status	2.3	97.7	100	8.8	91.2	100

Source: SPSS Iterations, QoL Data (2018)

Access to electricity by the aspirant household heads was 92.2%, access to potable water was 84.6%, access to a flush toilet was 95.1% and access to refuse removal, at least once a week, was 89.5% (see Table 4.8). While access to electricity and sanitation was high across the two groups, access to piped water by the aspirant household heads was relatively lower compared to that of the middle class. Based on the conclusions by the NDP (2011:44) that access to basic services promotes inclusive growth and provides the means to improve people's lives and boost their income, the CoJ should take seriously the relationship between class status and access to services by particularly improving the level of access to water for the aspirant household heads.

The chi-square statistics used for testing relationships between categorical variables, as outlined in section 3.6.2 of chapter 3, was computed for the variables that indicated access to basic services in Table 4.8. The results of this procedure are tabulated in Table 4.9. In this case, the chi-square tested to determine if there was any significant association between access to basic services listed in Table 4.9 and being an aspirant head of the household.

The following hypothesis was therefore specified:

H₀: There is no association between being the aspirant head of the household and access to basic services.

H₁: There is an association between being the aspirant head of the household and access to basic services.

The results are presented in Table 4.9.

Table 4.9: Chi-square test – class status and access to basic services by HH

Access	Chi-square tests χ^2		Effect size
	Pearson Chi-square	Df	Cramer V
Electricity	6.942***	1	.082***
Potable water	21.022***	1	.143***
Refuse removal	2.928	1	.053
Flush toilet	22.943***	1	.150***

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$), df = degrees of freedom.

Source: SPSS Iterations, QoL Data (2018)

Results in Table 4.9 show that chi-square test statistics were statistically highly significant at 1% level of significance for the head of the household with access to electricity, potable water and flush toilets. Based on the test statistics H_0 was rejected in favour of H_1 for access to electricity, potable water, and flush toilets. Therefore, class status is significantly associated with access to electricity, access to water, and access to sanitation through flush toilets. In other words, households with access to electricity, potable water, and flush toilets had greater incidences of being in the middle class while those without access to these services had fewer incidences of being in the middle class.

H_0 was accepted for access to refuse removal, thus there is not enough evidence to suggest an association between class status and this infrastructure service component. In other words, being an aspirant or the middle class head of the household has nothing to do with whether the household had access to refuse collection or not.

4.5 Proximity to amenities and public infrastructure

Another important characteristic that defines differences in class is the proximity to market services and amenities. It has already been noted that the aspirant household heads attempt to locate themselves in areas that have easy access to infrastructure, for example, the inner city and its surroundings, which reduces the cost of accessing amenities.

The index of proximity to market services was calculated using Principal Components Analysis (PCA) following the procedure by Filmer and Pritchett (2001) and Moser and Felton (2007) which was detailed in chapter 3. By transforming a set of correlated variables into a set of uncorrelated components, PCA allows us to identify the principal direction in which the data vary. The PCA also allows us to determine the most suitable weightings for each proximity variable to derive the proximity index that captures the maximum variation. The variables used in the computation of the index were the ability of the head of the household to walk within 15 minutes⁵ to the following facilities: crèche/day-care, uncooked food source, cooked/prepared food source, hardware store, financial services/bank, internet café, business services, bar/tavern/liquor store, post office, park, library and other areas of interest.

The first principal component provides the linear index of all the variables that capture the largest amount of information common to all of the variables (Filmer & Pritchett 2001:116). Thus, the first component with the highest variation was used as an index and accounted for 46% of the total variation (see Appendix 1a). The highest index indicates the head of the household who walks for less than 15 minutes to all identified market services while the lowest index indicates the head of the household with the furthest proximity who walks for more than 15 minutes to the identified market services. The component loadings that were meaningfully interpreted met the Kizer's criterion (had Eigenvalues greater than 1 to enable extraction of a reasonable proportion of variance explained) and had estimated component coefficients greater

⁵ When conducting the Quality of Life survey, the Gauteng City-Region Observatory considers amenities as accessible if the travel time is within 15 minutes by walking. This is also in line with the International Transport Forum (ITF) (2019), which considers amenities accessible when travel time is within 15 minutes by walking and 30 minutes by public transport.

than 0.3 (Koustoyiannis 1987). The first Principal Component (PC) showed a high correlation in proximity to all services except parks, libraries and recreation centres.

The Mann-Whitney U test statistical procedure used to compare two independent groups, as outlined in section 3.6.2 of chapter 3, was computed in Table 4.10 to test if there was a difference in the distribution of the proximity to services between the aspirant household heads and those in the middle class. The test was conducted under the following hypothesis.

The hypothesis was therefore defined as:

H₀: The aspirant household heads' proximity to services is the same as that of the middle class household heads

H₁: The aspirant household heads' proximity to services differs from that of the middle class household heads.

Table 4.10: Mann-Whitney U test – HH proximity to services

Social Class	N	Mean Rank	Sum of Ranks	U	p
The aspirants	461	508	234370	127879	.047
Middle class	597	545	325841		
Total	1058				

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$)

Source: SPSS Iterations, QoL Data (2018)

The table above is very useful because it indicates which group can be considered as living closer to the market services overall, namely, the middle class with the highest mean rank (mean ranking = 545).

Table 4.10 also shows the actual significance value of the test. From these data, H₀ is rejected, and it can be concluded that the proximity index for the middle class was statistically significantly higher than that of the aspirant household heads at the 5% level of significance (U=127879, $p = .047$). Although the aspirant household heads attempt to locate themselves near market services as indicated earlier, they are still located comparatively further away from financial services such as banks, post offices,

hardware stores, parks, libraries, and recreation facilities when compared to their middle class counterparts.

4.6 Community participation and strengthening relationships with friends and family

United Nations (2016) suggests that effective efforts to improve mobility need to be complemented with initiatives that improve participation of individuals in social institutions such as their local networks and organisations. The availability of these local social institutions and participation therein can be considered as different dimensions of available social capital.

Therefore, the participation index was computed as the PCA output of participation by the head of the household in the following organisations: ratepayers associations; street or block committees; neighbourhood watch; church or religious organisations; choir; social and recreational sports clubs; savings clubs or burial societies; women's/men's/youth organisations, political parties, trade unions, business or professional organisations; and any other organisations. The first component with the highest variation was used as an index and accounted for 28% of the total variation (see Appendix 1b). The highest index indicates the heads of the households who participate in all identified local organisations, while the lowest index indicates the heads of the households with the least participation.

The Mann-Whitney U test statistical procedure used to compare two independent groups, as outlined in section 3.6.2 of chapter 3, was computed in Table 4.11 to test if there was a difference in the distribution of the participation index between the aspirant household heads and those in the middle class. The test was conducted under the following hypothesis:

- H₀: The aspirant household heads' participation rate in social networks is the same as that of the middle class household heads.
- H₁: The aspirant household heads' participation rate in social networks differs from that of the middle class household heads.

Table 4.11: Mann-Whitney U test – HH participation in social networks

Social Class	N	Mean Rank	Sum of Ranks	U	p
The aspirants	461	444	204830	98339	.000
Middle class	597	597	355380		
Total	1058				

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$)

Source: SPSS Iterations, QoL Data (2018)

The mean ranks in Table 4.11 indicated that the participation index was greater for the middle class (Mean ranking = 597) than for the aspirant household heads (Mean ranking = 444). This implies that the middle class participates more in social networks compared to the aspirant household heads. This result concurred with the findings by Horvat, Weininger and Lareau (2003:344), that the middle class networks frequently make available various resources that individuals can use to deal with situations, thereby attaining their desired outcomes better than individuals below the middle class. Secondly, the authors found that the networks of middle class families are far more likely to include various professionals compared to those of the individual below the middle class. Thirdly, the individuals not yet in the middle class tend to undertake individual responses and do not receive much concrete support through their networks.

Table 4.11 also shows the actual significance value of the test. From these data, H_0 is rejected, and it can be concluded that the participation index for the household heads in the middle class was statistically significantly higher than that of the aspirant household heads at the 1% level of significance ($U = 98339$, $p = .000$). The results suggest that, compared to their counterparts in the middle class, the aspirant household heads participate less in almost all the social networks under consideration except for political parties, savings clubs, and burial societies. This result calls for better management of social cohesion programmes in the CoJ. The result also confirms similar findings by Matthews and Besemer (2014:27) that lower-income levels and poverty act as a barrier to social participation, where this is considered a minimum need. While it is positive that the aspirant household heads participate more in savings clubs, there is a need for the CoJ to manage savings behaviour better

among this group by encouraging them to participate in formal financial markets as well.

Strengthening relations in the community, with friends and family is also important for the aspirant household heads, who rely on these for assistance. Satisfaction with community, family and friends were therefore measured on the scale from 1 = very satisfied to 5 = very dissatisfied for each of the three variables. The actual proportions of satisfaction with community, family, and friends are indicated in Figure 4.5.

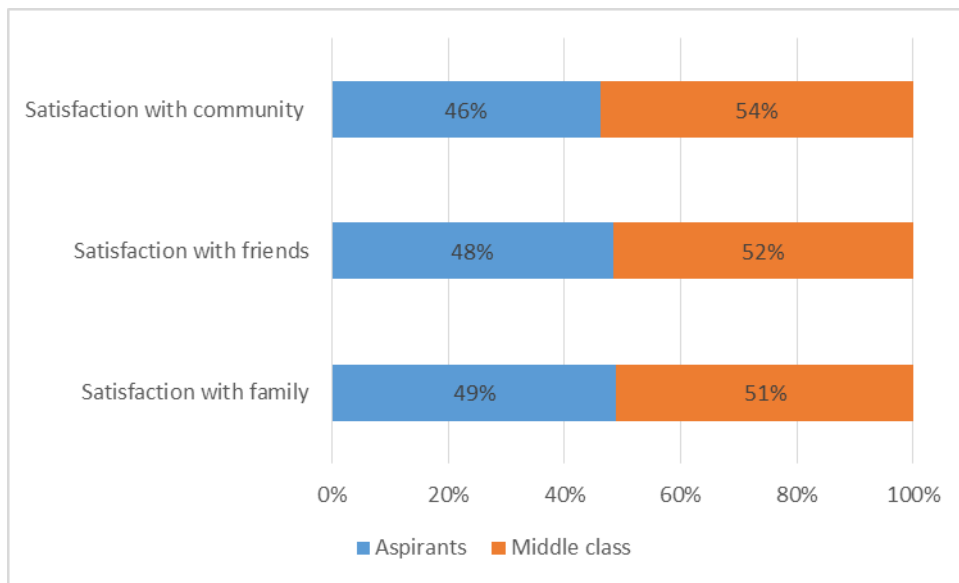


Figure 4.5: HH satisfaction levels with community, family and friends

Source: SPSS Iterations, QoL (2018)

According to the figure above, the share of the aspirant household heads that are satisfied with community friends and family is slightly less than half across all the elements measured compared to those in the middle class. Therefore the following can be concluded. Firstly, the aspirant household heads seem to be relatively less satisfied with their communities compared to their middle class counterparts (the share in total satisfaction for the aspirants is 46%); secondly, the aspirant household heads exhibit relatively less satisfaction with friends compared to their middle class counterparts (their share in total satisfaction is 48%); and thirdly, the aspirant household heads exhibit relatively less satisfaction with family compared to their middle class counterparts (their share in total satisfaction is 49%).

The Mann-Whitney U test statistical procedure used to compare two independent groups, as outlined in section 3.6.2 of chapter 3, was computed in Table 4.12 to test if there was a statistically significant difference in satisfaction between the aspirant household heads and those in the middle class. The test was conducted under the following hypothesis:

H₀: The satisfaction levels with family, friends, and community is the same between the aspirant household heads and the household heads in the middle class.

H₁: The satisfaction levels with family, friends, and community differs between the aspirant household heads and the household heads in the middle class.

Table 4.12: Mann-Whitney U test – HH satisfaction with networks

	Social Class	N	Mean Rank	Sum of Ranks	U	p
Satisfaction: Family	Aspirants	461	548	252846	128861	.052
	Middle Class	597	514	307364		
	Total	1058				
Satisfaction: Friends	Aspirants	461	547	252420	129287	.049
	Middle Class	597	515	307790		
	Total	1058				
Satisfaction: Neighbourhood	Aspirants	461	582	268442	113265	.000
	Middle Class	597	488	291768		
	Total	1058				

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$)

Source: SPSS Iterations, QoL (2018)

Based on the Likert scale from 1 = very satisfied to 5 = very dissatisfied, higher mean ranks indicate lower levels of satisfaction and vice versa. The results in Table 4.12 indicate that at the 5% level of significance, the levels of satisfaction with family are the same between the aspirant household heads and the middle class household heads. However, the Mann-Whitney U test confirms that the levels of satisfaction with friends and community are significantly lower for the aspirants compared to the middle class, at the 5% and 1% levels of significance respectively.

Some research also emphasises the importance of the levels of mutual trust in the community as a way of removing social barriers (Cloete 2014; Shimeles & Ncube 2015). Data from the GCRO QoL (2017/18) indicate that the levels of trust are relatively lower for the aspirant household heads compared to those in the middle class. More than half (63%) of the aspirant household heads indicated that they do not trust people in their communities and that they needed to be careful, while 50% of those in the middle class felt the same. However, there are overall high levels of distrust across all the classes; therefore, programmes that improve levels of trust across all the classes in the CoJ are recommended.

The results above are supported by Sungmin and Youn (2018:3) to the extent that the way in which people are connected indicates the mutual influence in the general function of their social relationship. Therefore, people's psychological and emotional factors impact on their behaviours and attitudes, which determines their achievements. Sungmin and Youn (2018) further concur that the characteristics of relationships are important and powerful variables of sharing and the quality of the relationships are considered as resources that are strategic to assist people to gain competitive advantages and produce positive behaviours.

4.7 The dwelling characteristics and family structure of the head of the household

Indicators of the composition of the heads of the households in terms of whether they live with a spouse or not, live in a formal and owned dwelling or not, the size of their household and characteristics of their household members (such as age structure) are important in that they show a possible correlation between the level of vulnerability and the composition of their households. The contingency table below (Table 4.13) was constructed to show the proportions of the distributions of the aspirants and the middle class in terms of dwelling and tenure of the head of the household.

Table 4.13: Class status by type of dwelling and tenure of the HH

		Dwelling			Tenure		
		Formal	Informal	Total	Not owned	Owned	Total
Aspirants	Count	399	38	437	248	201	449
	Expected count	414.5	22.5	437	232.4	216.6	449
	% within class status	91.3	8.7	100	55.2	44.8	100
Middle Class	Count	559	14	573	284	295	579
	Expected count	543.5	29.5	573	299.6	279.4	579
	% within class status	97.6	2.4	100	49.1	50.9	100
Total	% within class status	94.9	5.1	100	51.8	48.2	100

Source: SPSS Iterations, QoL Data (2018)

Dwelling is an important characteristic, which refers to the overall framework of the personal life of the household. In this study, the dwelling was evaluated according to two indicators stipulated by the World Bank (2014), which include the type of building (the type of materials and size) and the means through which a household has access to renting or ownership. Table 4.13 indicates that the proportion of the aspirant household heads who live in formal dwellings was high (91.3%) but comparatively lower than that of their middle class counterparts (97.6%). There was also low homeownership among the aspirant household heads (44.8%) compared to those in the middle class (50.9%). Owning a home can serve as a vehicle for economic mobility (McCabe 2018:452). It is also a significant source of household wealth and remains imperative, particularly for the lower-income households (Herbert, McCue & Sanchez-Moyano 2013:48). Herbert et al. (2013) identify the appreciation in home prices and the increase in savings that occurs when households make the move to owning a home as the two mechanisms that generate wealth through homeownership.

Other important characteristics reflected in Table 4.14 relate to the family structure in terms of the composition of the members and their age structure. The contingency table below was constructed to show the distribution of the aspirants and the middle class in terms of the family structure of the head of the household.

Table 4.14: Class status by the family structure of the HH

		Living with a spouse			Living with children under 18		
		No	Yes	Total	No	Yes	Total
Aspirants	Count	315	134	449	283	166	449
	Expected count	284.6	164.4	449	283.3	165.7	449
	% within class status	70.2	29.8	100	63.0	37.0	100
Middle Class	Count	336	242	578	365	213	578
	Expected count	366.4	211.6	578	364.7	213.3	578
	% within class status	58.1	41.9	100	63.1	36.9	100
Total	% within class status	63.4	36.6	100	63.1	36.9	100
		Living with children over 18					
		No	Yes	Total			
Aspirants	Count	373	76	449			
	Expected count	381.7	67.3	449			
	% within class status	83.1	16.9	100			
Middle Class	Count	500	78	578			
	Expected count	491.3	86.7	578			
	% within class status	86.5	13.5	100			
Total	% within class status	85	15.	100			

Source: SPSS Iterations, QoL Data (2018)

The results in Table 4.14 reflect that more household heads in the middle class tend to live with their spouses (36.6%) as compared to the aspirant household heads (29.8%). This could be important for pooling resources. According to Beblo and Beninger (2017:780), income pooling among couples is one of the crucial assumptions of traditional household economics and the many tax-welfare systems. Using a controlled experiment, Beblo and Beninger (2017:798) concluded that, while more

than half of the couples made their consumption choices depending on the allocation of resources between the spouses, in the end, higher-income couples tended to share resources, while the lower-income couples did not. They also highlighted the relationship between education and income pooling. Thus income pooling could have applied more to higher-income couples, who could be regarded as better educated compared to the lower-income couples, who could be regarded as less well educated. Living with family members below 18 years and above 18 years reflects the age structure of the household. The aspirants and the middle class reflect the same proportion of living with young family members; however, a relatively higher proportion of the aspirants indicated that they live with older family members who were above 18 years (16.9%) compared to the middle class (13.5%).

The chi-square statistics used for testing relationships between categorical variables, as outlined in section 3.6.2 of chapter 3, was computed for the characteristics of the household head listed in Table 4.14. The results of this procedure are tabulated in Table 4.15. In this case, the chi-square tested to determine if there was any significant association between the characteristics of the head of the household listed in Table 4.9 and being an aspirant head of the household. The following hypothesis was specified for this test:

- H₀: There is no association between being an aspirant head of the household and the following characteristics: living with a spouse, type of dwelling, tenure status, living with family members below 18 years and living with family members above 18 years.
- H₁: There is an association between being an aspirant head of the household and the following characteristics: living with a spouse, type of dwelling, tenure status, living with family members below 18 years and living with family members above 18 years.

Table 4.15: Chi-square test – class status and family structure of the HH

Family structure	Chi-square tests χ^2		Effect size
	Pearson Chi-square	df	Cramer V
Type of dwelling	19.846***	1	.140
Tenure	3.873*	1	.061
Living with a spouse	15.744***	1	.124
Living with family members below 18 years	0.002	1	-.001
Living with family members above 18 years	2.335	1	-.048

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$), df = degrees of freedom.

Source: SPSS Iterations, QoL Data (2018)

According to Table 4.15, H_0 was rejected in favour of H_1 for the head of the household characteristics relating to living with a spouse, type of dwelling and whether the dwelling was owned. Firstly, the chi-square test for “Living with a spouse” was statistically highly significant at 1% level. It can therefore be concluded that there is a significant association between class status and whether the head of the household was living with a spouse or not. This implies that the household heads who live with their spouse had greater incidences of being in the middle class. Secondly, the chi-square test for “Type of dwelling” was statistically highly significant at 1% level. Therefore, there is a significant association between class status and whether the dwelling was formal or informal. This also implies that those who live in the formal dwelling have greater incidences of being in the middle class compared to those who live in the informal dwelling. Thirdly, the chi-square test for “Tenure” was statistically significant at 5% level. This indicates that there is a significant association between class status and whether the dwelling was owned or not. This result also implies that those who owned their dwelling had greater incidences of being in the middle class compared to those who did not own their dwelling.

Table 4.15 also indicates that the chi-square test was not significant; thus, H_0 was accepted for the following variables: living with family members below 18 years and living with family members above 18 years. This suggests that the age structure of the

individuals living with the head of the household is not related to whether the head of the household is in the middle class or not. These characteristics also reflect the size of the household; therefore, the results in Table 4.15 indicate that household size is not associated with class status. This latter finding refutes the findings of Woolard and Klasen (2005), who identified the household size as a type of mobility trap. However, Woolard and Klasen (2005) referred to large households with specifically many children as facing difficulties in progressing up the income ladder.

4.8 Asset holdings of the head of the household

Since the accumulation of assets can differentiate classes, the “asset index” was calculated based on the mean PCA for a set of variables that included ownership of a landline telephone; cellphone; television; personal computer, laptop or tablet; radio; CD player or music system; satellite TV; car; bicycle; and fridge. The first component with the highest variation was used as an index and accounted for 41% of the total variation (see Appendix 1c). In this regard, the highest index indicates the head of the household in possession of all identified assets, while the lowest index indicates the head of the household with the least assets.

The Mann-Whitney U test statistical procedure used to compare two independent groups, as outlined in section 3.6.2 of chapter 3, was computed in Table 4.16 to test if there was a difference in the distribution of the asset index between the aspirant household heads and those in the middle class. The test was conducted under the following hypothesis:

- H₀: The asset holding of the aspirant household heads is the same as that of the middle class household heads.
- H₁: The asset holding of the aspirant household heads differs from that of the middle class household heads.

Table 4.16: Mann-Whitney U test – HH asset ownership

Social Class	N	Mean Rank	Sum of Ranks	U	p
The aspirants	461	404	186425	79934	.000
Middle class	597	626	373785		
Total	1058				

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$)

Source: SPSS Iterations, QoL Data (2018)

The mean rankings above indicated that the asset index was greater for the middle class (mean ranking = 626) than for the aspirant household heads (mean ranking = 404), which reflects that the middle class has accumulated more assets compared to the aspirant household heads. Table 4.16 also shows the actual significance value of the test. From these data, H_0 is rejected, and it can be concluded that the mean ranking of the asset index for the household heads in the middle class was statistically significantly higher than that of the aspirant household heads at the 1% level of significance ($U=79934$, $p = 0.000$). Thus the household heads in the middle class own more assets compared to the aspirant household heads, which calls for better policies for the accumulation of assets for the latter class in the CoJ.

The literature presented several arguments that support the role of asset accumulation in upward mobility. For example, the importance of asset accumulation is emphasised by Weber (1978), who stated that the market allocates life chances depending upon the resources or assets brought by individuals into it and that such assets vary from one individual to the other. Woolard and Klasen (2005) identified "poor households' assets base" as one type of mobility trap. Shimeles and Ncube (2015) demonstrated that asset accumulation was one of the important individual characteristics of upward mobility and that governance played a very significant role in affecting the asset index.

4.9 Ascribed characteristics of the head of household

The empirical work on attainment of status can be traced back to Blau and Duncan (1967), who concluded that achieved status is essential in the making of the middle class. Also, Jackson (2001) and Goldthorpe (2016) advocate for characteristics that are beyond achieved status to include other ascribed characteristics as determinants

of social mobility. Chen and Qin (2014:530) pointed out that the characteristics of the head of the household are a very important aspect of the economic welfare of the entire family. Thus the individual characteristics of the household heads described in this section refer to the demographic attributes attained through, for example, aging or at birth, where the household head has, if any, very little control over these characteristics.

The literature has indicated that characteristics such as gender influence the ability of people to move up the income ladder, where women are particularly constrained compared to their male counterparts (Haile 2018; Sokołowska 2013; Nunn et al. 2007). Also, characteristics such as population group impact on the upward mobility of the aspirants, where Blacks often find it difficult to move up the income ladder (Meiring et al. 2018:5; Wilson 2012). Table 4.17 shows the distribution of the aspirants and the middle class household heads in terms of gender and population group.

Table 4.17: Class status by population group and gender of the HH

		Population group				
		African	Coloured	Indian/ Asian	White	Total
Aspirants	Count	368	17	14	49	448
	Expected count	293.6	25.8	24.5	104.1	448
	% within class status	82.1	3.8	3.1	10.9	100
Middle Class	Count	303	42	42	189	576
	Expected count	377.4	33.2	31.5	133.9	576
	% within class status	52.6	7.3	7.3	32.8	100
Total	% within class status	65.5	5.8	5.5	23.2	100
		Gender				
		Male	Female	Total		
Aspirants	Count	309	140	449		
	Expected count	327.9	121.1	449		
	% within class status	68.8	31.2	100		
Middle Class	Count	441	137	578		
	Expected count	422.1	155.9	578		
	% within class status	76.3	23.7	100		
Total	% within class status	73	27	100		

Source: SPSS Iterations, QoL Data (2018)

Results in Table 4.17 indicate that most of the aspirant household heads are Africans, constituting 82.1%, compared to those in the middle class, where the representation of Africans is just above half (52.6%). When Burger et al. (2015) applied the vulnerability approach based on López-Calva and Ortiz-Juarez's (2011) model to determine the size of the middle class in South Africa, they found similar results: that more Black Africans are aspirant household heads compared to other populations groups. The result in Table 4.17 supports Meiring et al. (2018), who stated that in South Africa, socioeconomic inequalities and structural legacies were inherited from the apartheid regime that deliberately marginalised the majority Black population concerning access to political participation, economic opportunity, financial resources, and quality education. The result also agrees with Borat et al.'s (2012) finding that the post-apartheid policies were focused particularly on ensuring upward mobility of previously marginalised Africans, which is demonstrated by the massive expansion of the safety net programmes. Thus, it is important to continue emphasising inclusive policies that ensure that more Black Africans are beneficiaries.

Table 4.17 also indicates that the aspirant household heads tend to have more female-headed households (31.2%) compared to those in the middle class (23.7%). It was found in the literature that the gender of the head of the household significantly influences vulnerability, and more specifically that households headed by women are more vulnerable than those headed by men (World Bank 2014; Nunn et al. 2007). This indicates the existence of gender inequality in the CoJ in the progression of individuals as many females appear to remain stuck as aspirant household heads compared to their male counterparts.

The chi-square statistics used for testing relationships between categorical variables, as outlined in section 3.6.2 of chapter 3, was computed for the ascribed characteristics of the household head listed in Table 4.17. The results of this procedure are tabulated in Table 4.18. In this case, the chi-square tested to determine if there was any significant association between the ascribed characteristics of the head of the household (gender and population group) listed in Table 4.9 and being an aspirant head of the household. The following hypothesis was therefore specified for this test.

H₀: There is no association between being an aspirant head of the household and the following ascribed characteristics: gender and population group.

H₁: There is an association between being an aspirant head of the household and the following ascribed characteristics: gender and population group.

Table 4.18: Chi-square test – class status and ascribed characteristics

Ascribed characteristics	Chi-square tests χ^2		Effect size
	Pearson Chi-square	df	Cramer V
Gender	7.174***	1	.084
Population group	98.786***	3	.311

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$), df = degrees of freedom

Source: SPSS Iterations, QoL Data (2018)

According to Table 4.18, the chi-square test statistics for gender and population group were both statistically highly significant at 1% level. As a result, H₀ was rejected in favour of H₁ for both the ascribed characteristics, which implies that there was a significant association between class status and gender and between class status and population group. In other words, there is sufficient evidence that male-headed households had greater incidences of being in the middle class compared to female-headed households. Also, there is sufficient evidence that African household heads had fewer incidences of being in the middle class compared to Coloured, Indian/Asian- and White-headed households.

4.10 Access to health services by the head of the household

The analysis in Figure 4.6 provides insights into challenges faced by aspirant household heads in terms of access to health services and their satisfaction with the same, which may impact on their health status in the long term.

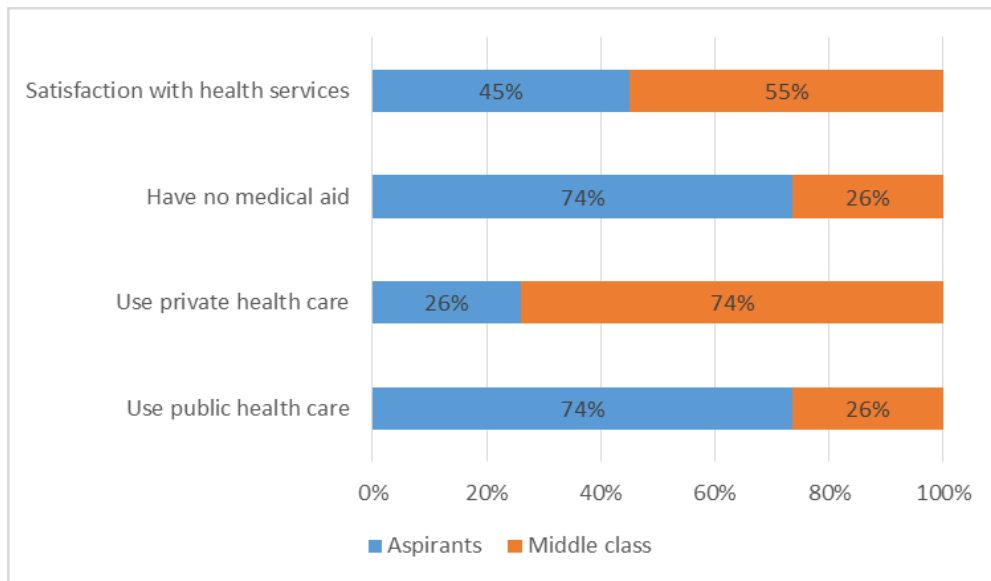


Figure 4.6: Health characteristics of the HH

Source: SPSS Iterations, QoL Data (2018)

Generally, most of the aspirant heads of the households have lower access to specialised health care compared to their middle class counterparts. Of those who had access to high-quality private health care, the aspirant household heads accounted for 26% compared to 74% of the head of the households in the middle class. The aspirant household heads also accounted for 74% of those who have no medical aid compared to 26% of those in the middle class, and the majority of them have to depend exclusively on public health care (their share of those using public health care is 74%).

The satisfaction by the aspirant household heads with the overall health services (measured from 1 = very satisfied and 5 = very dissatisfied) was also not as high compared to the household heads in the middle class. Of those satisfied, the aspirant household heads accounted for 45% compared to 53% of the heads of the households in the middle class.

The Mann-Whitney U test statistical procedure used to compare two independent groups, as described in chapter 3, section 3.6.2, was computed in Table 4.19 to test the significance of the difference in the levels of satisfaction with health services with the following hypothesis.

H₀: The satisfaction levels with overall health is the same between the aspirant household heads and the household heads in the middle class.

H₁: The satisfaction levels with overall health differs between the aspirant household heads and the household heads in the middle class.

Table 4.19: Mann-Whitney U test – HH satisfaction with health services

Social Class	N	Mean Rank	Sum of Ranks	U	P
The aspirants	429	585	251301	88037	.000
Middle class	576	441	254213		
Total	1058				

*Significant at 0.05 ($p < .05$), **Significant at 0.01 ($p < .01$), ***Significant at 0.001 ($p < .001$)

Source: SPSS Iterations, QoL Data (2018)

The mean rankings above indicated that satisfaction with health services was greater for the head of households in the middle class (Mean ranking = 441) than for the aspirant household heads (Mean ranking = 585). Table 4.19 further indicates the actual significance value of the test. From these data, H₀ is rejected in favour of H₁, and it can be concluded that satisfaction with health services for the household heads in the middle class was statistically significantly higher than that of the aspirant household heads at the 1% level of significance ($U = 88037$, $p = .000$). These findings can be linked to characteristics identified by Ncube et al. (2011:6) and similarly Banerjee and Duflo (2008:26) that the middle class relies more on expensive medical care and depends less on public health services.

4.11 Educational status of the head of the household

In chapter 2 the meritocratic framework by Blau and Duncan (1967) argued that when individuals do not have the essential educational credentials, they have a low probability of upward mobility and their risks of regressing into poverty are high. Therefore, it was imperative to analyse the educational characteristics of the aspirant household heads to inform policy accordingly. Figure 4.7 displays the educational levels for both the aspirant household heads versus those of household heads in the middle class.

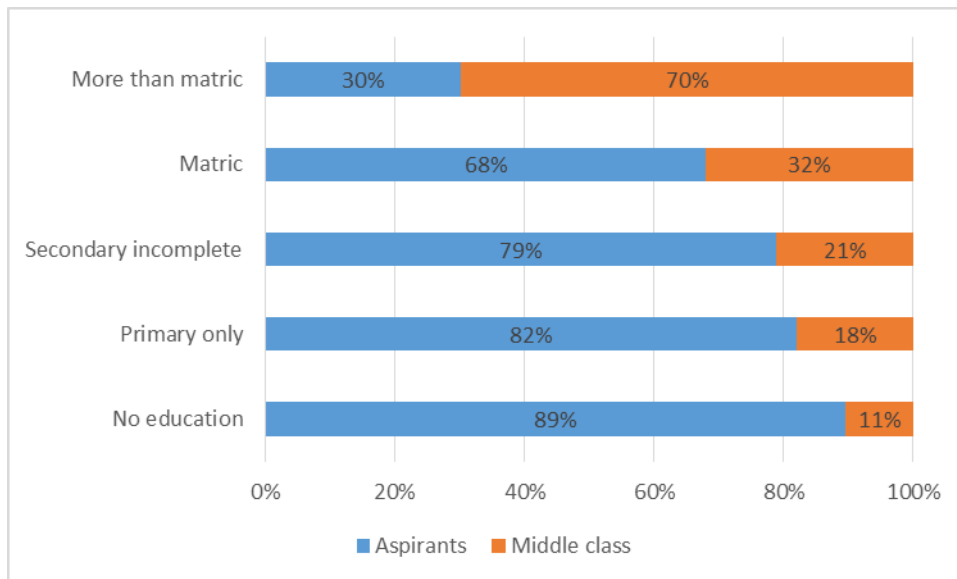


Figure 4.7: Educational levels of the HH

Source: SPSS Iterations, QoL Data (2018)

The figure above indicates that the education level of the aspirant household heads is relatively lower compared to their middle class counterparts. At the lower levels of education (no education, primary only, incomplete secondary and matric), the share of the aspirant household heads is higher compared to that of their middle class counterparts. However, the trend is reversed for education levels higher than matric, where the share of the heads of the households in the middle class is comparatively higher (70%) compared to the share of the aspirant household heads (30%). Thus the share of those with at least a certificate, a diploma or a postgraduate qualification from a university is higher for the households in the middle class compared to the aspirant household heads. Overall, the aspirant household heads are lagging in education compared to their counterparts in the middle class.

According to Wolla and Sullivan (2017:4), education is strongly related to both income and wealth, such that households with higher levels of education tend to have more assets to withstand financial shocks. Furthermore, Shimeles and Ncube (2015) argue that for the head of the household with minimal education, as is the case with many aspirant household heads, their likelihood of remaining in their initial class status is very high, with very little mobility across classes. Shimeles and Ncube conclude that for the heads of households who rely only on less than tertiary education, a substantial proportion could fall back into poverty. Thus, policies that promote education among

the aspirant household heads could therefore foster the growth of the middle class if the focus is on higher education and particularly measures that expand demand for their services as well (Shimeles & Ncube 2015:180).

4.13 Summary

This chapter analysed the characteristics of the head of households in the aspirant middle class who are defined as households with daily per capita income between US\$4 and US\$10 (R60 and R150). The conclusions reached are that the aspirant household heads are located closer to the inner city and its surrounding suburbs as well as the suburb of Soweto. Most of the aspirant household heads are Africans and tend to have more female-headed households. The age structure of the households was found not to be related to whether the head of the household is an aspirant or not. Moreover, the household size was also not associated with class status. Generally, access to basic services by the aspirant household heads is high but not as high as that of their middle class counterparts, particularly with regard to the aspect of access to water services. The aspirant household heads also exhibited relatively low homeownership and lower asset holding, which makes them vulnerable to consumption shocks. Thus, they tended to live in rented dwellings that are sometimes not in proximity to amenities and public infrastructure since they seek cheaper accommodation. For those who end up living closer to amenities, they find themselves having to share accommodation and sublet their property to supplement income. Another striking feature of the aspirant household heads was that they tended to depend on family and friends in terms of gaining employment. When the top three employment sectors for each class were analysed, the aspirant household heads were found to be concentrated in sectors that accommodate low skills such as wholesale industries, including repairs of motor vehicles, construction, and transport. Participation in social networks among the aspirant household heads was comparatively lower, yet the results indicated that they tend to depend on networks for jobs and extra income through borrowing. The healthy status of the head of the household could impact their income-generating capability. However, most of the aspirant heads of the households had lower access to specialised health care compared to their middle class counterparts. Furthermore, fewer aspirant household heads had medical aid compared to the middle class, hence the majority of them had

to depend exclusively on public health care. Their education level was relatively lower than those in the middle class. As a result, they found themselves working and conducting business in sectors that often demand low skills and/or in the informal economy. The education level of the aspirant household heads was relatively lower and fewer of them tended to live with their spouses. Thus, income pooling applied less to the couples in the aspirant middle class who were regarded as less well educated. There was also a high dependency by this class on income from renting out property. To sustain their aspirational middle class lifestyle, reliance on borrowing was apparent, where 40% indicated having a debt. However, what was striking was the inability to service such debt, where 42% indicated that they often skip their debt repayments. Overall, the aspirant household heads were not satisfied compared to those in the middle class with services provided to them by the municipality, which may constrain their upward mobility.

The investigation of the characteristics also indicated that the aspirant household heads aspire to live and mimic the middle class lifestyle; however, they do not have middle class incomes to sustain that standard of living. Furthermore, the status may be a driving factor in striving for a middle class lifestyle. For example, Southall (2017:224) highlights that the expanding middle class tends to adapt to the lifestyle of large houses, cars that are expensive and private education. Hence, some of the aspirant household heads may buy these large houses and expensive cars and sponsor their children in private schools beyond their means. This could make them heavily reliant on debt to cope throughout the month.

The findings in this chapter also pointed to vulnerability among the aspirant household heads. They have just transcended poverty, and empirical evidence strongly suggests that their state is associated with their inability to maintain their consumption level when facing fluctuations or shocks that adversely affect their income or individual circumstances (Jalan & Ravallion, 1998). The results relating to the characteristics of the aspirant household heads and how these differ from those in the middle class is immensely helpful in profiling that can inform policies to grow the middle class sustainably. Furthermore, the distinction between the aspirant household heads and those in the middle class implies that public policies cannot be uniformly applied. Thus, the revelation of the features that set apart the aspirants from the middle class will go

a long way to assist when articulating effective policies that will enable and promote the upward mobility of these aspirants. However, the understanding of the characteristics of the aspirant household heads alone is not always enough to identify the relative contributions of different influences on their mobility. Thus, the next chapter will focus on understanding the key determinants of social mobility and how these determinants have had an impact on predicting the probability of being in the middle class.

CHAPTER 5: THE IMPACT OF KEY DETERMINANTS OF SOCIAL MOBILITY ON UPWARD MOBILITY

5.1 Introduction

This chapter presents the results of the impact of the key determinants of social mobility in enabling and promoting upward mobility of the aspirants in the CoJ. This chapter addresses the third research objective of this study: to ascertain the impact of the identified key determinants of social mobility in the context of the CoJ in promoting the progression of the aspirants towards becoming part of a stable middle class. Although many studies have investigated determinants of social mobility locally and internationally, there is still a limited number of studies investigating the impact of the determinants of social mobility on the upward mobility of the aspirants, particularly, in a metropolitan context. While the findings from the existing research studies have presented strong evidence concerning the impact of the determinants of social mobility in general, fewer have focused, particularly, on the aspirants. This has also created a gap in the literature, given that the rising aspirant middle class is now a reality in metropolitan areas, which requires serious policy reconsiderations.

Therefore, this study modelled a stepwise binary logistic regression analysis to select the key determinants of social mobility variables using the GCRO QoL (2017/18) survey data. The model of key determinants of social in this chapter was also a validation strategy to determine the indicators with the highest impact (Tabachnick & Fidell 2007). The binary logistic regression results revealed a significant relationship between social mobility of the aspirants and the following five key determinants: education, inequality between population groups, access to economic opportunities, accumulation of assets and proximity to amenities. Using the convergent parallel mixed methods outlined in chapter 3, section 3.3, this chapter uses the data from the interviews to validate the findings of the logistic regression modelling on the key determinants of social mobility of the aspirants in the CoJ. The results will assist in policy targeting to promote and enable social mobility of the aspirants in the CoJ.

5.2 The variables used in the model

Tabachnick and Fidell (2007) argue that logistic regression permits the prediction of group membership. It was also indicated in the literature that the use of logistic regression has been key in analysing determinants of social mobility in Africa and the rest of the world (Che Mat et al. 2016; Sokolowska 2013; Bossuroy & Cogneau 2013; Haile 2018; López-Calva & Ortiz-Juarez 2011; Che Mat et al. 2016). Thus this study utilised logistic regression modelling to estimate the likelihood of the head of the household being in the middle class from being the aspirant as described in the methodology in chapter 3. The income stratification approach discussed in chapter 2 was applied to define the aspirant and middle class heads of the household. Thus, the dependent variable was the socioeconomic class of the head of the household measured as 0 = aspirant middle class, with earnings of US\$4 to US\$10 (R60 to R150) per capita per day; and 1 = middle class, with earnings of between US\$10 to US\$50 (R150 to R750) per capita per day (Birdsall et al. 2014).

The independent variables that represented the key determinants of social mobility were identified by the theoretical framework in chapter 2. The theoretical framework identified education, access to economic opportunities such as employment and business opportunities that result from economic growth; household size; households' asset base; gender; inequality reflected in population groups; social cohesion reflected by the degree of mutual trust and participation in available social networks; individual motivation; individual health status; improved transportation system; proximity to amenities; access to basic water services and access to information through technology such as the internet. The GCRO QoL (2017/18) survey data were used to extract the independent variables (key determinants) above for inclusion in the logistic regression modelling as described in chapter 3.

5.3 Binary logistic regression results

After undergoing data screening and refining process, the total number suitable for analysis was 1027, comprising 449 aspirants and 578 middle class heads of the household. Table 5.1 shows the estimated parameters and the odds of the covariates of social mobility obtained from the literature that were included in the binary logistic regression. The sign of the estimated parameter is sufficient to conclude whether the

independent variables (identified key determinants of social mobility) had a positive or negative impact on the dependent variable (class status) (Wooldridge, 2002:459). Furthermore, the impact of the key determinants of social mobility on class status could be examined by looking at the odds ratios, which reflect the value of the choice of whether there is a change in the level of social mobility or not. (Che Mat et al. 2016:112).

Table 5.1: Impact of the determinants of social mobility on class status

Dependent variable: Class status (social mobility)

Independent variable		B	Odds ratio	95% CI for odds ratio	
				Lower	Upper
Education (reference)	Matric	0.48 ^{NS} (0.39)	1.61	0.75	3.43
	Certificate or diploma	1.10 ^{**} (0.43)	3.01	1.31	6.95
	University degree	2.13 ^{**} (0.74)	8.44	1.99	35.61
	Postgraduate degree	2.55 [*] (1.11)	12.82	1.45	113.28
Gender Male (reference)	Female	-0.09 ^{NS} (0.32)	0.91	0.49	1.72
	Coloured	2.08 ^{***} (0.6)	8.02	2.46	26.08
Population group: Black African (reference)	Indian/Asian	1.87 ^{***} (0.59)	6.46	2.04	20.42
	White	1.31 [*] (0.56)	3.70	1.24	11.07

Community trust	0.55 ^{NS} (0.32)	1.73	0.92	3.25
HH is unemployed	-0.78 ^{NS} (0.42)	0.46	0.2	1.05
Business ownership	1.25 ^{**} (0.49)	3.49	1.35	9.07
Participation in social networks	0.14 ^{NS} (0.19)	1.16	0.79	1.70
Health status of HH	0.00 ^{NS} (0.24)	1.00	0.63	1.59
Household assets base	0.34 [*] (0.15)	1.41	1.05	1.89
Motivation of the HH	-0.11 ^{NS} (0.13)	0.89	0.69	1.16
Improvement in transport	0.02 ^{NS} (0.14)	1.02	0.78	1.35
Proximity to amenities	0.33 [*] (0.17)	1.39	1.00	1.94
Access to potable water	1.12 ^{NS} (0.61)	3.07	0.94	10.06
Access to information via internet	-0.33 ^{NS} (0.34)	0.72	0.37	1.40
Constant	-1.95	0.14		

Model χ^2 = 95.99, P = .000

Pseudo R² = 0.38

N = 896

^{NS} Not significant; * Significant at $p < .05$; ** Significant at $p < .01$; *** Significant at $p < .001$

Regression coefficients (standard errors in parentheses)

Source: SPSS Iterations, QoL Data (2018)

The results of the logistic regression above identified five predictors that are the most significant in explaining the social mobility of the aspirants. These predictors are education; economic opportunities relating to entrepreneurship; inequalities among the population groups; asset base; and proximity to amenities. The results also show the odds for the head of the household of being in the middle class from being an

aspirant. The model was statistically highly significant at less than 1% level of significance ($F = 95.99$, $p = .000$) and explained 38% of the variance more than the model without covariates (Nagelkerke $R^2 = 0.38$). While the R^2 for the linear model is interpreted as the proportion of the variation in the response that can be explained by the regressors, there is no clear interpretation of the pseudo R^2 in terms of variance of the outcome in logistic regression (Hu, Shao & Palta 2006:848). The binary logistic regression model in Table 5.1 is discussed below in detail.

5.3.1 Education attainment significantly predicts class status

Findings from the study entailed that in the CoJ education attainment post-matric level by the aspirants significantly predicted the likelihood of their being in the middle class. The result indicated that there is no statistically significant difference between the aspirants who have matric certificates and those who do not have matric certificates ($\beta = 0.48$, $p = .218$). StatsSA (2018:44) explained the link between educational attainment and job opportunities where they found that unemployment was the highest among those who had dropped out without completing secondary schooling. Their analysis also confirmed that the completion of secondary schooling in South Africa is not enough to secure a job as it was in the past. The result also concurs with that of the Solidarity Research Institute (2015:3), which indicated that a matric certificate alone may not offer good preparation for today's working environment because only a very small number of matriculants achieve good results in key subjects such as Accounting, Mathematics, Life Science and Physical Science. Solidarity Research Institute (2015) further stated that for those who enter the labour market after completion of matric, their salaries are very low.

However, educational attainment by the aspirants at all levels post-matric statistically significantly predicted the chance of being in the middle class. Firstly, educational attainment up to a college certificate or diploma by the aspirants improved the odds ratio of being in the middle class to 3.01 times. The beta coefficient was statistically significant at 5% level ($\beta = 1.10$, $p = .010$). Secondly, a university degree improved the odds ratio to 8.44 times. The beta coefficient was statistically very significant at 1% level ($\beta = 2.13$, $p = .004$). Thirdly, having a postgraduate degree improved the odds ratio to 12.82 times. The beta coefficient was statistically significant at 5% level ($\beta = 2.55$, $p = .022$). These results also support the findings by StatsSA (2016b) that, over

the period 2008-2015, unemployment rates in South Africa were the lowest among post-matric qualification holders. Solidarity Research Institute (2015:3) also maintained that the salaries of people with further education increase exponentially as they grow older and gain experience.

Overall, the significant result on education is in line with the meritocratic framework of Blau and Duncan (1967), which hypothesises that individuals who have accomplished higher education are most likely to be upwardly mobile. Meritocratic theoretical frameworks, as argued in chapter 2, relate to merit as those qualifications that an individual has achieved which resemble the outward demonstrations of inner capacities and skills. This is also on a par with the human capital theory that specifies that the positive correlation between education and income, and therefore the investment in education, will reduce income inequality and enable higher intergenerational mobility. The result in relation to education is also consistent with Ruiz (2016:102), who confirmed the vital role played by education as an instrument to realise a society with greater equality of opportunities in Spain. Ruiz found that this was more prominent in people with higher education, whose likelihood of upward mobility, through better occupations, was higher than the one corresponding to people with primary education. He found that in Spain, individuals with higher education had a 60% chance of upward mobility. Thus, he concluded that educational policies that allow children to access greater human capital, irrespective of the economic endowment and financial capacity of their parents, is crucial. Yang and Qiu (2016:123) found similar results in China, that differential investment in human capital is an essential driver of income inequality. Yang and Qiu discovered that in China, the difference in innate ability between children from richer families and those from poorer families increased with education because richer families invest more heavily in their children's early education compared to children with the same innate ability who are from poorer families. Yang and Qiu concluded by stating that the most efficient and effective way to reduce income inequality is to subsidise low-income families' early education investment in their children.

5.3.2 Population group significantly predicts class status

Population group significantly predicted the likelihood of being in the middle class or higher. Literature also indicated that both income and educational inequalities are

reflected along the racial line, whereby Blacks are more marginalised compared to other race groups (Weiss 1970; Wright 1978; Fournier & Koske 2012; Robert 2018; Meiring et al. 2018; StatsSA 2017). Using the Black Africans as the reference group, Coloureds had a better chance of being in the middle class compared to Black Africans. The odds ratio of being in the middle class are 8 times for Coloured household heads compared to Black African household heads. The beta coefficient was statistically very significant at 1% level ($\beta = 2.08$, $p = .001$). Secondly, Indians/Asians had a better chance of being in the middle class compared to Black Africans. The odds ratio of being in the middle class are 6.4 times for Indians/Asians household heads compared to Black African household heads. The beta coefficient was also statistically very significant at 1% level ($\beta = 1.87$, $p = .001$). Thirdly, Whites had a better chance of being in the middle class compared to Black Africans. The odds ratio of being in the middle class are 3.7 times for White household heads compared to Black African household heads. The beta coefficient was statistically significant at 5% level ($\beta = 1.31$, $p = .019$). All the results show a better likelihood of being in the middle class relative to Black Africans. Contrary to the *a priori* expectation, the odds of being in the middle class are comparatively lower for Whites relative to Coloureds and Indians/Asians. However, this supports Visagie (2013:12), who attributed this to the change to the restructuring in the class distribution for Whites in South Africa. Visagie (2013) found that the percentage of Whites who were in the middle class has been falling as they move towards the upper class. Thus, a distributional shift among Whites away from the middle class explains their unexpectedly lower odds ratio compared to the other classes.

The results on the effect of population group on the mobility of aspirants in the CoJ support the international literature, which indicates that race has been a contentious issue for researchers. For example, as far back as five decades ago, Weiss (1970) found that within specific age groups, Blacks received significantly lower returns to education than their White counterparts. Wright (1978) also found that discrimination was a key factor in the distribution of races within authority structures as various forms of racial discrimination affect access to educational credentials and connections which sort people into the managerial hierarchy. Wright (1978) also indicated that racism will tend to prevent directly the promotion of Blacks above Whites. Thus, in the United States of America (USA), Wilson (2012) and Fournier and Koske (2012) discovered

similar results about the emergence of a racialised hierarchy that favoured Whites and disadvantaged Blacks in terms of both timing and the determinants of mobility into occupational categories. Robert (2018:182) also found that the median family income of African Americans in the USA, which stood at 57 percent that of Whites in 1968, still stood at 56 percent in 2016. This racial gap in income was associated with economic factors such as the unemployment rate, which has historically been twice as high for African-Americans compared to Whites. Also, African-American workers in the US continue to earn less in the labour market compared to whites and Asian workers.

The income inequality in the CoJ is also a reflection of the national status of inequality. According to Meiring et al. (2018:6), racial inequality is a reality in South Africa, especially in the way in which the economic strata is composed and how resources are distributed. Also, the lower economic classes still reflect the Black majority, who are vulnerable and do not have access to economic opportunities and resources. The authors trace the origins of this racial inequality to the way in which Black communities were treated and marginalised by the apartheid regime in terms of accessing financial resources, economic opportunities and quality education. For example, the impact of inequality among race groups on household income in South Africa is detailed by the StatsSA (2017:20) survey on living conditions of households which showed that Coloureds earned twice as much as Black Africans, Indians earned three times more than Black Africans, while Whites earn five times more than Black Africans. The StatsSA (2017) study further revealed that only 12% of Black African-headed households were found to be in the upper income per capita quintile and 47% were in the bottom two income quintiles. In contrast, only 1% of households headed by Whites and 2% of households headed by Indians/Asians were in the lower income quintile. The majority of White-headed households (75%) and almost half of the Asian-headed households (44%) were found to be in the upper income quintile.

The literature review highlighted a direct correlation between income inequality and education inequalities (Pickett 2015; Keeley 2015). Thus, high levels of inequality in the CoJ may have resulted in reduced opportunities for people to learn. Also, the impact of inequality in the CoJ may have led to subsequent diminished private investments in children's' human capital over time among families at the bottom of the income distribution relative to families at the top (Aizer & Cunha 2012). This may

explain the result in the CoJ and in Table 5.1, whereby Black Africans have lower chances and still struggle to move up the income ladder relative to other race groups.

5.3.3 Access to economic opportunities significantly predicts class status

Two variables were used in the model to represent access to economic opportunities, that is, whether the head of the household was employed or not and whether the head of the household owned a business or not. The results in Table 5.1 suggest that greater opportunities to start up one's own business significantly predicted the likelihood of the aspirants to move up the income ladder towards the middle class. That is, if the aspirants were to own the business, they improved their odds of being in the middle class by 3.5 times. The beta coefficient was statistically significant at 5% level ($\beta = 1.25$, $p = .010$). Therefore, there is opportunity in promoting upward mobility in the CoJ through encouraging entrepreneurship. Quadrini (2000:10), in his analysis of entrepreneurship and social mobility in the US, also observed the following patterns of social mobility. Firstly for the lower class, the likelihood of moving to a higher class was greater among families that are entrepreneurs than families that rely on employment. Secondly, the families that depended on employment faced the risk of moving to even lower positions of wealth. Thirdly, entrepreneurs tend to develop higher savings behaviour, which makes them accumulate more wealth than workers. Therefore, Quadrini (2000) concluded that the undertaking of entrepreneurial activity is an important way for families to switch to higher classes of wealth.

Surprisingly, the employment status of the aspirants was statistically insignificant in predicting the socioeconomic class ($\beta = -0.78$, $p = .064$). This is an important lesson for the CoJ, that being employed alone is not enough to move the aspirants up the social ladder. Even in the case where the aspirants regard themselves as employed, their upward mobility may be hampered by the CoJ labour market if it is left saturated with low-paying jobs, particularly among Black Africans. According to StatsSA (2017:31), the average earnings for Black Africans from salary income was about R69 000 (US\$4 500) per annum, which falls below the middle-class income defined in this study. It was revealed earlier in this study that low-paying jobs and the increasing prevalence of part-time jobs and zero-hours contracts offer no benefits such as medical aid or employee retirement contributions and thus inhibit the ability of the CoJ labour market to produce enough jobs promoting the aspirants towards the middle

class. The OECD (2018:31) also observed that while high-income vulnerability can most importantly be explained by persistent unemployment, it can also be explained by perennial low wages for those who are working. Moreover, in an environment of high inequality, lower wages can also be a threat to social cohesion, thus further constraining upward mobility. The challenge is therefore how to provide the aspirants with decent and quality jobs. It was further noted earlier that the aspirants are being pushed into temporary work as a result of poor economic performance. This type of employment, though the respondents may be confirmed as employed, does not necessarily result in a middle class workforce.

5.3.4 Asset base significantly predicts class status

The accumulation of assets by the aspirants significantly increases their chances of being in the middle class. As discussed in chapter 3 and recommended by Filmer and Pritchett (2001), Moser and Felton (2007) and Filmer and Scott (2008), the asset index was computed as the output of the principal component scores of the ownership of the following household assets: a personal computer; laptop or tablet; landline telephone; cellphone; television; radio, CD player or music system; satellite TV; car; bicycle; and a fridge. The first component with the highest variation was used as an index and accounted for 41% of the total variation (see Appendix 1c). The result relating to the accumulation of assets in Table 5.1 indicated that the odds ratio of being in the middle class is 1.41 times for the households that were able to accumulate the assets under consideration. The beta coefficient was also statistically significant at 5% level ($\beta = 0.34$, $p = 0.021$).

The importance of asset accumulation in the promotion of upward mobility of the aspirants support findings by various authors in the literature. For example, Weber (1978) concluded that individual life chances depend upon the assets brought by individuals to the market and that such assets vary from one individual to the other. Thus the CoJ can improve upward mobility by focusing on policies that are geared at improving assets and hence improve the life chances of the aspirants in the market. It was also revealed in the literature that policies that enable the aspirants to accumulate assets are likely to reduce inequality (Adato et al. 2006). Therefore, more proactive efforts will need to be undertaken by the CoJ to guarantee that households have access to assets and markets they need to build effectively on those assets over time.

The result on asset accumulation also supports the views of Anderson (2012:1395), who described the poverty trap threshold as a critical minimum stock of assets that are required for the household to guarantee the increase in its economic livelihood into the future. This suggests that the CoJ can indeed consider the individual or household assets stock in their measurement of deprivation, other than relying only on income-based approaches. Other authors such as Burger and McAravey (2014) questioned the use of the income midpoint in measuring the middle class and its implication on empowerment and the accumulation of assets. The World Bank (2018) states that some of the people who are located on the midpoint along the income distribution are associated with few assets. Woolard and Klasen (2005) also concluded that the number of durables owned by households has a significant positive impact on subsequent income change; therefore, those with poor household assets have greater difficulty in improving their incomes. However, Anderson cautions that policy makers must be aware that asset accumulation on its own may not be a sufficient condition for the alleviation of vulnerability without human agency – that is, the knowledge and ability to convert such assets into livelihood or income.

5.3.5 Proximity to amenities predicts class status

Proximity to amenities significantly increased the chances of being in the middle class. Also as described in chapter 3, the proximity to amenities index was computed as the output of the principal component scores of the ability of the household individuals to walk within 15 minutes to crèche/daycare; uncooked food source; cooked/prepared food source; hardware store; financial services/bank; internet café; business services; bar, tavern, shebeen, liquor store; post office; park; and library. It was stated in chapter 3 that when conducting the QoL (2017/18) survey, the GCRO (2018) considers amenities as accessible if the travel time is within 15 minutes by walking. This is also in line with the ITF (2019), which considers amenities accessible when travel time is within 15 minutes by walking and 30 minutes by public transport. The first component with the highest variation was used as an index and accounted for 46% of the total variation (see Appendix 1a). The result on proximity to amenities in Table 5.1 indicated that the odds ratio of being in the middle class are 1.39 times for the households that were able to walk within 15 minutes to amenities around them. The beta coefficient was also statistically significant at 5% level ($\beta = 0.33$, $p = .049$). The result on proximity

to amenities indicates that spatial investments that are undertaken closer to the aspirants are a key determinant of their upward mobility in the CoJ. The result also indicates that the housing developments for the aspirants comprise units located far away from essential amenities, including schools and shopping centres. Thus, the majority of the aspirants in the CoJ are likely to report reduced quality of life, poor safety, a lack of access to education and employment opportunities, and increased transport costs.

The result on the impact of proximity to services in the CoJ is in line with the thinking of the NDP (2011), which proposes that developments must focus on spatial transformation across all geographic scales in South Africa. Therefore, the NDP suggests that policy makers must ensure that their planning and the instruments they develop are aimed at reducing travel costs and distances, especially for vulnerable households. This, for example, requires strong measures by the CoJ to prevent further developments of housing in peripheral areas. World Bank (2018) stated that locating people closer to economic centres is another necessary condition for accessing economic opportunities, which also explains the statistical significance of proximity to services. The results also support Kährlik et al. (2016), who emphasised the 'proximity' criterion as the popular reason for the choice of residence in the inner cities around the globe. Proximity is therefore valued because of the overall comfort and time-saving aspects for all household members and for its economic benefits such as reduced transportation costs. It offers the possibility of being able to cycle or walk from home to many destinations.

It was also discovered in the literature that improved transportation is a key determinant of upward mobility that enables the aspirants to connect (World Bank 2018; Lee et al. 2018; Thynell 2017). However, it is important to highlight here that improved transportation was not statistically significant in predicting class status ($\beta = 0.02$, $p = .856$). This result could be explained by the fact that improved transport does not eliminate the factor of transport cost, which could still deter the aspirants from connecting from their homes to access opportunities and services they require. The insignificance of an improved transportation system in predicting class status provides insights to the CoJ that improved land-use planning through increasing the development of amenities around the aspirants is the right way to enable their upward

mobility. According to Hu et al. (2016:367), an increase in the amenities allows for the effective control of public transit ridership, or put simply, ridership can be significantly reduced by the development of more amenity density around people. Thus, following recommendations put forward by Hu et al. (2016), the CoJ must aim at urban planning processes that will help ease bottlenecks in public transit systems such as high transport costs, by improving on the utilisation of localities via the development of amenities (Hu, Legara, Lee, Hung & Monterola 2016:367).

5.4 Key determinants of social mobility from key informants

This section presents an analysis of insights and observation from the key informants about the key determinants of social mobility that support the findings of the binary logistic regression analysis results presented in section 5.3. During the interviews, question 5 of the interview schedule asked: *“Looking into your area of responsibility, what do you think are the key determinants of progression of the aspirants towards becoming a stable middle class?”* (see Appendix 3). The analysis was conducted in line with the convergent parallel mixed methods approach outlined in chapter 3, section 3.3. Table 5.2 indicates the highlights extracted from the interviews that will be used as the basis for discussion in this section.

Table 5.2: Highlights of the key determinants of social mobility

Key determinant of social mobility	Highlights of the impact from key informants
Access to quality education	
The provision of high-quality education is an important determinant in promoting social mobility.	<i>“If you look at kids who went to private schools and had the necessary support from grade R to 12 and you look at kids who went to public schools who never had one-on-one attention, and the child progresses to matric without proper functional literacy skill. That child will not be as successful as the one who received one-on-one attention”</i> (Respondent 7).
Education equalises opportunities	<i>“Look for me education is an equaliser for opportunities and I believe when we get the basics right at the entry level and I am saying, I am one strong proponent of early childhood development because I believe that if</i>

	<i>we instil good behaviour and good character earlier, we are basically solving later or future societal problems” (Respondent 7).</i>
Education and income inequality between population groups	
Education inequality stifles upward mobility	<i>“We still have inequalities in our education system. Just the mere fact that we use the quintile system basically tells you that there are inequalities. I mean we know even in the affluent suburbs we have a better concentration of private schools because people can afford, and they pay for it” (Respondent 7).</i>
	<i>“Whites have done better compared to other races in terms of education. There is a higher percentage of White people going to university compared to the percentage of Black people. But it is not only about the lower percentage of Black kids that are at university, it is the percentage of Black school leavers that is worrying. Coloured people is a class on its own and it is a tragedy on its own. In my private capacity I counsel, and I get allocated clients by my supervisor and for some reasons she allocated me three or four Coloured couples and the level of hope is just not there” (Respondent 6).</i>
Income inequality reflected between race groups reduces upward mobility and therefore the growth of the middle class	<i>“Black African people who have been moving out of Soweto into Roodepoort are the aspirants as well as those who have just entered the middle class, while the Whites who are moving into the same suburb come from families that are already a stable middle class. Also, the White people have much more resources to move across the various middle class suburbs than Black Africans” (Respondent 5).</i>
Access to economic opportunities	
Entrepreneurship, particularly participation by the aspirants in the informal sector, is also another way	<i>“The acceptance and the ability to harness the informal economy by the CoJ without setting up whole thousands of regulations and law enforcements and finding a way of allowing this sector to flourish, is vital. There are, of course, some regulations that the CoJ has got to impose in some way but the City can’t have a situation whereby it doesn’t know how it is to live within the formalities of the informal economy” (Respondent 3).</i>
Growing the City’s economy, which in turn	<i>“If the growth prospects of the economy are good then the employment prospects are good but if you have a vulnerable picture then there’s no way that circumstances will change” (Respondent 9).</i>

will provide economic opportunities	
Decent employment sustains upward mobility	<p><i>“One would have thought from a government perspective, it is access to services, but it is not. It is access to economic opportunities. And there is currently the phenomenon where people are pushed into zero contracts and temporary work. Decent work is key because for a person on a zero contract or temporary work, how is that person going to parachute into the middle class?” (Respondent 8).</i></p>
	<p><i>“I always I think of this insourcing of the city and how powerful that is because one person who has been temporarily employed is now going to have money to support ten people much” (Respondent 6).</i></p>
	<p><i>“Joburg was able to convert a lot of people back to permanent positions. I think short-term contracts also contribute towards people failing to progress upwards. Because after a five year contract what happens? You must go back and face poverty because you will be unemployed. So I think we also need to address those structural arrangements to say, how we create jobs that are sustainable at all levels” (Respondent 7).</i></p>
Asset accumulation	
The accumulation of assets determines ability of the aspirants to progress towards the middle and upper class.	<p><i>“Assets are a definite requirement to see whether you are experiencing poverty or not. Assets define your ability to have access to finance and do all other kinds of things. Assets can also give you a way to get an income. In all townships, people are receiving assets (houses) and they use these assets to get an income. In most instances they build shacks at the back of their houses which then allow them to make money from their assets. Therefore, accumulation of assets are a clear indication that one is progressing along the income ladder” (Respondent 5).</i></p>
	<p><i>“I think the best way to make sure that people don’t slip out of any class, is to make sure that two factors remain consistent. The accumulation of assets and also ensuring that human agency is there. Human agency is the ability to get entrepreneurial, to make an income and make a living through own individual interventions” (Respondent 3).</i></p>
Proximity to amenities	

<p>Proximity to amenities is key to assist upward mobility</p>	<p><i>“If the CoJ restructure how society is located then they are getting rid of location disadvantage. So there are a number of things that the City can do, and the one thing is to configure space economy which allows people to meaningfully interact as urban citizens. You don’t necessarily interact meaningfully as a citizen if you live in a suburb like me. All I do is drive, work my eight hours and drive back home. I do not interact with the city as a space. So my transport costs are high. Had I lived 5km away and [been] able to use public transport to do the same things I do, I would be interacting a lot more with the way society operates. I would meet different people, partaking in all forms of activity, I would be walking and my lifestyle changes” (Respondent 5).</i></p>
	<p><i>“The people with lower income spend a significant amount of income on transport because they have to travel to places where they can buy food. We have the current spatial development where in these communities there is no major trading institutions or amenities around them that may help to lower back the prices. This result in local people selling goods at higher prices. To get lower prices people have to transport themselves out of the area” (Respondent 5)</i></p>
	<p><i>You can provide housing but if we don’t provide the right housing in the right particular area it is not helpful. If you look at the new houses in the area of Newtown, they look a lot better in terms of location, access to public transport proximity to places of work (Respondent 3)</i></p>
	<p><i>Addressing proximity impacts the vulnerable in a much greater way than just giving them assets. An asset that is far away amenities is not sustainable whereas an asset close to facilities and when people stay close to facilities will result in people accessing lower prices of food, clothing and everything. Assets that are closer to amenities remove some of the burden that people have, so location is a very important aspect (Respondent 5).</i></p>

Source: Extract from the interviews with CoJ key informants (2019)

The above sentiments are discussed in more detail below as they relate to the outcomes of the impact of key determinants of social mobility in the CoJ.

5.4.1 The quality of education

During the interviews, the provision of high-quality education was found to be an important determinant in promoting social mobility. This concurs with the finding in section 5.3.1 that the attainment of post-matric education levels provides them with greater odds of being in the middle class. This is also consistent with authors such as Arrow (1973:194), who argued that education functions as a screening device, whereby it sorts out individuals with different abilities and in that way conveys information to those who purchase labour. The importance of quality education as an antecedent to success was highly reflected during interviews. Respondent 7 expressed that quality education required the government to put mechanisms that will ensure that children, particularly from lower income families such as the aspirants, are attended to in small classes that can afford one-on-one attention. The respondent bemoaned the poor quality of education among the vulnerable groups in the CoJ and that the government lacks the capacity to turn around critical areas. Up to now, education inequality, which is the apartheid legacy, continues to dominate the landscape. The NDP (2011:465) argues that inferior education, and as a result, low labour absorption among the vulnerable groups, has failed to build an environment in which sufficient share of benefits accrues to these groups. It is quality education that gives a certain amount of resilience in the event of a shock and having education increases the likelihood of recovering from such shocks. Thus the reflections of Respondent 7 also support the views of the NDP (2011) that inferior education restricts social mobility and further strains social relations.

Respondent 8 further stresses that even in the case where the municipality is pursuing pro-poor policies, education should be a key driver, from early childhood development to lifestyle coaching. Respondent 9 added that education must correlate with the requirements of the job market by putting more emphasis on scarce skills such as mathematics, science, technology and engineering, more apprenticeships and internships. It was also indicated during the interviews that while the government in South Africa is now inclined to promote free tertiary education, the key education success factor is the completion rates of the cohorts and achieving the scholarships. Thus, the undertaking to create equal opportunities and build capabilities among the

vulnerable aspirants should begin with guaranteeing that every one of them has access to quality education and that completion rates are improved.

Another finding alluded to by Respondent 5 links education and the movement of people from low opportunity areas to those with greater opportunities. They contended that government assistance to enable the movement of people to areas with opportunities must go beyond just providing reliable and affordable transportation to include the provision of education to those who are vulnerable. In this regard, Respondent 5 gave an example that for individuals who live in areas where there is no economic potential, for example, areas in Alexandra and the south of CoJ, investing in education ensures mobility of those individuals to areas where opportunities exist.

5.4.2 Education and inequality

Data from the interviews also revealed a direct relationship between education inequality and income inequality among race groups. The analysis of the responses from the interviews revealed that racial income gaps mirror the education inequality in the CoJ, which deters upward mobility of the aspirants. For example, the CoJ suburbs that are located in the most deprived areas still have no access to high-quality education facilities, particularly for primary and secondary education, as observed by Respondent 7. Respondent 6 also pointed to inequalities at the tertiary level of education where the proportion of Whites still dominates admission into Universities. Also, the completion rates of Black Africans was noted as a concern.

Respondents 6 and 7 above concur with Moses et al. (2017:25) in that South Africa's education system still reflects stark disparities in the outcomes of learning along similar proportions to those experienced under apartheid. Their assessment of educational performance demonstrated the unrelenting existence of a dualistic education system that from one perspective provides quality education equivalent to that offered in developed nations but only to those who can afford it; and from another perspective, fails to prepare the majority of learners in poor households sufficiently for the labour market demands or further studies. This dualistic nature of South Africa's education system results in the huge performance gap between schools categorised in quintile 5 and the rest of the schools in other quintile systems. In this regard, social mobility for the aspirants in the CoJ can be leveraged by promoting equality as opportunities

are increased, which in turn will result in higher rates of innovation (Keeley 2015:75). This is particularly so in addressing racial inequality by improving the conditions of Black Africans and Coloureds. There is increasing evidence that suggests that high levels of inequality can potentially slow down economic growth, generate high costs for society and undermine prospects of the vulnerable groups in the labour market, thus reducing social mobility (Keeley 2015:12).

5.4.3 Inequality between population groups

Inequality between population groups refers to income and resource differences among Whites, Indians/Asians, Coloureds and Black Africans (Cheteni 2019:1). It was indicated in section 5.3.2 that the odds of being in the middle class for the Black Africans were much lower compared to all other races. This result was confirmed by the qualitative data, whereby the respondents revealed that high-income inequality as well as educational inequality suppresses upward social mobility and makes it difficult for hardworking and talented individuals to reap the rewards they deserve. The respondents indicated that income among Black Africans is relatively lower compared to that of their White counterparts. The interviews confirmed that generally White individuals are still regarded as more privileged and reflect backgrounds of high income compared to Black Africans and Coloureds. For example, Respondent 5, in their observation of the movement of people into the middle class suburb of Roodepoort, highlighted that Black African people who are moving out of Soweto into the middle class suburb of Roodepoort are particularly the aspirants, as well as those who have just entered the middle class. In contrast, the Whites, who are moving into the same suburb, come from families that are already a stable middle class. Respondent 5 also stated that the White people have been able to move easily across the various middle-class suburbs in the CoJ owing to their advantage of higher income compared to Black Africans.

The above findings concur with Chipkin (2012:51) who indicated that because of high levels of poverty among Blacks, which result in high dependence on the wage earner by the extended family members, some of the wage earners physically move away from the township and relocate to settlements that are more homogeneous in terms of class as a way to of easing this pressure. Chipkin (2012) found, particularly in Soweto, that young Black aspiring members of the middle class have been moving into

townhouses that are located in the neighbouring suburb of Roodepoort to allow themselves to negotiate their relationship with their immediate and extended families on terms that are more favourable to them. Thus, it was evident from the interviews that inequality among race groups is an important risk factor to the growth of the middle class, whereby Black Africans are more likely to be stuck at a lower income band as the aspirants with few opportunities to move up the income ladder.

5.4.4 Access to economic opportunities

The respondents mentioned the roles of economic growth, decent employment and business ownership, particularly in the informal sector, as important factors that contribute to social mobility. On the issue of economic growth, the interviews revealed that upward mobility of the aspirants can be leveraged by growing the City's economy, which in turn will provide economic opportunities. Such opportunities are realised as more decent jobs are created and more people participate in small businesses, especially. Respondent 9 highlighted that if the growth prospects of the CoJ economy are enhanced, sustainable employment prospects will be enhanced as well. Chapter 4 revealed that the aspirants sustain themselves through employment, while some find their way into the informal sector, which then brings into the spotlight the role of economic growth in ensuring the sustainability of these aspirants. Thus, Respondent 9 concurred with the NDP (2011:27) that employment can be sustainably increased only if the economy is growing and if structural obstructions such as poor quality education that excludes the majority are eliminated. This is critical for the CoJ to achieve competitiveness and higher rates of investment and productivity. The relationship between growth and employment above also confirms the findings from the application of the class schema scale in the now-famous study known as the "Nuffield social mobility studies" (Nunn et al. 2007). The study revealed that the factors that led to social mobility were economic progress that resulted in a change in occupational structure (Nunn et al. 2007:17).

Employment that sustains upward mobility must also be characterised by decent jobs. In this regard, Respondent 8 claimed that people who are being pushed into zero-hours contracts (employment contracts with no guaranteed hours) and temporary work as a result of poor economic performance remain stuck as the aspirants. Respondents 6 and 7 further underscored the role of decent employment as a prerequisite for social

mobility when they both reflected on the success of the insourcing project conducted by the CoJ on security guards and cleaners. The CoJ insourcing programme aimed to bring dignity to the lives of security guards and cleaners who previously were employed via the contracted agent. The programme ensured that security guards and cleaners were directly employed permanently by the CoJ, their salaries increased by a minimum of 50% and they started to benefit from medical aid and pension. Respondent 6 put it that the insourcing by the city was so powerful in that those persons who had been previously employed on a temporary basis are now going to have a sustainable income to support an extended family.

Respondent 7 agreed by citing that the CoJ was able to convert a lot of people back to permanent positions and that the short-term contracts for the security guards and cleaners were a contributory factor for many of them to fall back to poverty. The above sentiments on a lack of decent jobs in the CoJ support the insignificant employment variable as a predictor of class status, as discussed in section 5.3.3. The result on employment is also supported by Solidarity Research Institute (2015), which indicated that getting a job alone is not enough as those who enter the labour market, especially after the completion of matric, earn very low salaries. Similarly, the OECD (2018) also supported the result on employment when they stated that lower wages are a threat to social cohesion and therefore upward mobility.

It was also discovered that participation by the aspirants in the informal sector is also another way that the aspirants can turn around their fortunes. For example, during the interviews, Respondent 3 cited that the ability to harness the informal economy by the CoJ without setting strict regulations and law enforcement and finding a way of allowing this sector to flourish is vital. This is on a par with the views by Misati (2010) in the study on the role of the informal sector in investment in Sub-Saharan Africa, where she observed that informal economy generates income and wealth and thus plays a significant role in the lives of the vulnerable. The study by Misati (2010) concluded that the formal economy alone cannot be depended on to solve the problems of unemployment and poverty. As a result, if the CoJ continues to embrace the formal market mechanism and neglect the informal sector, it will eclipse the efforts made to reduce vulnerability, poverty and unemployment in their economy.

5.4.5 Asset accumulation

Asset accumulation was cited by 33% of the respondents who concluded that assets have a positive role as a key determinant of upward mobility of the aspirants. Individuals with assets have better chances of accessing finance and other kinds of opportunities. The accumulation of assets also helps to improve the ability to earn income and reduce vulnerability. Respondent 5 reflected on three things concerning asset accumulation. Firstly, the accumulation of assets provides a clear indication that one is progressing along the income ladder. This supports the earlier assertion by Anderson (2012) that assets guarantee an increase in household economic livelihood into the future. Secondly, assets define the ability to access finance. Thirdly, assets can also provide the means of getting an income. For example, in townships where people receive free houses, they build shacks at the back of those houses, which then allow them to make money from this type of asset through renting the shacks out.

Respondent 5 further claimed that assets provide people with security; thus, having income without assets leaves the aspirants vulnerable. This agrees with Woolard and Klasen (2005), who found that in the province of KwaZulu-Natal between 1993 and 1998, the number of durables owned by households in the initial period had a significant positive impact on subsequent income change and therefore those with poor household assets in the province had greater difficulty in improving their incomes. Respondent 3 added the element of “human agency” that must accompany the accumulation of assets. They referred to “human agency” as the ability of people to use their assets to become entrepreneurial, make income and make a living through their own individual interventions. Therefore, having assets and human agency is an indicator of whether one can potentially move out of poverty to higher classes and the aspirants who are without assets are completely vulnerable.

The overall responses from key informants indicated that the aspirants exhibit signs of asset deficiency as a substantial number of them tend to live in formal dwellings that they do not own, while some live with their parents or rent shelter in back rooms. Therefore, policies that assist them in building assets would give them security. For the middle and upper classes, their asset exposure reduces their level of vulnerability. Thus, the sustainability of upward mobility of the aspirants is reliant on access to assets, which in turn provide a certain amount of resilience in the event of a shock.

While asset accumulation has been shown as statistically significant in predicting class status, as described in section 5.3.4, Respondent 5 highlighted that addressing proximity impacts the vulnerable in a much greater way than just giving them assets. For example, assisting the aspirants to accumulate assets that are close to amenities and ensuring housing developments close to facilities will result in their accessing lower prices for goods and services. Respondent 3 concurred that assets such as housing must be provided in the right areas. They gave an example of the new houses in the area of Newtown that are well located in terms of access to public transport and proximity to places of work. Thus, the location of assets in the CoJ is very important in removing some of the burdens that the aspirants have, such as transport costs. The discussion that follows therefore expands on the need for the CoJ to address proximity in addition to assets accumulation.

5.4.6 The importance of proximity to amenities and transportation

As reported in section 5.3.5, proximity to amenities significantly predicted class status in the CoJ. This result is confirmed by the interview data, which claim that proximity reduces the costs of transport and brings down the prices of goods and services as people and traders do not necessarily need to travel long distances. Respondent 5 stressed that as a result of the current spatial development where there are no major trading institutions or amenities around communities with lower incomes, people spend a significant amount of income on transport because they have to travel to places where they can buy their basic needs. Travel costs also result in local people selling goods at higher prices. The CoJ thus needs to enrich its model of spatial development in a way that brings more amenities closer to the areas populated by the aspirants.

Respondent 5 further argued that the reconfiguration of space economy by developing more amenities around the aspirants allows them to interact meaningfully as urban citizens. Thus, many of those who live in suburbs that are further away from facilities do not interact meaningfully as citizens as they spend time on public transport travelling to work and back home. As a result, their transport costs are high. The respondents concluded that if they lived closer to amenities, they would be interacting a lot more with the way their society operates. For example, they would meet different

people partaking in all forms of activity, and some would be able to walk, which would change their lifestyles.

Also linked to proximity, a sustainable transport system that is reliable and affordable enhances connectivity and therefore access to economic prospects, which is vital for social mobility. 7 out of 9 respondents confirmed that a sustainable transport system forms the basis for upward social mobility. The CoJ in the last ten years has been investing in the Bus Rapid Transport (BRT) system but focusing on the most impoverished areas at the expense of areas such as the inner-city surroundings, where most of the aspirants are concentrated. Results in section 5.3.5 indicated that improved transport was statistically insignificant in predicting class status. This calls for the CoJ to rethink other means of making transport a significant factor in assisting upward mobility of the aspirants. The result in section 5.3.5 is validated by Respondent 6, who indicated that in attempting to improve the transportation system, there ought to be a consideration taken in reducing the costs of using it. Another respondent mentioned the cost of transport emanating from the national government policy on e-tolls as an impediment towards the growth of the middle class. The e-toll costs were viewed as passing a huge burden on to the aspirants who are attempting to move up the social ladder.

The unreliability of the public transport system in the CoJ was also regarded as an impediment for the aspirants who sometimes find themselves facing unpredictable trips from their places of living to their places of work. For example, a substantial number of the aspirants are located in the south of the City, in Soweto, and most economic opportunities are in the north (Sandton and Randburg areas). Respondent 7 reflected that people are forced to buy cars because the CoJ transport system is not reliable. Lee et al. (2018:59) find that a lack of affordable and reliable transport mobility excludes individuals from full participation in society. Thus, they tend to experience social isolation and feel disconnected from the outside world when they are unable to access their desired destinations. According to Thynell (2017), the existence of the possibility of travel is turning into a determinant of prospects and mobility. Also, in a situation where the middle class is growing fast, motorised mobility becomes a key antecedent for achieving the desired affluent lifestyle that the aspirants hope for. Thynell (2017) further argues that, in Asia, an improved public transport system has

been vital to ensure that the middle class becomes resilient, empowered, socially integrated, food secure and less vulnerable. Hui (2016) concluded that for a public transport system to be successful, it needs to be a well-connected system, which he referred to as containing the elements of convenience, punctuality, high-frequency, affordability and accessibility.

Therefore, by investing in public transport in all areas, the CoJ is likely to boost the vulnerable aspirants by bringing them closer to jobs and other economic opportunities. Additionally, a subsidised public transport system reduces the costs of motorised mobility. How the CoJ manages its public transport system is also vital to minimise interruptions and thus improve on its reliability. For the aspirants, it is costly to invest in alternative transport systems, private cars in particular, as they attempt to reduce the risk of a lack of reliable and cost-effective public transport system. For those who succeed in investing in alternative private transport, their income is further eroded and thus limits their ability to progress up the social ladder.

5.5 Summary

This chapter analysed and presented the results of the impact of the key determinants of social mobility using binary logistic regression modelling. The logistic regression modelling validated and concluded that the most significant determinants have been the levels of education, inequality between population groups, asset accumulation, access to economic opportunities particularly relating to starting up a business and proximity to amenities. The data from the qualitative interviews with key informants in the CoJ also corroborated the importance of the above determinants and their impact on upward mobility of the aspirants. These findings provide the basis for the synthesis of policy findings from the interviews presented in the next chapter as well as for making policy recommendations in chapter 7. Thus, the next chapter presents the results of the analysis and synthesis of qualitative data from the policy documents and the observations and insights from policy makers concerning policy gaps to enable the progression of the aspirants towards becoming a stable middle class.

CHAPTER 6: QUALITATIVE DATA ANALYSIS: POLICY DOCUMENTS AND INTERVIEWS

6.1 Introduction

This chapter provides the results of the qualitative data analysis of the policy documents and the interviews that were conducted with key informants drawn from the CoJ, as described in chapter 3. Firstly, the outcomes of the gaps in policy documents that are aimed at improving the quality of life for all the classes of people living in the CoJ are presented. Following this, this chapter presents the observations and insights from policy makers concerning policy gaps and lifestyles of the aspirants. The observations and insights from policy makers provided in this chapter together with the analysis presented in the previous chapters which informed the policy recommendations that are aimed at ensuring that the aspirants sustainably progress towards the middle class are presented in the next chapter.

6.2 CoJ document analysis

This section presents a document analysis of existing policies and strategies meant to deliver sustainable development that will improve the quality of life in the CoJ. The documents that were analysed and presented in this section are the GDS 2040, Economic Growth Strategy (EGS), Expanded Social Package Programme (ESP), Spatial Development Framework (SDF), Early Childhood Strategy (ECD), Rates Policy, the Inclusive Housing Policy, the Broadband Policy, and the Integrated Development Plans (IDPs). The State of the City Addresses (SOCAs) by the Executive Mayor and annual budget statements by the Members of the Mayoral Committee (MMC) for finance were also a focal point of analysis as these statements provide the policy direction to be undertaken by the CoJ.

The analysis of the documents above was conducted to determine the implementation gaps in order to enhance the recommendations for improvement outlined in chapter 7. According to Brynard (2007:358), the gaps in the policy documents reflect what has been transpiring during the implementation process between expectations from such policies and their perceived results. In this regard, the period under review for the document analysis is between 2011 and 2019. The year 2011 coincided with the

launch of the CoJ Growth and Development Strategy 2040 (GDS 2040), which is an aspirational strategy that defines the type of society the CoJ aspires to achieve by 2040. The GDS 2040 restates the CoJ's resolve in confronting the past injustices created during apartheid and to work towards a democratic, non-racial, non-sexist and just city while concurrently confronting present and future challenges as they emerge

Following the methodology described in chapter 3, section 3.7, the results in Figure 6.1 indicate the analysis of the text reflecting the targeted groups for the implementation of policies and strategies in the CoJ. The analysis was conducted to generate the frequency of the terms or phrases that refer to different classes mentioned for targeting the implementation of programmes. Based on the definitions provided in chapter 2, section 2.10, and chapter 3, section 3.5.1, these terms or phrases are the poor, whose household income is below the ESP threshold of R5900 (US\$ 393); the vulnerable, who include children, persons with disability and women groups; the aspirant middle class or emerging middle class, whose household income is between R5 900 and R13 500 (US\$393 to US\$900); and a stable middle class, whose income is above R13 500 but below R67 500 (US\$900 to US\$4 500).

Figure 6.1 shows that the focus of development in the CoJ has been pro-poor, which is indicated by the 293 times that the phrase "the poor" has been cited as the target group in all the key documents analysed.

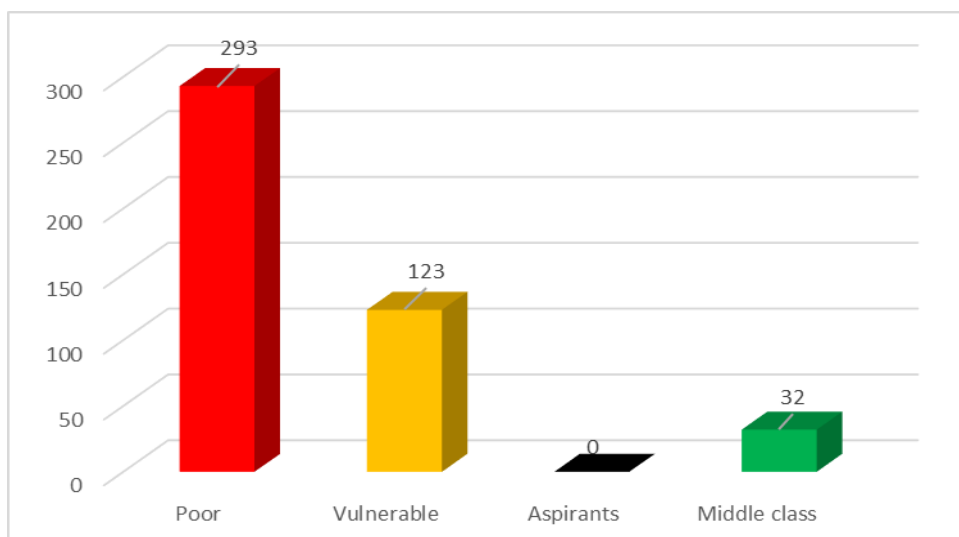


Figure 6.1: Analysis of text segments in selected CoJ documents

Source: Author's construction using data from CoJ documents

Figure 6.1 shows that policies and strategies in the CoJ do not target the aspirants. The policies also rarely target the middle class, as indicated by the frequency of only 32 times that this group has been cited. A frequency of 123 times was returned for the vulnerable as a target group. However, the narrative about the vulnerable groups in the CoJ does not embrace the aspirants as it refers strictly to young people, women, migrants, single parents, orphans, and children of parents who are ill in all the policies and strategies. Some of the vulnerable groups are the aspirants; however, in terms of policy targeting, the CoJ policies target the vulnerable poor. Thus, the phrase “vulnerable group” is simply another way of referring to the poor. For example, the CoJ inclusive housing policy defines the “vulnerable” as households earning income not exceeding R7000 (US\$460), which excludes most of the aspirant households that are earning between R7 000 (US\$460) and R13 500 (US\$900), as defined in chapter 3. Similarly, the rates policy identifies child-headed households and pensioners as vulnerable groups. Child-headed households do not earn income and are regarded as poor. A 100% rebate on rates is provided only to pensioners whose household income is below R9 700. However, the aspirants’ household income goes up to R13 500, which implies that the pensioners whose income is within the aspirants’ threshold but above R9 700 have to pay rates and taxes to the City. The two examples above indicate that the policies that target the vulnerable groups in the CoJ are linked to poverty, without obligations towards the aspirants as defined in this study.

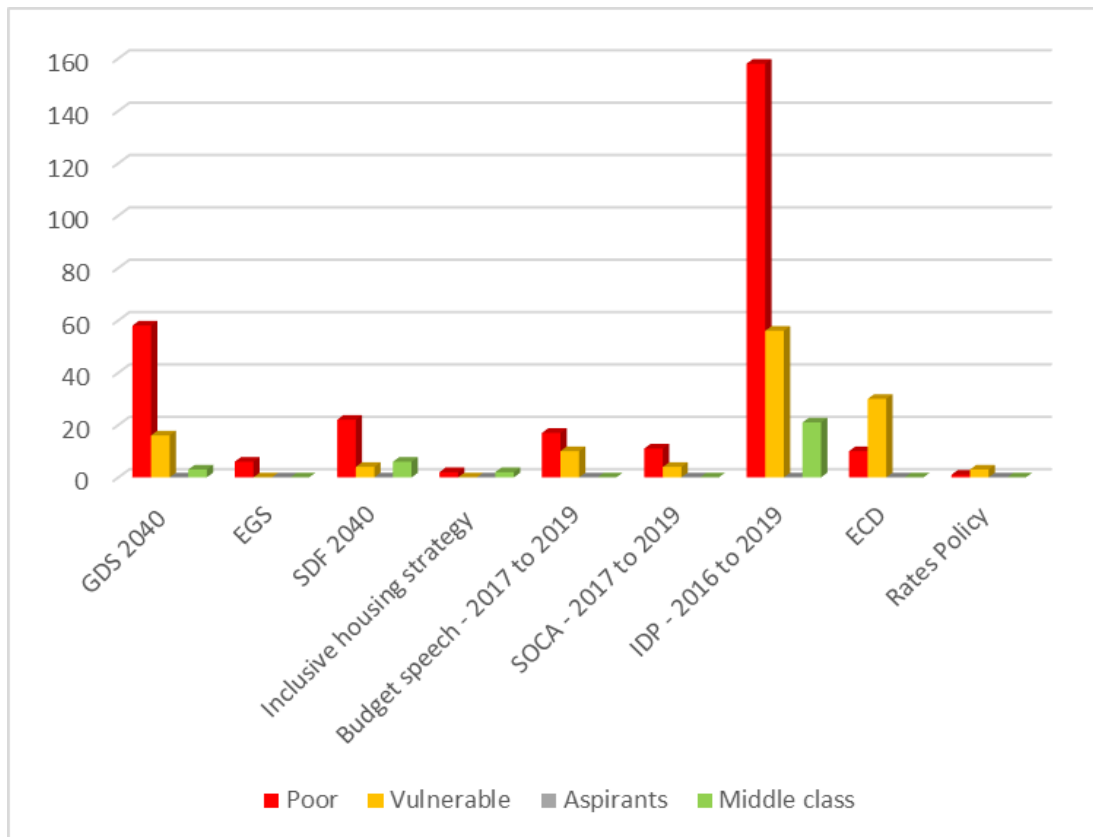


Figure 6.2: Frequency of text segments in specific documents

Source: Author's construction using data from CoJ documents

The breakdown analysis of documents in Figure 6.2 supports the assertion that the CoJ policies are largely designed and biased towards the poor. For example, the poor and the vulnerable are very prominent in all the policies. The ECD strategy is targeted more at the vulnerable, particularly because the majority of the ECDs are owned by women. In addition, the ECD strategy is targeted at the poor in general. The rates policy is not written with specific recognition of class differences but attempts to mitigate the plight of the vulnerable groups, particularly the indigent and pensioners. The housing policy was written from a pro-poor perspective, with some recognition of the middle class. However, as indicated in this section, the definition of the middle class in housing policy is capped at R7 000 (US\$460), which leaves a substantial number of the aspirant middle class. The broadband policy is written from a pro-poor perspective, without recognition of the aspirants and the middle class. The State of the City Addresses and the budget speeches were written from a pro-poor perspective, with some recognition of the vulnerable. However, the focus on the aspirants and the

middle class is missing. Figure 6.2 identifies the IDPs, the GDS 2040 and the SDF as the only policy documents that attempt to address the plight of the middle class. The IDPs, the GDS 2040 and the SDF, despite being largely written from a pro-poor perspective, show some acknowledgement of the vulnerable groups and the middle class, and thus attempt to capture broader intervention beyond just for the poor.

What is striking is that none of the policies in Figure 6.2 is designed with elements that are aimed at assisting, specifically, the aspirants to grow into becoming the middle class. All the key CoJ policies and strategies analysed in both Figure 6.1 and Figure 6.2 point to a pro-poor development with no acknowledgement that while the poor move out of poverty, they become the aspirant middle class with levels of vulnerability that are almost similar to the class from which they graduated. The future trajectory also points to the continuation of pro-poor development as these policies and strategies remain the legal instruments for future programme designing and implementation unless they are gradually reviewed in line with the recommendations suggested in the next chapter. Although the CoJ has very high levels of inequality and therefore a greater number of people at the bottom of the income distribution, policies need to be redesigned to acknowledge the phenomenon that the majority who are fortunate to escape poverty become stuck as the aspirants. In addition to failing to move up the social ladder, these aspirants are vulnerable to falling back into poverty unless the municipality adapts certain policies and strategies to grow and sustain this class. It is therefore important that policies and strategies that improve better management of the transition of the aspirants towards becoming a stable middle class are developed to reduce the risk of their becoming stuck or falling back into poverty. The findings indicate that where the municipality fails is not so much on poverty alleviation, but on how it manages the sustained transition of the aspirants towards becoming a stable middle class.

The discourse analysis reported in this section justifies the CoJ to consider enriching some of the existing policies and strategies to better manage and leverage the sustainable growth of the aspirants towards becoming the middle class. The following sections outline some of the policy-related discussions for consideration that were suggested by the key informants drawn from the CoJ.

6.3 The importance of quality education

Education was found, from the interview analysis, to be one of the key determinants of social mobility out of the fourteen key determinants that were analysed. The provision of primary and secondary education is outside the mandate of the municipality and is the responsibility of the provincial government. Traditionally, within the realms of education, the role of the municipality has been restricted to early childhood development. However, in his 2019 State of the Nation Address, President Ramaphosa made the pronouncement that Early Childhood Development programmes (ECDs) for those aged between 4 and 6 years are now an integral part of the education system that will be falling within the ambit of the provincial government. Thus, the municipality continues to play a role in ensuring access to quality early childhood development for those aged between 0 and 4 years.

The interviewees argued that early childhood development is an important role for the CoJ to build the future skills base. This was indicated despite the department of education taking some of the roles away from the municipalities to the provincial mandate. One respondent indicated the importance of early childhood development in the education system as follows.

I am one strong proponent of early childhood development because I believe that if we instil good behaviour and good character at an early age, we are solving later or future societal problems.

Vandenbroeck, Lenaerts and Beblavý (2018:63) argue that the malleability of children at their early age and the nature of later education to build on early achievements justify the notion that early childhood development brings greater benefits than subsequent educational interventions. Thus, Vandenbroeck et al.'s (2018) argument implies that the CoJ must take advantage of the benefits of education that are cumulative by intervening during the early stages of childhood while children still have higher neuroplasticity. Goldthorpe (2016:107) also asserts that policies must be developed with a focus on pre-school programmes for more disadvantaged children to offset the educational consequences of inequality of condition. The lesson that the CoJ can learn from the Norwegian model is the introduction by that government of the progressive universal childcare policy, which requires all municipalities to provide

public subsidised and quality-regulated ECDs for all children from one year of age. This policy succeeded in reducing the usage gap between the most and least educated families across time (Sibley, Dearing, Toppelberg, Mykletun & Zachrisson 2015:2). Currently, there is no policy on early childhood development in the CoJ, despite having a focus on early childhood development in its business planning. Therefore, the CoJ needs to consider a universal ECD policy that will establish boundaries, guidelines, and best practices on early childhood development as an instrument to take control of developing its skills base. This policy should be based on ensuring the availability and affordability of early childhood care and education. Sibley et al. (2015) provided a strong demonstration that the availability of affordable and high-quality and affordable ECD partially mitigates the potential barriers of low parental education and low family income. Thus, a universal ECD policy has the potential to reduce disparities between the aspirants and the middle class families regarding the utilisation of formal early childhood care and education. In addition, the impact of reducing the disparity in the use of ECDs will be important to promote the well-being of the aspirants and the CoJ at large. Sibley et al. (2015:17) also noted that children who attend high-quality ECDs have better long-term outcomes that also have economic returns to society. Accordingly, a universal ECD policy in the CoJ will ensure that well-motivated behaviour and resilient character are instilled at an early age and on its own, it will solve future societal problems such as the lack of mobility.

In terms of the quality of education, the interviewees were unanimous that, from a policy point of view, it determines how individuals move up the social ladder, yet there is no such articulation in the policies that were analysed in this study. The following focal points were highlighted during interviews as a means to improve the quality of education in the CoJ. More emphasis is required on education in mathematics, science, technology, and engineering. There was a general sense among respondents that the CoJ needs to promote technical and vocational education, apprenticeships and internships to bridge the gap between education and the job market. Respondent 8 pointed to this below.

I see a bigger emphasis on education in maths and reading skills and also the whole question of science, technology, and engineering. I think there is also a need for technical and vocational education and also a bigger need for more

apprenticeships and internships. With all that you cross the gap with the job market.

Respondent 5 concurred with the sentiments above when they indicated that many people in the CoJ are not aspirants in terms of education, leading to poor quality of its outcomes. In this regard, Respondent 5 emphasised that education requires discipline and focus and argued that the curriculum needs to encourage the culture of reading among children. This will provide a good foundation for the aspirant middle class, who spend a considerable amount of resources trying to get their children the desired education.

While some of these interventions are already taking place, there has not been proper monitoring and evaluation at the municipal level since this is considered the provincial government's role. There is nothing that precludes the CoJ from conducting impact assessments on the outcomes of the education policy. The CoJ could use such impact assessments regularly to inform and review its IGR strategy, which in turn will leverage its voice in negotiating a better provision of quality education for its citizens.

The interviewees shed light on the fact that the quality of education is compromised by the public school system, which is not able to accommodate everybody without compromising on class sizes. There was, thus, a call for the CoJ to ensure that public schools are decongested as a result of a higher learner educator ratio at public schools normally attended by the aspirants compared to that found in the private schools. While the middle class can afford to pay for the better education offered through small classes at private schools, the status quo is not the same for the aspirants who mainly attend public schools. Respondent 7 stated below the impact this has had on the educator learner ratio and the future of the children.

If you compare kids who are attending a small classroom and they get the necessary support from Grade R up to Grade 12, and then you go to a public school, you get kids who are 120 in a classroom, and they have never had one-on-one attention with a teacher, and that child progresses to matric without proper functional literacy skills, that child, even if he goes to university, is not going to succeed compared to the child who had all the attention and where the basics were taken care of at an early age.

According to the South African Market Insights (2019), there are 31 learners per educator in public schools, and on average 524 learners per public school, while in private schools there are 12 learners per educator and on average 205 learners per private school. Thus, there are almost three times as many learners for each public school educator to deal with than those working at private schools. It appears that the current aspirant middle class could be constrained by the public schooling system that did not adequately empower them at the early stages, as reflected above. This system should not be allowed to pass to future generations. The aspirant middle class, by being aspirational, believes in quality education for their children.

Another revelation from the interviewees concerning the quality of education is that it is further compromised by the current quintile system introduced by the Education Laws Amendment Act 24 of 2005. The quintile system was found to have a negative psychological effect on the minds of the teachers and how they provide education. The South African Schools Act 84 of 1996 classifies schools into five quintiles that are defined based on the relative affluence of their neighbouring communities. According to the Act, schools that are located in the most impoverished areas are categorised as Quintile 1, while those in the most affluent areas are categorised as Quintile 5.

Respondent 7 said:

We still have inequalities in our education system. Just the mere fact that we use the quintile system tells you that there are inequalities. I mean if you have schools classified as quintile 1, quintile 2, quintile 3, I think psychologically that system works negatively on the minds of the teachers. The educator in quintile 1 feels less privileged, and if teachers are in quintile 5 they can mobilise their own resources, but you ask yourself why teachers in quintile 1 schools are not able to mobilise resources. So the issue of the quality is also a major factor given how we have structured the education system.

The response above emphasises two important issues. Firstly, that teachers in quintile 1 psychologically feel that they are in a less privileged school, which impacts negatively on their confidence and the quality of education they provide. Secondly, teachers in quintile 5 can mobilise their own resources, yet those in quintile 1 are not able to do the same. This revelation points to a challenge that quality teachers may be shunning schools that are designated as most deprived. This challenge requires the

CoJ to consider, from a policy point of view, a review of the spatial development framework to ensure that schools located in the most deprived areas attract good teachers. Spatial developments around the schools that are designated as lower quintile could lead to improved attractiveness. For example, the CoJ can prioritise the improved provision of health facilities, improved access to transport and decent housing. Further interventions such as improving security and also lobbying with the provincial government to ensure that the schools have adequate teaching infrastructure such as high-speed Wi-Fi and well-equipped libraries, which are invaluable.

Another problem with the quintile system as a way to respond to inequalities in access to quality education is that it may exacerbate the very same inequality by excluding the aspirant middle class. For example, schools that are located in the relatively most deprived areas (quintiles 1, 2 and 3) do not charge school fees and are eligible to receive from the government a certain amount of funding per enrolled learner. The problem with this approach is that it does not recognise the fact that the aspirant middle class, by being aspirational, may have moved away from the 'no school fees'-designated neighbourhoods to those classified as 'fee-paying' in quintiles 4 and 5. The minister of education, Debbie Schäfer, in the Western Cape Province acknowledged this problem by indicating that many schools in the Western Cape are regarded as Quintile 4 and 5 schools as they are assumed to be located wealthy communities; however, the reality is that the schools are attended by a large number of poorer learners (Businessstech 2018). Education is a priority for the aspirant middle class and their children and because of the quintile system, they eventually have to settle for high school fees or incur extra transport costs to access free education, thereby further constraining their upward mobility.

A striking revelation on reducing the cost of accessing education for the aspirants was that free education alone is not helpful unless the CoJ also influences the completion rates by minimising the school dropout rate. School dropout is defined by De Witte, Cabus, Groot and Van den Brink (2013:1) as resulting from people who leave education before they obtain a minimal credential which, in the context of South Africa, is the National Senior Certificate (NSC), or “matric” qualification. Compulsory school attendance is enshrined in the South African Schools Act (Act 84 of 1996, section

3(1)), which defines the compulsory band of education for all children in South Africa to be from grade 1 to grade 9. While Branson, Hofmeyr and Lam (2013:12) indicate that the enforcement of the Act has resulted in a very high rate of participation of over 95%, Spaul (2015:34) argues that most school dropouts occur in grades 10 and 11, resulting in 50% of learners in any one cohort dropping out before obtaining a matric qualification.

Respondent 8 advocated for building a strong link between education and results of that education by focusing policy beyond just free education to include managing dropout and completion rates.

It seems that if the government wants to improve education, it should provide a stronger link between education and results of that education. That people are sponsored only if they pass so that there is stronger encouragement linked to people completing their education so that they can move on.

The respondent above pointed out that the policy on education sponsorship needs to encourage learners to pass by rewarding progressively only those who bring positive results. Thus free education should be the privilege of those who pass and are promoted to the next level. While the measurement of school dropout as an indicator has been traditionally regarded as the prerogative of the provincial government, several suggested interventions fall within the municipal ambit. According to Branson et al. (2013) and De Witte et al. (2013), school dropout is not the result of a single event, but rather the result of a long process of disengagement and a cumulative multidimensional process that is caused by numerous factors over time. As a result, the CoJ may need to conduct its own impact assessments focusing on linking its efforts to improving completion rates through some interventions. For example, Hartnack (2017:2–8) highlights the following multidimensional factors that the CoJ could link with improving school completion rates: neighbourhood characteristics where social amenities are limited, for example, run-down housing; lack of ownership of housing and high crime rates; motivation among children and the impact of crime, drugs and violence among peer groups; social discrimination and prejudice, especially that aimed at the minority or underprivileged learners; teenage pregnancy, where stigma is still very high despite the fact that schools are not supposed to discriminate; a lack of access to sanitary pads by female learners during their menstrual cycles; and high

transport costs, and its lack of availability or reliability. Some of these factors that fall within the ambit of the CoJ are discussed in other sections of this chapter.

The interviewees also noted some of the programmes that have an impact on promoting upward social mobility such as educational and developmental programmes that are currently being offered through the CoJ library facilities. Some examples mentioned by Respondent 4, which they argued need to be replicated across all sectors of the population include e-classroom service provision, online training courses and access to free Wi-Fi for communities. Also, the Executive Mayor, in his state of the City Address (2018), extended the operating hours of 11 out of 87 CoJ libraries across the city. These initiatives provide students with a favourable environment in which to study and to give working residents such as the aspirant middle class extra time to visit these facilities. However, two challenges were observed to which the CoJ needs to pay attention. Firstly, these programmes are not articulated in any policy as the City does not have a skills development strategy and the education policy is the responsibility of the provincial government. Secondly, the CoJ targets the extended library hour's programme on the very poor communities in line with its pro-poor development approach. This programme has left out the aspirants, who are concentrated in areas not regarded as a priority for the programme. The CoJ could leverage upward mobility if they rolled out these programmes to all the vulnerable groups. This must include the regions densely populated by the aspirant middle class, such as the inner city and its surroundings. The CoJ must recognise that as the poor benefit from these interventions, they become the aspirant middle class, and they begin to move out of these mostly deprived designated areas to status areas or areas near economic opportunities. As they graduate to become the aspirants, this group has to pay immediately for their children and themselves to access the services above or has to incur extra transport costs to visit these services, which are located in the most deprived areas. This constrains the ability of the aspirants to move up the social ladder.

If the CoJ is to change the pattern of mobility to a situation where upward mobility predominates over downward mobility, the role of education alone is limited. Goldthorpe (2016) argues that while education is, indisputably, a key factor in determining who is mobile or not, this is so at the individual level. It does not follow

automatically that education will be of similar significance to determine the total amount of mobility at the societal level.

Despite the fact that the provision of education to children above four years falls outside the CoJ authority, Chapter 2 and Part 3 of the Intergovernmental Relations Framework Act 13 of 2005 provides for the establishment of the Premier's intergovernmental forum to promote and facilitate intergovernmental relations between the province and local governments in the province. This forum comprises the Premier, members of his Executive Council and the mayors of metropolitan municipalities in the province. The role of the forum is to consult on matters of mutual interest such as the development and implementation of provincial policies. Therefore, the CoJ should exploit this by finding innovative ways to influence the challenges raised by interviewees that relate to the quality and cost of accessing education, monitoring and improving completion rates and expanding the methods by which education is provided and accessed in the CoJ. Thus, the Act provides a key avenue in which the CoJ can influence the education outcomes of the City. The Act establishes a framework for the national, provincial and local governments to promote and facilitate intergovernmental relations on matters of mutual interest.

6.4 The need to address inequality between race groups

The interviewees strongly advocated for the CoJ to address the increasing inequality, particularly between population groups. The various types of inequality that were highlighted during the interviews are inequality of income, education, health and spatial planning and development. Health and education inequalities are related to spatial inequality. All these various inequalities manifest themselves along racial lines, which calls for the CoJ to consider policy modifications to reduce racial inequality.

Respondent 5 acknowledged the presence of income inequality in the CoJ, which they argued was the result of certain policy failures relating to the preferential procurement legislation, as they indicated below:

The procurement, preferential procurement legislation and the Triple BEE strategy to a degree created the current middle class. However, accompanied [by] it has also been the creation of income inequality. So the Gini-coefficient within Africans and Coloureds that is the inequality within the groups has

increased. So it meant that certain sections were growing faster than other sections within these groups because of the way the policy environment is structured.

Improving the preferential procurement policy is within the municipal control and this could be used to target the aspirant middle class who are in business and those aspiring to venture into business. However, there are several challenges that Hlakudi (2015:66–68) discusses in the implementation of the preferential procurement policy that the CoJ must attend to in the province of Gauteng, South Africa. These challenges are among other things non-compliance with procurement processes, limited knowledge of preferential procurement targets, late payments of suppliers, and fraud and corruption. As noted by Respondent 5, this could be the reason why the preferential procurement policy has resulted in greater inequalities among Black Africans and Coloureds. Respondent 5 cautioned that while these preferential procurement policies have, in some instances, yielded some positive results in growing the middle class, they have done so at the expense of reducing inequality. Various studies have also shown that there is a direct link between education and income inequality. As stressed by Respondent 7 below, the solution to reducing income inequality is through improving education:

If we get our education system right, where the State takes the responsibility of education, the inequality we are experiencing now will be better.

OECD (2012:194) states that a more equitable distribution of educational opportunities has been shown to result in a more equitable distribution of labour income. Fournier and Koske (2012:22), in their analysis of the drivers of labour earnings inequality, also showed that a rise in the stake of workers with upper secondary education is accompanied by a reduction in labour income inequality. Thus, income inequality can be addressed by improving the quality of education among the disadvantaged and also by reducing education inequality. As alluded to by Respondent 7 earlier, the Education Laws Amendment Act 24 of 2005 acknowledged the existence of inequality of education judging by its response to establish the quintile system of education. Concerning education inequality, Goldthorpe (2016:107) argues that it is a result of inequality of condition in terms of various kinds of resources that exist among facilities. Therefore, a suggestion is that policies must be developed to offset the educational

consequences of this inequality by establishing measures that aim to create a more socially balanced entry into elite universities.

The need to address spatial inequality was raised by Respondent 7 below when they commented on how schools and medical services are distributed in the CoJ.

We know that in the affluent suburbs they have a better concentration of medical services. The same in these suburbs they have a better concentration of private schools because people there can afford to pay for it.

The concentrated nature of better medical services and schools is related to how the city is spatially developed. The interviewees noted that CoJ needs to reconsider the methods and approaches it uses to influence the distribution of new developments in its spaces of various scales. The way the City is developed, for example, responding to market-based demands for infrastructure, results in unintended consequences. Respondent 7, in agreement, pointed out that in the affluent suburbs of the CoJ there is a better concentration of medical services and private schools since people can afford to pay for the services. However, for some individuals in these suburbs, particularly the aspirant middle class, they may not necessarily afford to pay for the services but are forced to pay as they do not have a choice. Therefore, as indicated by Respondent 4, the City must address spatial inequality by investing in spatial development that is amenable to the aspirant middle class in these areas. It was also stated by Respondent 5 that infrastructure development must be done in a way that ensures that it addresses spatial and income inequality and this must be done to create longer-term sustainability in addressing the upward social mobility.

Another finding on inequality raised during the interviews is that race is a strong factor in determining mobility in the CoJ, as articulated by Respondents 5 and 6. This concurred with the argument in chapter 3 that race has been a contentious issue for researchers, as far back as five decades ago when Weiss (1970) found that Black males received significantly lower returns from education than White males. Wright (1978) found discrimination as a key factor in the distribution of races within the authority. He also indicated that racism will tend to prevent the promotion of Blacks above Whites directly. The interviewees revealed that race has had an impact on the income of individual aspirants who are predominantly Black Africans backing date to

the apartheid era. This is so, as highlighted by Meiring et al. (2018): South Africa faced challenges resulting from structural legacies and socioeconomic inequalities inherited from the apartheid era whereby Black Africans could not access financial resources, economic opportunity, quality education, and political participation. The CoJ situation is also at par with global finding, for example, in the United States where being Black has a negative impact on earnings. At the same time, in the case of Brazil, indigenous individuals and individuals of mixed origin also suffer from lower earnings (Fournier & Koske 2012:30). As a result, it is recommended that the CoJ improves access to finance to the disadvantaged Black African aspirants, which will assist them in advancing their start-up businesses. Improving equal access to economic opportunities remains key, where the CoJ can consider preferential procurement discussed before and employment equity targeting. However, preferential procurement works best if it is complemented by improved access to finance and training aimed at these small business entrepreneurs.

The provision of basic services infrastructure and its link and impact on inequality was also raised during the interviews. The interviewees determined that any basic infrastructure investment that the CoJ may need to do must be done in a way that guarantees that the municipality addresses inequality between the population groups. In the CoJ, the infrastructure development to provide basic services was intended to address spatial inequality but that was not adequate, since it failed in its intended longer-term sustainability in addressing the uplifting of the poor and consequently the aspirant middle class. The information provided during the interviews confirmed the CoJ Medium Term Budget (2013/14 to 205/16), which indicated increased investment in basic infrastructure of R30.6 billion (US\$2.2 billion) for the period. However, the challenge was that the investment did not grow the economy as expected and no job creation was realised. Rather, the investments during this period were regarded by the respondents as only having achieved making life easier but had no further impact. Thus, when the CoJ is investing in basic services, the goals should not be just to make life easier but to make the most significant economic impact among the disadvantaged Black Africans the majority of whom are the aspirants. For example, Respondent 5 below makes a distinction between basic services infrastructure investments that make life easier for people versus investments that have an impact on long-term benefits linked to growing the economy and creating jobs.

In my field of water, what is most important is to get people tap water within 100m, not necessarily to get people tap water inside their yards. What has been done historically is that people must have adequate water supply and adequate sanitation, which does not necessarily mean providing flush toilets and [a] tap in their yards. Because research has shown that if people have a tap within 100m from their house, they can get enough water to live healthily. Not comfortably but healthily. So infrastructure may make life easier without necessarily having the most economic impact, and when you are in the situation where the CoJ is, there is a need for the most significant economic impact as opposed to making life easier.

The above reflection suggests that if the CoJ invests in infrastructure, it must be done in a way that changes the socioeconomic environment. The respondent contends that any infrastructure developments that the CoJ embarks on must not be to provide luxuries but to meet the most basic needs for a normal life. For example, the CoJ needs to consider infrastructure investments that will ensure the provision of water inside the yard rather than inside the dwelling, which is an affordable way to ensure universal access to clean water for all.

Even in the case where basic infrastructure is provided, the access may be affected by the affordability, particularly by aspirants who are still in lower-income groups. Respondent 3 indicated this below

If you are an aspirant, you may have a greater amount of access to resources but not necessarily the affordability that comes with that.

Respondent 9 also concurred when they stated:

Once you migrate into a higher class, household running costs would rise. Electricity and water usage becomes very significant as people migrate towards the middle class.

Respondent 1 shared below their encounter with the vulnerable aspirants, whereby the CoJ is inundated with requests for social package relief by this group through the Expanded Social Programme (ESP).

Daily, there are such individuals who are the aspirants that do come forward. Their income may be exceeding the threshold income by a mere R100 (US\$7) more, they then do not qualify for the package because it exceeds the limited amount. The crisis, however, is that as a city 'we cannot accommodate every individual earning beyond our threshold.

Through the ESP programme, CoJ provides rebates for metered services (electricity, water, and sewer) and non-metered services (property rates) only to individuals residing within the CoJ who earn below the City's defined poverty threshold of R5 800 per month. Also, the ESP is not targeted to anyone whose property value is higher than R500 000 unless one is a pensioner. However, as a result of the above maximum allowable income threshold in relation to property value, the aspirant middle class have been left out completely from benefiting from the ESP programme. Given the economic conditions in the CoJ such as high inflation and high unemployment, the demand by the aspirants for the services offered by the ESP are now a reality, as indicated by Respondent 1. The aspirants, although they earn above the ESP threshold, are increasingly becoming as vulnerable as the lower classes from which they have graduated. Some have to sacrifice access to basic services because of default payments with their municipal accounts. The current problem is that most of the aspirants graduated from poverty with assistance from state grants or free basic services, as indicated by Respondent 5, and the immediate withdrawal of these services leaves them vulnerable.

6.5 Growing the economy and economic opportunities

The interviewees indicated that removing obstacles to investment attraction creates an enabling environment for the local economy to grow and reduces high levels of unemployment. Without economic growth, Respondent 5 emphasised that the municipality cannot even successfully pursue its pro-poor development approach as such an approach becomes unsustainable. Respondent 5 further noted that in Johannesburg, the Democratic Alliance administration started well in 2016 with an economic growth target of 5% per annum until 2021, but that has since been dropped. Respondent 8 also contended that the growing economy will ensure a middle class that has enough income to have some form of economic stability which allows them opportunities in terms of education. The dire situation of the CoJ economy is reflected

by Statistics South Africa, which pointed out that the CoJ GDP grew at a modest average rate of 1.35% per annum for four consecutive years leading to 2018. The narrow definition of the unemployment rate in the second quarter of 2019 was reported as 30.7% while the expanded definition was reported as 33.4% in the same quarter. The CoJ macroeconomic indices above do not augur well for the aspirants as many of them depend on short-term employment and switching jobs in an environment of high unemployment is extremely difficult. On the other hand, the analysis of Quantec data by the author showed that a significant increase in employment (averaging 5.5% per annum) occurred between 2004 and 2008 when the CoJ real GDP growth rate averaged around 6% for the five consecutive years. At the time, unemployment stood lower, at around 23%, thus indicating that a growing economy had a positive effect on reducing unemployment.

While making the labour markets favourable to the vulnerable is an undisputed imperative, it is important to note that improving employment alone is not enough, particularly for vulnerable groups such as Blacks. This is reflected by the StatsSA Living Conditions Survey (2017), which indicated that in 2015, income for Blacks was five times lower than that of their White counterparts. At the same time, 73% of the income earned by Blacks came from employment, compared to 67% for Whites. Unlike Blacks, when the economy is not growing and jobs are scarce, Whites still have streams of income from other sources such as investments and imputed rent on owned dwellings. These findings indicate that policies must encourage diversification of income among Blacks to reduce vulnerability to shocks. The analysis of the interview data therefore highlighted that the CoJ must rally its EGS around economic intelligence, promoting local investments, reducing the cost of doing business and promoting the informal sector to survive along with the formal sector, as discussed in the following sections.

Firstly, the respondents proposed that economic choices suggested by the CoJ must be based on proper research to ensure a focus that has a long-term perspective and that things are done strategically. Proper intelligence will enable the EGS to focus on specific sectors. In its current form, it is very broad and general, yet economic development happens in a very specific sector time and place. Respondent 8 put it

into context when they reflected on how the municipality of the City of Cape Town has pursued its economic growth strategy.

The city that has done comparatively well is Cape Town. They are very much zoomed into certain specific sectors. They are very much zoomed in [to] tourism. They are very much zoomed into ICT, into call centres, into start-ups for technology. So they identified a few key sectors and they created some measures towards tangible results. So I think it is very much sector-specific where you have a comparative advantage.

The above reflects the need for the CoJ to create the niche sectors that will give it a comparative advantage. A comprehensive sector analysis is one avenue to ascertain such niche markets and the EGS needs to select only a few that have maximum impact on growth and employment. Also, monitoring and evaluation of the performance of these sectors need to be established by developing appropriate measures.

Secondly, the respondents suggested that the EGS must provide for the framework to enable comprehensive consultation with sectors or subsectors. Such consultations must be well focused and not be broad based. This will lead to congruence between the municipality and private sector, which will help to enable investment in those sectors. The consultations should be wide so that they are as inclusive as possible. In support of this point, Respondent 8 bemoaned poor sector consultations in South African Municipalities by saying:

In countries like China, Japan, Indonesia, Malaysia, and Singapore – they have sectoral and sub-sectoral consultations, like hundreds in a year. And here we say we have ten consultations only. Then ours are also broad consultations with stakeholders. So we never go to the nitty-gritty level.

Sector consultations referred to above must be viewed in terms of the Local Government: Municipal Systems Act 32 of 2000, which provides that the municipality must establish suitable mechanisms, processes, and procedures to enable the local community to participate in the affairs of the municipality and to ensure greater community participation through ward committees, IDP forums, community meetings, and other participatory processes. The CoJ would need to change its mindset and start to consider various business sectors as communities in its jurisdiction. The

analysis of the CoJ IDPs in the last five years indicates that traditionally, public consultations on the IDPs have been more prominent among the individuals and civil society. In the City of Johannesburg, such consultations have been done in two stages. Firstly, there have been consultations on the IDP to provide the broader input on what communities want to see as priority developments in the City and budget commitments. Secondly, as the CoJ is divided into 135 wards, it has annually been contacting "community-based planning" whereby the specific communities in each ward are required to propose what they would want as priority developments in their specific community. It is recommended that the CoJ develops a separate public participation policy or strategy that explicitly identifies how it will engage inclusively with different communities, which include business communities. Such a policy or strategy will need to consider a separate "business based planning" approach distinctly, whereby the targeted different sectors can also make input into what they would want to see as priority developments both at the city level as it affects their business sectors and in their specific business communities. These "business-based participation" sessions need to be conducted in all the 135 wards in a similar way to the way in which "community-based planning" has been conducted.

Thirdly, the respondents suggested that EGS must be well resourced to enable it to create a climate of investment to turn around the economy. Besides, the EGS must be friendly to business and such investment. This can be achieved if the municipality commits to reducing the cost of doing business, which is one of the aspects that was pointed out as a weak point. A third of the interviewees agreed that embarking on reducing the cost of doing business is the correct choice that the CoJ must consider as it enhances investment competitiveness. In its current form, the EGS does not spell out reducing the cost of doing business as a strategic pillar, which could be achieved through the reduction of turnaround times to register the businesses, provision of uninterrupted and affordable basic services and ensuring that the municipal tariff framework is supportive of the small business by avoiding unnecessarily high tariffs. As highlighted by Respondent 6 below, reducing the cost of business is something that is within the ambit of local government.

What the City must be doing, I think, as a strategy is about reducing the cost of doing business. I think that is very important and that is completely within municipal control. Electricity, water, turnaround times, clean streets, clean

roads, picking up the garbage is what is internationally what the City should be doing. If you get it right there, you are setting up an enabling environment, which is the role that we should be playing.

The above is supported by the World Bank report "Doing Business 2019" that compares regulations for domestic firms across 190 economies. An economy's ease of doing business score is reflected on a scale from 0 to 100, where 0 represents the lowest and 100 represents the best performance. The ease of doing business ranking ranges from 1 to 190. The World Bank uses the CoJ as a representative indicator of the ease of doing business in South Africa, and below are the results of the 2019 survey. According to Figure 6.3, the CoJ must influence its policies to improve the enforcement of contracts, resolving insolvency, registering property, trading across borders and access to credit.

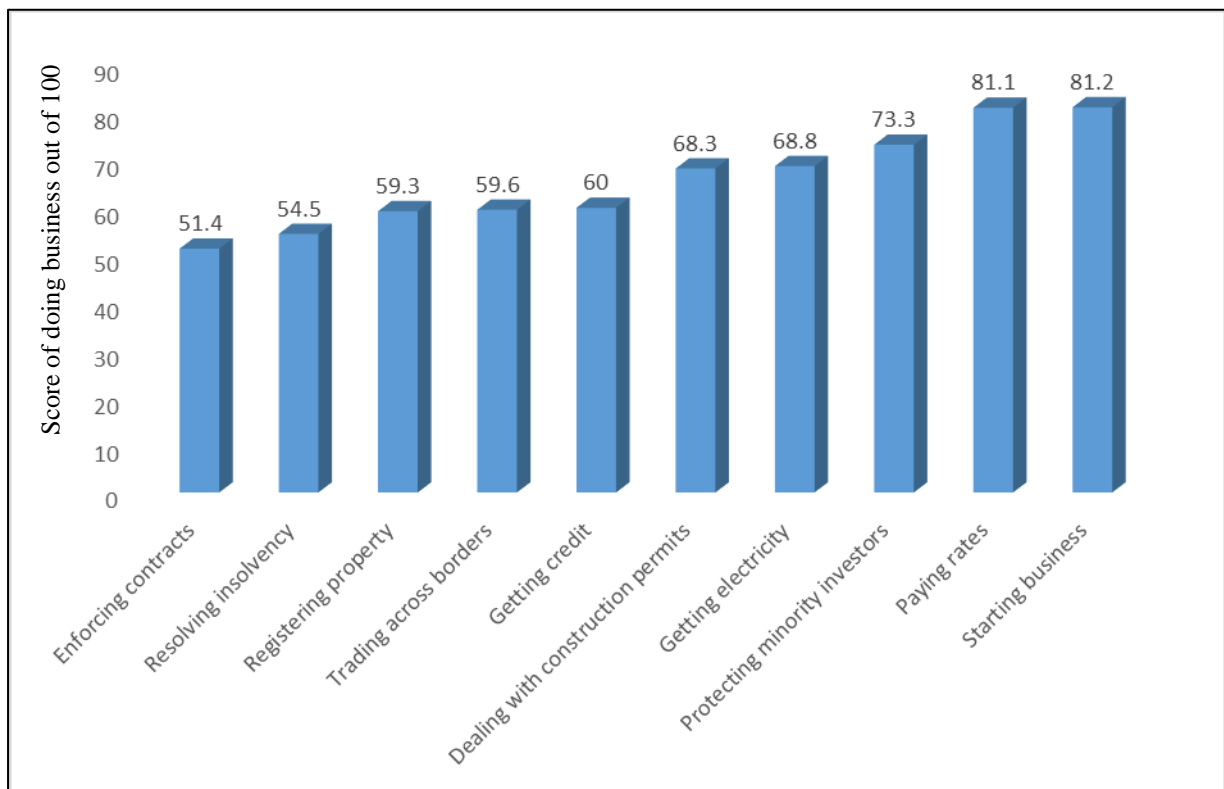


Figure 6.3: Ease of doing business score out of 100

Source: World Bank (2019)

In Figure 6.3 a comparison is provided of the ease of doing business with other economies, which has the potential to influence the direction of investments between the CoJ and the other economies.

Figure 6.4 suggests that relative to the other 189 economies, the CoJ must improve on policies that impact on trading across borders, starting a business, enforcing contracts, getting electricity and registering property.

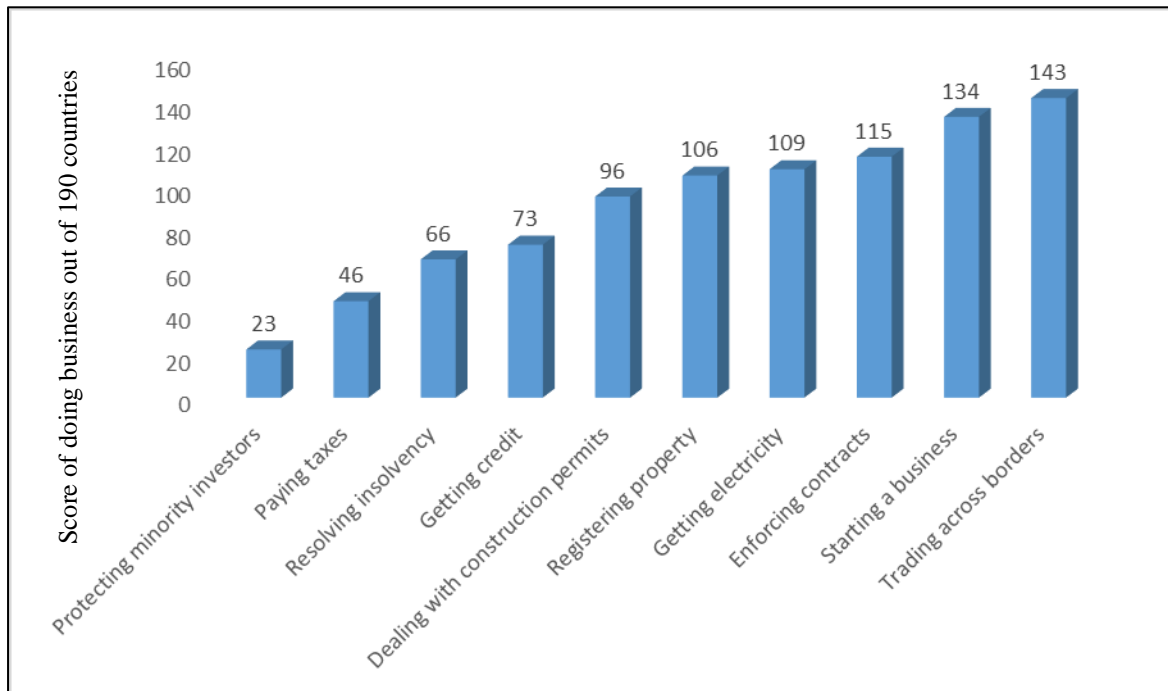


Figure 6.4: Ranking of doing business out of 190

Source: World Bank (2019)

Trading across borders, enforcing contracts, and registering property scored low on ease of doing business score and the ranking of doing business. World Bank (2019) suggests that a focus on these three will improve not only domestic competitiveness but also international competitiveness, thus attracting both internal and external investments. Soetan and Oke (2018:31) also state that improving the domestic investment climate is a precursor for long term business success which, provides opportunities that inspire firms to invest productively and create employment. Soetan and Oke (2018) conclude that raising competitiveness through improving the domestic investment climate should therefore be a top policy priority in Africa.

Fourthly, the respondents proposed that stimulating domestic investments is one of the areas that the CoJ needs to consider strategically. Respondent 8 highlighted a striking argument that for the municipality to expect foreign investment before investment from its citizens is frivolous. He further contended that despite being challenged by the global economic situation, the municipality is also challenged by its internal policies, which do not encourage internal investment. For example, one of the investment deterrents that came up during the interview is that the CoJ has a strong influence from trade unions that are not prepared to compromise high pay and decent work. The EGS must incorporate in its framework how the municipality can bring partners such as the unions and others on board as part of investment strategy. For example, the CoJ is the biggest metro, and it could use its stature to bring these powerful trade unions to the negotiation table to deal with issues around labour policy and structural unemployment. Respondent 8 emphasised the power of the trade unions in the following manner.

Our businesses are sitting on their money because they feel that there is no labour flexibility, but that is a huge issue because we have a very strong established trade union sector that does not want to allow gains post-1994 to be traded in.

With trade unions gunning for the concept of 'decent work', this cannot be pursued at the expense of mass unemployment. This suggests that the concept of "low wage employment" may be preferable in a similar way to that which South Africa's emerging market competitors, Vietnam and Ethiopia, have pursued (Ansara & Pretorius 2019).

Finally, the role of the informal sector featured prominently during the interviews that the CoJ needs to support the informal sector through the policy approach that is development-orientated to enable the enterprises to become self-sustainable entities that are financially and organisationally separate from the household. A well-supported, enabled and vibrant informal sector may act as an effective instrument for leveraging inclusive growth. The informal sector can play a significant role in generating employment and reducing the risk of descending into poverty by the aspirant middle class in the CoJ. The CoJ must consider enabling policies such as smart formalisation which have the potential to sustainably and substantially enlarge the role of this sector. Since many policymakers, implementers and researchers

regard the participants in the informal sector as individuals who do not have entrepreneurial skills and aspirations, the sector has remained largely eclipsed on the margins of economic analysis and policy consciousness. This has also led to a perception or reality that participants in the informal sector are mere survivalists that have no meaningful role to play in creating employment or reducing the risk of falling into poverty by the aspirant middle class that depends on it. Respondent 3 emphasised the importance of this sector below, where he argued for its acceptance in the broader market economy.

Look, if you understand the informal economy a lot better and you start adopting the informal economy as part of the broader market economy and as a key intervention – people will start moving from survivalist to contemporary positions sort of a market which then actually becomes more formal by it being accepted.

The sentiments above indicate that the CoJ needs to adopt the informal economy as an important policy position, especially in confronting the challenge of youth unemployment. The responses above imply that the CoJ needs to stop treating the informal economy as the lowest form of activity, which is just about survival. There is a sense that the informal sector needs to be accepted and harnessed by allowing it to flourish. Respondent 3 suggested streamlining regulations as opposed to setting up too many regulations and law enforcement against it. In other words, the interviewees call for the CoJ to acquaint itself with a situation of living within the formalities of the informal economy. Currently, the conditions are difficult in that the informal sector is now regarded as a survival-of-the-fittest type of an economy, where only participants who are best adapted to the environment can cope and those who are not are facing extinction. The interview data also indicated that there is such a negative perception that many locals are now shunning it: no one leads this type of economy, and no one prospers in it. Besides, the data from the GCRO QoL (2017/18) showed that 5.6% of the aspirants and 13.3% of the middle class are involved in businesses in the informal sector. However, with more acceptance, this sector will integrate itself into the mainstream formalised type that contributes to the economy. Thus, by accepting the informal economy, the CoJ will be setting the scene for its formalisation.

However, Goldthorpe (2016:107) argues that economic development alone is not enough. What is needed are policies that go beyond just economic growth and include social development, for example, policies that create a modernised and environmentally friendly infrastructure and those that lead to the progressively raised quality of all social and other public services.

6.6 The importance of asset accumulation

The need to assist the aspirants with asset accumulation featured prominently during the interviews as a key policy intervention that can enhance upward mobility. A third of the respondents concurred that assets have a positive role as a key determinant of upward mobility of the aspirants. For example, Respondent 9 reflected below that the aspirant middle class in the CoJ aspires towards the acquisition of assets and a high quality of life.

In the CoJ context, the key issues you made about the aspirants which have emerged from the lower end of poverty, there is an aspiration to a lifestyle, acquisition of assets and quality of lifestyle. The middle class are people who have become defined as middle class because of realistic proximity and acquisition or migration into that lifestyle. It might not become immediately available to the aspirants, but because of the mindset, it can become readily available.

The above sentiment indicates aspirations among the aspirants to live middle-class lifestyles, and such inspirations are translated to motivation to acquire assets. Thus the results from the respondents suggest that the CoJ should create an enabling environment for the accumulation of assets by the aspirants as they attempt to improve their quality of life. The interview data also made it clear that the accumulation of assets determines the ability of the aspirants to progress towards the middle class. Information from the interviewees echoed that individuals with assets have better chances of accessing finance and other kinds of opportunities.

The accumulation of assets also helps to improve the ability to earn income and reduce vulnerability. Respondent 5 reflected below on how individuals, particularly in suburbs located in vulnerable areas, take advantage of assets to supplement their income for survival.

Assets are a definite requirement to see whether you are experiencing poverty or not. Assets define your ability to have access to finance and do all other kinds of things. Assets can also give you a way to get an income. In all townships, people are receiving assets (houses) and they use these assets to get an income. In most instances, they build shacks at the back of their houses which then allow them to make money from their assets. Assets are a clear indication that one is progressing away from poverty.

Respondent 5 further claimed that assets provide people with security, and thus, having income without assets leaves the aspirants vulnerable. This agrees with Woolard and Klasen (2005), who found that in the province of KwaZulu-Natal between 1993 and 1998, the number of durables owned by households in the initial period had a significant positive impact on subsequent income change and therefore those with poor household assets in the province had greater difficulty in improving their incomes. According to Respondent 5, having assets defines whether the aspirant middle class is vulnerable to poverty or not, defines their ability to access finance and provides a way to get an income. The respondent further noted that individuals without assets do not have security and are completely vulnerable regardless of the income they may have and any intervention by the CoJ to improve income is futile unless it is linked to how individuals can accumulate assets. Thus, the CoJ could gain both in terms of a more augmented growth as well as improved better democratic governance by stressing the role of asset accumulation largely by the aspirant middle class in the design of social policies. Asset accumulation will safeguard the aspirants against unexpected shocks, thus helping to reduce their vulnerability to falling back into poverty. The conclusions reached by Respondent 5 also corroborated findings in chapter 4, which indicated that far fewer aspirants own property, that they lived in formal dwellings which they do not own and that some even lived with their parents. The results concur with Solimano (2006:8), who mentioned that policies that promote the building of assets could yield positive results. Drawing lessons from the experience of Latin America, Solimano found that stable and prosperous societies in this region tended to have large and stable middle classes with often more extended patterns of asset accumulation. Solimano (2006:22) concluded that more widespread and more equal ownership of assets in society breeds creativity, entrepreneurship, and innovation that is concealed in classes that traditionally have little access to formal markets and the legal system.

To facilitate a more even distribution of assets, Respondent 3 suggested that the CoJ should improve on defining and enforcement of property rights. Respondent 3 concurs with Solimano (2006:19), who argues that without well-defined and enforceable property rights, assets will not be able to mobilise capital. In the CoJ, the aspirants may have acquired a house as their main asset through non-market mechanisms, through subsidised housing policies. As a result, some of the aspirants do not have title deeds to their property, yet the legal process to acquire title deeds is regrettably costly and often unfriendly to them. The CoJ, in this case, must assist and provide the title deeds to the aspirants to enable them to give their families the security of permanent tenure.

Another impediment to asset accumulation that came up during the interviews is the limited savings capacity of the aspirants. According to Respondent 7, the CoJ does not have incentives for the middle class as all incentives that the municipalities have come up with are addressing the poor. There was a sense from the interviewees that in the CoJ the aspirant middle class is paying more in terms of tariffs. The data revealed that many of the aspirants may have just moved from the township areas where they were not paying rates and taxes into suburbs and suddenly, they are faced with huge bills of electricity, water and property rates. Respondent 7 highlighted this plight below.

Imagine you are moving from the township. You are not used to paying the rates and taxes, and then you go to a suburb. Suddenly your bill this month is very high. You also want a better life for yourself and your kids, and while you have a mechanism to afford a bond every month, there are other associated costs that you did not expect.

Respondent 9 agreed when they highlighted below that these tariffs which are levied based on a sliding scale of higher usage, higher payment are not good for the aspirant middle class.

To be honest, I cannot think of anything discreet. There might be a gradient on some of the policies on rates and taxes or water and electricity tariffs. A sliding scale based on the level of usage, the higher you go, the higher the usage of a unit of water, the higher the price goes up as an incentive. There would then be a negative impact on the middle-class lifestyle. Once you migrate into it you

use a lot more electronics and household running costs would rise. Electricity and water usage would be tiny but for middle class people, it becomes very significant.

The CoJ Property Rates Policy (2019) does not pronounce the aspirant middle class as beneficiaries of any tariff rebates. Many of the aspirant middle class, who already cannot afford high tariffs, are therefore likely to reduce their savings, which impacts negatively on asset accumulation as well. Below is what Respondent 7 had to say.

We don't have incentives for the non-poor. I think all incentives that the government or especially municipalities are coming up [with] are trying to address the poor. I know, in Tshwane at one point they tried to be very innovative to reduce their debt book by offering discounts, especially in the suburbs, to people who could no longer afford high tariffs and the majority were not the poor.

The response above encouraged the CoJ, in this instance, to be innovative by reducing its debt book by offering the aspirants discounts and for ease of management, this must form part of the rates policy that is published annually.

6.7 Accessibility: transportation and spatial planning

Accessibility is regarded as one of the essential outcomes of the transportation system and it is characterised as the facilitation of access to specific areas or locations (Saif et al. 2018:36). Accessibility is thus regarded as a measure of the advantage of the given location compared to the other locations. According to the CoJ Growth and Development Strategy 2040 (2011:76), accessibility is about bringing people closer to jobs, markets, social networks and other opportunities that promote an improved life experience. Based on the responses from the interviewees, this author argues for the corollary that the economic performance of the CoJ can be improved by enabling mass mobility and effectively connecting resources to destinations. The main thrust therefore is for the CoJ to improve accessibility whereby people can get to key services at a reasonable cost, in reasonable time and with reasonable ease. The policy recommendation to be discussed in chapter 7 on improving accessibility in the CoJ will therefore attempt to provide solutions relating to the affordability of transportation

between people and their services, reliability, and proximity to the services and activities.

The majority of the respondents during interviews agreed that a policy on improving public transportation in the CoJ is critical to cultivating fertile ground for upward social mobility of the aspirants. The interviewees revealed three things that the CoJ policy on transportation must focus on in areas populated by the aspirant middle class. These are availability, reliability, and affordability of the public transport system.

The CoJ should enhance planning to connect the aspirant middle class to dependable and accessible public transportation as an essential means to ensure that they have improved access to socioeconomic opportunities. Saif et al. (2018) demonstrate that reliable and accessible public transportation will facilitate people's everyday activities, for example, getting to schools and workplaces and visiting healthcare facilities. Therefore, without a reliable and accessible transport system, the aspirant middle class in the CoJ is disadvantaged in terms of access to a wider range of prospects, which could potentially hamper their movement up the socioeconomic ladder.

A lack of accessible, affordable and reliable public transport leads to people shifting towards private cars (Saif, Zefreh & Torok 2018:36). In this case, the aspirant middle class are likely to shift towards private cars, with a greater possibility of acquiring them through loans. Yet maintaining a private car is not cheap and will leave the aspirants even more vulnerable to descending into poverty, as underscored by Respondent 7. Also, Respondent 6 recommended (below) that a focus by the CoJ on the affordability of the public transport system is more beneficial to the middle class than it is to the poor.

With the high fuel price, affordable public transport is not only for the very poor. Research that we have done indicates that however affordable our transport is, the poor people don't use it. They walk, or they don't travel.

The above testimony challenges the CoJ to rethink in terms of where public transportation should be prioritised and where it can be utilised effectively. Traditionally the CoJ policy has focused on providing an affordable public transport system only to the poor, excluding areas densely populated by the aspirant middle class. Yet, as provided by Respondents 3 and 5, both the poor and the aspirants

exhibit similar demands in terms of demand for public transport. For example, the poor tend to use public transport to get to places where they can buy food, whereas aspirants use it to get to the food markets as well as to places of work.

Another cost element revealed during the interviews that the CoJ needed to manage emanated from the Gauteng roads improvement project that resulted in the government introducing toll gates across all the Gauteng freeways. As Respondent 7 put it below:

You have a national factor that contributes to or defeats the growth of the middle class. Take, for example, in CoJ/Gauteng, we still have this big animal here, e-tolls. I mean e-tolls are not coming cheap for the middle class, and they also take the bulk of their income just for you to travel from one point to another, or daily from home to work.

E-tolls were handpicked as an example of a national policy that defeated the growth of the middle class. This road improvement project came at a cost for the aspirant middle class who rely on private cars. The public transport system simply passed on the cost of e-tolls to the passengers who rely on public transport. Unfortunately, the freeways (tolled main roads) are the main connector between the South of Johannesburg, where the majority of the aspirants live, and the northern parts, where the majority seek economic opportunities. This is acknowledged by the CoJ Growth and Development Strategy (2011:72), which argues that the historical north-south divide has resulted in a considerable increase in travel cost and times as a result of the present reality, where a huge number of people are populated in the southern part of the city and have to commute daily to workplaces that are predominantly located in the north. Thus, the CoJ future road infrastructure investments must ensure that people can connect between places without necessarily having to pass through the e-tolls.

The quality of public transportation is another issue that was emphasised during the interviews. If the CoJ is to lure more people into using public transport, it should begin to plan in terms of providing quality public transport. In the case of the CoJ, there are five types of public transport systems available: Shosholozza trains, commuter taxis, Metro bus, BRT and the Gautrain. In terms of quality service, Respondent 6 indicated that only the Gautrain and BRT are regarded as quality public transportation. However,

the BRT routes are limited mostly to the routes leading to poor suburban areas and the Gautrain is a very expensive transport mode, while its lines are available only in the affluent areas. Respondent 6 provided an assessment of the quality of the public transport provided by the CoJ when they pointed out that if people have to choose between a Metro bus and their private cars, even though they get stuck in congestion, they will choose their private cars, because they perceive the Metro bus as poor quality transport. Respondent 6 shared findings of a study that they had done in the CoJ called the “Transport Preference Survey”, the findings of which were that a group of 40% of the middle class that included the aspirants would move from private cars to public transport if the municipality addressed issues around the poor quality service offered by the Metro bus or the unreliability of BRT. This suggests that the CoJ could benefit the aspirants by improving the quality of the Metro bus and expanding the BRT system in the areas densely populated by this class.

It was clear from the respondents that solving accessibility problems is beyond just solving transport and should include how key services and activities are located and delivered in ways that assist people to reach them. This relates to the way in which the CoJ spatially plans developments around its space. Proximity to services was found to be a significant factor in promoting upward mobility in that the aspirants who live far away from services have fewer chances of moving up the social ladder. There are disadvantages that these aspirants could be subjected to, for example, it becomes costly to reach various destinations needed for day-to-day lives, and this also could result in social exclusion. It could also mean that the aspirants are located far away from economic opportunities, which makes it difficult for them to generate income relative to the middle class, which is closer to opportunities.

One respondent blamed CoJ spatial planning strategy for failing to alleviate current accessibility problems faced by the aspirants. Respondent 3 argued below that based on the current CoJ urban setup, the CoJ should restructure how society is located by getting rid of location disadvantage.

We have got this policy paradox that has exacerbated the problem and created the same conditions and even worsened them. In other words, living in Orange Farm, getting an RDP house isn't going to set you up to be in a better space

because you need to take four trains to come to the CBD. If you are working in CBD and you live in Orange Farm, the transportation costs are no better.

The response above shows that the CoJ could alleviate the cost of transport by ensuring that they provide services and opportunities closer to the aspirant middle class. For example, the food trading institutions in the CoJ are located in the City deep in the south of Johannesburg and the aspirants who live in parts such as Soweto and northern Johannesburg do not have access to these markets. As a result, they have to be content with paying higher prices for the local food markets, or they have to incur extra travelling costs to access the food markets. Respondent 5 below assessed how a lack of amenities such as functional local trading institutions affects the vulnerable groups in the CoJ.

If you have the current spatial development where you could have a community with very little income, [it] is not likely that you will get any major trading institutions there that may bring back the prices. So you will have local people selling goods, and then people pay higher prices. So to get lower prices they have to transport out of the area.

The above points to a need for better planning by the CoJ in the provision of amenities (health services, schools, and decentralising government services) in areas populated by the aspirant middle class, which will also eliminate the need for travelling by these households. The transportation and housing policies of the CoJ need to be synchronised. The analysis by this author of the CoJ inclusionary housing policy, specifically section 3.2 which relates to the location of the inclusionary housing programmes, revealed that the policy is silent about proximity to amenities, places of work or public transport systems such as the BRT lines. This is an indictment against the inclusionary housing policy for not taking into account transportation solutions, as argued by Respondent 3 below.

You can provide housing but if we don't provide the right housing in the right particular area, I mean, if you look at those new houses that are in Newtown, all these Joshco houses – they look a lot better in terms of their location, access to public transport as they are located along the BRT routes, and they are located in proximity to places of work.

Thus, the housing policy should complement the transport policy by ensuring that people are either located closer to their places of work or closer to the public transport system. The CoJ must ensure that policies are not developed in silos, but in a way that guarantees that these policies work together as a system.

Finally, it was also found that the aspirants are concentrated around the CBD and Soweto and when considering spatial investments in and around these areas, the CoJ must ensure that the investments avoid the unintended consequences of gentrification. According to Zuk, Chapple, Bierbaum, Gorska and Loukaitou-Sideris (2017:4), gentrification will be the unintended consequence of the regeneration processes in deteriorating parts, for example, around the CBD and its neighbourhoods, which are defined by their physical decline and concentration of poverty and vulnerability. The CoJ SDF acknowledges such fragmented pockets of development and gentrification in the CBD despite the potential to meet the growing needs of urbanisation. The CoJ's only solution to prevent these pockets of gentrification is to set up a framework for land pooling that will enable the dense mixed-use development driven by the homeowners. The SDF also suggests regulations that ensure that market correction mechanisms are in place to protect beneficiaries of housing from displacement through gentrification. However, the inclusionary housing policy of the CoJ is silent about this phenomenon despite its being approved by the council in 2019. The CoJ should be cautious that if spatial developments allow gentrification, they will result in the middle to upper classes displacing the aspirant middle class in these urban neighbourhoods. This consequently will constrain the ability of the aspirants to move up the social ladder and will also raise questions on the risks of and the role of the municipality in facilitating such displacement.

6.8 The importance of social capital

Policies that encourage non-monetary social support to the vulnerable aspirants in the lower-income state through family, friends, and community make life easier for these groups and also essentially reduce dependency on the state. Respondent 2 stated below how important it is for the local government to ensure that the vulnerable aspirants maintain family, friends and community ties.

There are clever ways of addressing vulnerability without giving people more money. For example, helping people to live in the community, helping people to benefit from each other. In my personal experience, that's what carried me through – having people around me. Therefore the local government has a role to play in helping people to connect and its part of the social cohesion agenda.

Against this background, friends and community are examples of assets that can be used by the aspirants to navigate their way up the social ladder. A lack of social cohesion can also be linked to social exclusion, which results in a less motivated society. When people feel excluded and that they do not belong to the community that they live in, the result is a society of demotivated individuals with low social capital, which constrains upward social mobility. As such, being part of the family and maintaining good relations was raised as an asset that can be used by the aspirants to navigate their way up the social ladder.

Respondent 7 further observed that maintaining family relationships is particularly important in transmitting wealth through bequests and gifts from parents to children, which can determine status and how individuals move up the social ladder. In this regard, the respondent highlighted the following, specifically on the importance of family in passing on an inheritance to the members.

If your parents have not given you some start-up or you have not inherited anything – the likelihood of renting for the rest of your life is high. Unless you have inherited some lifeboat from your parents, you will not progress.

Therefore, maintaining family relationships is particularly important in transmitting wealth through bequests and gifts from parents to children, which can determine status and how individuals move up the social ladder. The importance of family relations on inheritance is well emphasised by McGoldrick (2008) while Adermon, Lindahl and Waldenström (2018) emphasise the role of inheritance in intergenerational wealth mobility. In their study on intergenerational wealth mobility and the role of inheritance in Sweden, Adermon et al. (2018:507) also established that family inheritances play a significant role in explaining the transmission of intergenerational wealth. Their study indicated that transfers directly from parents and grandparents constituted more than half of the documented wealth persistence. However, the transmission of such wealth is dependent on family relationships. McGoldrick (2008:443), in his article on the

importance of wills in family relationships, highlighted a case where maintaining bad family relations can cost a family member in terms of inheritance. The case entailed a wealthy father who disinherited his son who had displeased him by being gay. As was established during the interviews, education can play a role given its direct relationship with efforts aimed at breaking down stereotypes such as those indicated by McGoldrick (2008). Respondent 8 emphasised below the importance of education in breaking down stereotypes and ignorance.

Social cohesion is about how people see themselves, the community and togetherness as part of that community. There are times when people must understand that they are part of a bigger community so there must be a reinforcement of the idea that diversity of communities of people is part of your bigger space in your community. But I think ignorance and stereotypes play a big role and these two things are very much reinforced sometimes, and we have to break that down through education.

As a result, consideration of “values education” across the CoJ communities can yield positive results towards a socially cohesive CoJ. Tan and Tan (2014) provided the case study for Singapore as an example of how values education as a curriculum can be a potential vehicle to nurture unity in communities while preserving cultural diversities. Their case study indicates that in Singapore, the primary means that has been successful in promoting both homogenisation and cultural sustainability among the youth is values education as a curriculum in schools. Since education in general also targets exclusion, the CoJ should target to reduce the share of early school leavers to the lowest levels possible. In Europe, there has been a recognition that the reduction of early school leavers to less than 10% will reduce exclusion (Camilleri & Camilleri 2016:625). However, school-based efforts to form active citizens may not be effective if opportunities to engage in civic activities are not provided by the children's families and their communities (Camilleri & Camilleri 2016:621). The research by Ecclestone and Field (2003:268) also concur in their findings that in the USA children who learn in schools that are affiliated with churches did comparatively well since the messages of their educator were constantly reinforced by their immediate family, neighbours and community leaders. As a result, the CoJ may need to consider the family and community ahead of its advocacy on school-based curricula such as values education and other forms of education alluded to in this chapter.

6.9 Summary

This chapter provided the results of the analysis of the qualitative data from the policy documents as well as the interviews that were conducted with key informants drawn from the CoJ. The outcomes of the gaps in policy documents in their attempt to assist the aspirants to grow towards becoming a stable middle class were presented. It was found that none of the policies analysed are designed with elements that are aimed at specifically assisting the aspirants to grow towards becoming the middle class. All the key CoJ policies and strategies analysed point to a pro-poor development with no acknowledgement that while the poor move out of poverty, they become the aspirant middle class with levels of vulnerability that are almost similar to the preceding class from which they graduated. Thereafter, this chapter presented the policy discussions that were made by the respondents during the interviews with the key informants in the CoJ which, it is hoped, will enhance the upward mobility of the aspirants. While chapter 5 provided five impactful determinants of social mobility based on the logistic regression, the proposals in this chapter from key informants covered a wide range of policy options. Some of the proposals were for the CoJ to improve access to quality education and assist in asset accumulation, at the same time addressing racial inequality, improving the environment for increased economic opportunities, addressing transport and spatial planning to bring people closer to amenities, improving access to basic services and fostering social capital. The policy gaps and policy proposals provided in this chapter will inform the policy recommendations that are aimed at ensuring that the aspirants progress to the middle class in a sustainable manner. These are presented in chapter 7.

CHAPTER 7: CONCLUSIONS AND RECOMMENDATIONS

7.1 Introduction

The main objective of this research was to create a policy framework which would enable the aspirants to develop and become a stable middle class in the CoJ. To address this main objective, this research study aimed at the following. Firstly, this study identified, from the literature, the key determinants of social mobility that may enable the progression of the aspirants towards becoming part of a stable middle class in the CoJ. Secondly, it critically analysed the key characteristics of the aspirants and how they differ from those regarded as a stable middle class in the CoJ. Thirdly, this study ascertained the impact of the identified key determinants of social mobility in promoting the progression of the aspirants towards becoming part of a stable middle class in the CoJ. Lastly, based on the understanding of the characteristics of the aspirants, the key determinants of social mobility and the impact of these determinants on the upward mobility of the aspirants were identified. The results informed this chapter to make policy recommendations to enhance the effectiveness of future CoJ policies that will ensure that the aspirants grow and become part of a stable middle class.

7.2 Overview of the findings

This study argued that the CoJ has been focusing largely on alleviating poverty and bridging the inequality gap since post-apartheid. Despite the fact that the government efforts have resulted in a reduction in poverty since the end of apartheid rule, the growth of the middle class, especially those who can be considered a stable middle class, has remained subdued. This is particularly the case in metropolitan cities such as the CoJ, where there has been a growing class of aspiring middle class individuals who are no longer considered poor but who remain vulnerable to descending into poverty. The study argued that the aspirants, by law, are considered economically self-sufficient and could just as well be classified in the middle class, yet they struggle to pay their bills and take care of their households. Thus their desired economic, social and political life is still an aspiration and the admiration of those in the middle class.

The CoJ is open to the global economy, which makes it susceptible to various shocks, thus exposing some of the individuals in this class to potential oscillation in and out of poverty over time. This study argued that the sustainable way of moving people away from the margins of poverty is through ensuring policies that enable the upward mobility of the aspirant middle class. The aspirants in the CoJ are the emerging class of people who are no longer poor but do not have sufficient income to be part of a stable middle class. Although the aspirants earn a higher income than the indigent threshold, the same income is too low to afford the middle class lifestyle. This class of people does not qualify for government subsidies such as free basic services or social grants. As some of them may have transcended poverty through the same safety nets system, they are left vulnerable to falling back into poverty in the event of an economic shock or when the breadwinner dies. For those who sustain the shocks, the majority remain stuck without prospects of moving up the social ladder, thus constraining the much-needed growth of the middle class in the CoJ.

Growing the middle class is consistent with a rise in progressive values and morals that are favourable to a robustly growing economy, poverty reduction, and better governance. Some notable successes have been documented in Asia and Latin America, where the emerging middle class has played a major role in driving growth. In South Africa, municipalities are encouraged to raise their own revenue and reduce dependency on the national grants, which requires them to develop and strengthen their tariff bases. The literature argued that since the middle class is prepared to pay a premium for quality municipal services, enabling the sustainable growth of this class in the CoJ will result in the creation of a more sustainable tariff base. The growth of the middle class is also a recipe for the entrepreneurial drive owing to their values that underscore the accumulation of human capital and savings. Thus, new entrepreneurs will potentially arise from growing the middle class, which generates productivity and employment growth for the CoJ.

7.3 Summary of findings of the research objectives of the study

The findings presented in this section are based on all sources of information and analysis in this study that include: (a) the literature review findings in chapter 2 on key determinants of social mobility; (b) the analysis in Chapter 4 that established the key characteristics of the aspirants; (c) the outcome of the binary logistic regression that

was conducted in chapter 5 to determine the impact of the key determinants of social mobility in predicting progression of the aspirants; (d) the results of the analysis and synthesis of qualitative data from policy documents and interviews in chapter 6; and (e) the policy recommendations based on all analysis from (a to d). The following sections present the findings of the first three research objectives.

7.3.1 Research objective 1

Identification of the key determinants of social mobility that may enable the upward mobility of the aspirant middle class

The study identified, from the literature review, key determinants that have the potential to sustain the upward mobility of the aspirants in the CoJ. The theoretical framework of key determinants of social mobility identified education; access to economic opportunities such as employment and business opportunities that result from economic growth; household size; the asset base of households; gender; inequality reflected in population groups; social cohesion reflected by the degree of mutual trust and participation in available social networks; individual motivation; individual health status; improved transportation system; proximity to amenities; access to basic water services; and access to information through technology such as the internet.

7.3.2 Research objective 2

Analyses of key characteristics of the aspirant middle class in the CoJ

This study profiled the key characteristics of the aspirants as a means to deepen understanding of this emerging and growing class in the CoJ. The investigation of the characteristics indicated that the aspirants try to emulate the lifestyle of the middle class and in doing so, they are living a “pseudo-middle-class life”, even though they do not have the resources of the middle class to sustain their standard of living. The majority of the aspirant household heads were located closer to the inner city and its surrounding suburbs as well as the suburb of Soweto. The findings indicated that most of the aspirant household heads were Black Africans constituting 82.1% compared to those in the middle class, where the representation of Black Africans was just above half (52.6%). The aspirant household heads tended to be more female-headed households (31.2%) compared to those in the middle class (23.7%). The education

level of the aspirant household heads was found to be relatively lower compared to their middle class counterparts. At the lower levels of education (no education, primary only, incomplete secondary and matric), the share of the aspirant household heads was higher compared to that of their middle class counterparts. However, the trend was reversed for education levels higher than the matriculants where the share of the head of the households in the middle class was comparatively higher (70%) compared to the share of the aspirant household heads (30%). Overall, the aspirant household heads lagged in education compared to their counterparts in the middle class.

The aspirant household heads were found to be less employed in the formal sector compared to those in the middle class. However, the aspirant household heads exceeded those in the middle class with respect to employment in the informal sector, where their contribution to full-time employment in this sector accounted for 79% and 74% part-time compared to only 21% and 26% respectively for those in the middle class. Family support was key in supplementing incomes of the aspirant households as 17.2% of them depended on family remittances compared to 8.5% of the middle class. There was also a high dependency on income from renting out the property by the aspirant household heads (11.8%) compared to the middle-class household heads (8.0%). This could relate to backyard dwellings that they rent out for extra income. Also reflected in this study is an indication of a low savings culture among the aspirant household heads. For example, the proportion of the aspirant head of households that depended on savings was relatively lower (24.5%) compared to the middle class (32.5%). The aspirant household heads also appeared to be highly dependent on part-time employment, whether in the formal or informal sector, compared to their middle class counterparts. Also, sustainable self-employment was less evident among the aspirant household heads, whereby they accounted for only 29% towards self-employment with their own businesses that are officially established away from their homes compared to those in the middle class, who contributed 71%. Moreover, the aspirant household heads were found to be concentrated in less-skilled sectors that accommodate low skills such as wholesale industries, including repairs of motor vehicles (12.6%), construction (11.6%) and transport (6.9%). Contrary to this, the household heads in the middle class were found employed in highly skilled sectors, predominantly the service sectors, such as financial and insurance services (12.4%), information and communication services (8.2%) and professional, scientific and

technical services (6.4%). The analysis of the number of hours worked per week indicated that the aspirant household heads tended to work more hours (42 hours) in a given week compared to those in the middle class (39 hours).

There was also an indication of relatively lower entrepreneurship among the aspirant household heads. Of those who owned businesses, the aspirant heads of households accounted for only 31% compared to 69% of those in the middle class. Most of the businesses owned by the aspirant household heads tended to be in the informal sector, where they accounted for 63% of the businesses. The aspirant household heads accounted for only 39% of the businesses in the formal sector compared to 61% of their middle class counterparts. The analysis of the top 10 business sectors in chapter 4, section 4.3.4, indicated that the aspirant household heads were dominant in the ownership of businesses in construction (20.8%); wholesale, retail and repair of motor vehicles (11.3%); transportation and storage (9.3%); and arts, entertainment and recreation (5.7%). The household heads in the middle class were found to be dominant in financial and insurance services (5%); electricity, gas and air-conditioning (5%); real estate activities (8.9%); accommodation and food activities (8%); and information and communication services (7.4%). It was encouraging that both the aspirants and the middle class household heads equally participated in the manufacturing sector, which was found to be a common sector across the two groups. These findings are the testimony that the middle class, which was found to be better educated compared to the aspirants, participate more in sectors that require highly skilled entrepreneurs and that have the potential for a high yield on investments. As a result, the role of education comes to the fore, as discussed in detail in section 7.3.4.

To sustain their aspirational middle class lifestyle, reliance on borrowing was apparent among the aspirant household heads, where 59.7% indicated that they had a debt compared to the middle class (50.6%). However, what was striking was the inability to service such debt by the aspirant household heads compared to their middle class counterparts. In this instance, it was found that 42% of the aspirant heads of the households occasionally skipped paying their debts compared to 23.1% of the middle class. Another striking feature of the aspirant household heads was that they tended to depend on family and friends in terms of getting employment (22%) compared to those in the middle class (9%).

While access to basic services was high across the two groups, access to piped water by the aspirant household heads was relatively lower compared to that of those in the middle class. The proportion of the aspirant household heads who live in formal dwellings was comparatively lower than that of their middle class counterparts. There was also low homeownership among the aspirant household heads compared to those in the middle class. Most of the aspirant heads of the households had lower access to specialised health care compared to their middle class counterparts. Of those who had access to high-quality private health care, the aspirant household heads accounted for 26% compared to 74% of the head of the households in the middle class. The aspirant household heads also accounted for 74% of those who have no access to private medical care compared to 26% of those in the middle class; the majority of them had to depend exclusively on public health care.

The characteristics in this study therefore point to vulnerability among the aspirants. Their state is associated with the inability to maintain their consumption level when facing fluctuations or shocks that adversely affect their income or individual circumstances.

7.3.3 Research objective 3

The impact of key determinants of social mobility in promoting upward mobility of the aspirants in the CoJ

The key determinants outlined in section 7.3.1 were subjected to binary logistic regression modelling to validate only the most impactful determinants that the CoJ could focus on with its limited resources. The binary logistic regression modelling resulted in the five key determinants that were found to be statistically significant in predicting class status. These five determinants that were deemed to be impactful in promoting social mobility of the aspirants are discussed in turn. Firstly, the results indicated that in the CoJ, education attainment at post-matric level by the aspirants significantly predicted the likelihood of their being in the middle class. The educational attainment up to a college certificate or diploma by the aspirants indicated three times the odds of moving into the middle class, a university degree improved the odds ratio to eight times, and having a postgraduate degree improved the odds ratio to 13 times. Secondly, being in a particular population group significantly predicted class status. Results in Chapter 5 showed that Coloureds, Indians/Asians, and Whites had a better

chance of being in the middle class compared to Black Africans. The odds of being in the middle class were more than three times across all the race groups compared to Blacks. Thirdly, the results in chapter 5 suggested that greater opportunities to start up own businesses significantly predicted the likelihood of the aspirants moving up the income ladder towards the middle class. That is, if the aspirants were to own the business, they improved their odds of being in the middle class by 3.5 times. Surprisingly, the employment status of the aspirants was statistically insignificant in predicting the socioeconomic class. This was argued as an important lesson for the CoJ that being employed alone may not be enough to move the aspirants up the social ladder as their upward mobility may be hampered by the labour market, which could be saturated with low-paying jobs, particularly among Black Africans. Fourthly, the accumulation of assets by the aspirants significantly increased their chances of being in the middle class, as indicated by the odds ratio of being in the middle class being 1.41 times more for the households that were able to accumulate the durable assets under consideration. Lastly, proximity to amenities by the aspirants significantly increased the chances of being in the middle class. The result indicated that the odds ratio of being in the middle class were 1.39 times for the aspirants' households that were able to walk within 15 minutes to amenities around them.

7.3.4 Research objective 4

Policy framework with recommendations to improve upward mobility of the aspirants

The qualitative data analysis was conducted through the documents analysis as well as the analysis of interview data collected from key informants in the CoJ. The document analysis indicated that the CoJ policies are largely designed and biased towards the poor. What was striking in the analysis of the documents is that none of the policies are designed with elements that are aimed at assisting, specifically, the aspirants to grow into becoming the middle class. All the key CoJ policies and strategies analysed in chapter 6 were found to point to a pro-poor development with no acknowledgement that while the poor move out of poverty, they become the aspirant middle class with levels of vulnerability that are almost similar to their preceding class. The future trajectory was also found to point to the continuation of the pro-poor development as the policies and strategies that were analysed in this study

remain the legal instruments for future programme designing and implementation unless they are reviewed in line with the recommendations suggested in this study. The analysis of qualitative data from the interviews revealed a range of possible policy options that could be used to target the aspirants to enable and promote their upward mobility.

The pathways and recommendations that are proposed in this chapter are made based on all results of the study. The recommendations begin by focusing on improving the key determinants that were found to be statistically significant in predicting class status. In this way, the COJ is recommended to focus on the five areas that were validated by the logistic regression modelling, which are improving access to education; addressing inequality between population groups; improving access to economic opportunities; assisting the aspirants to accumulate assets; and improving spatial planning that results in the development of amenities closer to the aspirants. This study adopted the incremental model wherein a limited number of policy alternatives were considered with minimum changes. The policy recommendations that are proposed in this chapter remain aligned with existing CoJ strategic goals to improve the quality of life for all and necessitate a few resources to implement. In the CoJ, most of the aspirants have been the beneficiaries of the existing pro-poor policies, before their transition, and it is only fair to consider progressive changes to these existing policies. Table 7.1 provides a framework with the summary of recommendations that are proposed based on all the results of the study.

Table 7.1: Recommended Policy Framework

Policy objectives	Sectoral focus	Cross-sectoral focus
Improvement in access to quality education	<ul style="list-style-type: none"> • A focus transforming the ECDs by developing a progressive universal childcare policy. • Creation of a single-window mechanism whereby different CoJ compliance value chain departments can lodge information about ECD centres into a common platform. 	<ul style="list-style-type: none"> • Research and development • Monitoring of impacts of the programmes and evaluation

	<ul style="list-style-type: none"> ● Collaborating across institutional boundaries to meet the diverse needs of today's students through MOUs with universities. ● Improve spatial planning, using the SDF instrument, to ensure that schools located in the most deprived areas (schools in quintile 1 to 3) attract good teachers. ● Rolling out programmes such as extended library hours, e-classroom service provision, online training courses and access to free Wi-Fi to the aspirants ● Exploit the IGR to influence the quality and cost of accessing education, monitoring and improving completion rates, and lobby for the review of the current quantile system for wider funding that includes schools in higher quintiles. ● Reinforcement of links between schools and homes to assist the aspirants' children to learn. 	<ul style="list-style-type: none"> ● Information dissemination ● Risk management and mitigation on policy implementation
Improvement in access to economic opportunities	<ul style="list-style-type: none"> ● Improving on economic intelligence to identify specific niche sectors that give a comparative advantage. ● Promoting local investments by reducing the cost of doing business through improving the enforcement of contracts, resolving insolvency where necessary, speedy registering of property, facilitating trading across borders, and access to credit. ● Diversifying income sources for the aspirants beyond employment. ● Promoting the informal sector to ensure that it survives alongside with the formal sector, through smart formalisation ● Enabling the informal enterprises to become self-sustainable entities that are financially and organisationally separate from the household. ● Streamlining regulations and law enforcement against the informal sector. 	<ul style="list-style-type: none"> ● Research and development ● Monitoring of impacts of the programmes and evaluation ● Information dissemination ● Risk management and mitigation on policy implementation

<p>Addressing inequality</p>	<ul style="list-style-type: none"> ● Investing in citizen capabilities to enable them to provide for themselves in rapidly and continually changing circumstances. ● Leverage on preferential procurement policy to target the aspirants in business and those aspiring to venture into business coupled with improved access to finance. ● Training of both small business and supply chain officials to enhance compliance with the procurement process as well as improve their understanding and knowledge of preferential procurement targets ● Assist in improving cash flow for small and micro enterprises owned by the aspirants by shortening the payment cycle to suppliers. ● Ensuring systems for well-diversified and representative public participation the IDPs. 	<ul style="list-style-type: none"> ● Research and development ● Monitoring of impacts of the programmes and evaluation ● Information dissemination ● Risk management and mitigation on policy implementation
<p>Facilitation of the accumulation of assets</p>	<ul style="list-style-type: none"> ● The CoJ's inclusive housing policy to be used to assist the aspirants to own a house as an asset ● Improvement in defining and enforcement of property rights and facilitation of deeds on property owned by the aspirants. ● Assist in improving savings rates among the aspirants by considering specific incentives in the rates policy 	<ul style="list-style-type: none"> ● Research and development ● Monitoring of impacts of the programmes and evaluation ● Information dissemination ● Risk management and mitigation on policy implementation

Improvement in proximity to amenities	<ul style="list-style-type: none"> • Enriching the SDF to plan better for the provision of amenities and decentralising government services in areas populated by the aspirants • Providing tariff rebates for businesses that are willing to engage in economic activity that encourages local economic growth around areas populated by the aspirants • A model of a “new market tariff rebates” programme whereby individuals or institutions get tariff rebates for investing equity in areas that are populated by the aspirants. • Provision in the SDF for the establishment of 'One-Stop Centres for services'. 	<ul style="list-style-type: none"> • Research and development • Monitoring of impacts of the programmes and evaluation • Risk management and mitigation on policy implementation
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Source: Author’s construction using the results of the study

The recommendations in Table 7.1 focus on improving the key determinants of social mobility that were found, in this study, to be statistically significant in predicting class status of the aspirants. In all the five key improvement areas, continuous policy research and monitoring are necessary to identify risks for mitigation during policy implementation. The following sections provide a detailed description of the recommendations in Table 7.1 that the CoJ needs to consider in ensuring that the aspirants progress towards becoming a stable middle class.

(a) Improving access to quality education

In terms of education, early childhood development is still an important role for the CoJ to build its future skills base. The CoJ must take advantage of the benefits of education that are cumulative by intervening at the early stages of children while they still have higher neuroplasticity. This is despite the national department of education taking some of the roles relating to the provision of ECD for children aged from four to six years away from the municipalities to the provincial mandate. The process that the CoJ currently follows to assist ECD sites to be compliant with the legislative requirements for registration to have ECD sites that are safe for both the children and the practitioners must be institutionalised. This process can be institutionalised by

transforming the current ECD strategy into a policy to be approved by the council. It was also noted that the combined fees for the applications required for compliance by ECDs amount to an unaffordable sum for ECD centres, especially those operated by the poor and the aspirants. Thus, the CoJ could consider in their policy the utilisation of private sector investment to solve the challenges faced by the majority of ECD centres to meet minimum compliance requirements. The analysis of the CoJ ECD strategy reveals that the CoJ has several departments that interact with and collect information on ECD centres. In general, they use cumbersome means to communicate with each other towards a common goal of enabling compliance with city bylaws and, more importantly, in enabling registration of ECD centres with the provincial department of Social Development. It is therefore important to mitigate this through a policy on ECD that articulates for the creation of a single-window mechanism (one-stop-shop) whereby different CoJ compliance value chain departments can lodge information about ECD centres into a common platform, thereby serving multiple needs of the aspirants.

The CoJ can also learn from the Norwegian model, argued in the previous chapter, which introduced the progressive universal childcare policy that requires all municipalities to provide public subsidised and quality regulated ECDs for all children from one year of age. This policy has succeeded in reducing the gap in the use of ECD facilities between the most and the least educated families across time. By introducing the universal ECD policy, the CoJ will be potentially reducing disparities between the aspirants and the middle class families regarding the utilisation of formal early childhood care and education. Furthermore, the impact of reducing the disparity in the use of ECDs will be important to promote the well-being of the aspirants and the CoJ at large. It was noted in chapter 6 that by encouraging children to attend high-quality ECDs, the CoJ would be nurturing better long-term outcomes that also have economic returns for its citizens. Accordingly, by introducing a universal ECD policy, the CoJ will ensure that well-motivated behaviour and resilient character are instilled at an early age which on its own will solve future societal problems such as the lack of mobility. Some of the related reforms that the CoJ may consider for improvement include reinforcement of links between schools and homes to assist the aspirants' children to learn, thus improving the provision of early childhood care, as indicated earlier in this section, and lobbying for the province to consider basic schooling for all.

Through the Intergovernmental Relations Framework Act 13 of 2005, the CoJ must include in its GDS 2040 the means to manage the intergovernmental relationships (IGR) with the provincial education department better in finding innovative ways to influence the quality and cost of accessing education, in monitoring and improving completion rates and in expanding the methods by which education is provided and accessed in the CoJ. In this regard, the CoJ must lobby for the education policy to articulate the right equilibrium between the number of graduates with degrees and those with a diploma in the municipality. The study found the need for a balance between developing skills and developing problem solvers, as asserted in chapter 6. Therefore, CoJ could also articulate through the IGR strategy the need to change the curriculum to encourage a mixture of graduates with degrees and diplomas and skilled certificated artisans. In cases where degrees are emphasised, there is a need for the CoJ to understand the process required for people to get those degrees.

This study found that the quintile system is exacerbating the very same inequality it is trying to solve by excluding the aspirants from accessing affordable education. This happens when the quintile system fails to address the cost of education sufficiently when the aspirants migrate to schools regarded as quintiles 4 and 5. The solution is for the CoJ to lobby for the review of the current quantile system introduced by the South African Schools Act 84 of 1996. Particularly, the CoJ is recommended to lobby through its IGR structures for the Gauteng Provincial Government to increase the financial resources to be made available to assist Quintile 4 and 5 schools that are struggling to collect school fees from the aspirant parents. As reported in the previous chapter, this approach has been successfully implemented by the Western Cape Government.

Another problem with the quintile system revealed in this study is that it breeds a negative psychological effect on the minds of the teachers and how they provide education. This challenge requires the CoJ to improve its spatial planning, using the Spatial Development Framework (SDF) instrument, to ensure that schools located in the most deprived areas (schools in quintiles 1 to 3) attract good teachers. Spatial development around the schools that are designated as lower quintile could lead to improved attractiveness. For example, the CoJ can consider improving the provision of decent housing for educators, improving security and also lobbying with the

provincial government to ensure that the schools have adequate teaching infrastructure such as high-speed Wi-Fi and well-equipped libraries, which are invaluable.

Additionally, the quality of education for the aspirants can be enhanced by collaborating across institutional boundaries to share educational resources and incorporate course formats that meet the diverse needs of today's students. Thus, the CoJ is recommended to enter into a Memorandum of Understanding (MOU) with academic institutions to acknowledge the role of these institutions as major investors in the City that advance the sharing and transfer of knowledge and innovation. It is worth noting that the needs of the aspirants differ from those of the other classes, which requires that such MOUs take cognisance of class differences in their quest for the joint responses to the needs of the citizens. This study also recommends that the CoJ expands the benefits of the MOUs and extends them to all Gauteng resident universities.

The CoJ has a facility in place whereby it annually offers bursaries to aspiring university and college students who reside within its jurisdiction. There is an opportunity for the CoJ to consider the criteria that gives preference to the aspirants and the poor. Currently, the bursaries are open to anyone who proves that they live within the jurisdiction of the CoJ. Also, the CoJ policy on education sponsorship needs to encourage learners to pass by rewarding progressively only those who bring positive results. As noted in the previous chapter, education should be made the privilege of those who pass and are promoted to the next level. It was revealed that a focus on free education by providing bursaries is not helpful unless the CoJ influences the completion rates by minimising the school dropout rate. While the measurement of school dropout as an indicator has been traditionally regarded as the prerogative of the provincial government, some interventions fall within the municipal ambit. For example, the CoJ may conduct its own impact assessments focusing on linking its efforts to improving completion rates that can be linked with its bursary system. The CoJ may also use this information from impact assessments in policy reviews, particularly in reviewing its GDS 2040 and the ECD policy, as well as to influence the provincial sphere of government to make necessary changes in the education policy that will mitigate the number of dropouts.

This study also suggests that the CoJ improve and match skills levels of the aspirants with market demands to strengthen the participation of the aspirants in the labour market. It was indicated in chapter 6 that appreciating citizens and industry demands is essential against the background of global change. Therefore, the CoJ needs to perform educational needs assessments with wide-ranging stakeholders to make sure that education programs offered to the aspirants are relevant to the needs of society. This will help to align professional qualifications, educational standards, and curricula by defining learning outcomes and core competencies needed by the aspirants in different sectors. For example, the CoJ is now a services-orientated economy and a lack of skills and education including the reality of a mismatch between the supply and demand for skills implies that the aspirants entering the labour market are poorly equipped to meet the demands of this services-orientated economy. With the advent of the Fourth Industrial Revolution that is disrupting the labour markets around the world, the unskilled aspirants risk being left behind.

This study also noted some of the CoJ programmes that have an impact on promoting upward social mobility such as extended library hours, e-classroom service provision, online training courses and access to free Wi-Fi for communities. The CoJ could leverage upward mobility if they roll out these programmes to areas densely populated by the aspirants such as Soweto, the Inner City and its surroundings. These programmes are currently mostly offered in the most deprived areas; however, the CoJ must recognise that as the people in these deprived areas benefit from these interventions, some begin to progress towards becoming the aspirants. Once they progress to this new class, some move out of these most deprived designated areas to areas near economic opportunities. As they move away from these deprived areas with subsidised services, they immediately have to face the reality of paying more for their children and themselves to access the same services or have to incur extra transport costs to visit these services located in the most deprived areas that they have left. This constrains the ability of the aspirants to move up the social ladder.

(b) Improving access to economic opportunities

Without economic growth, the study found that the CoJ cannot successfully pursue development approaches to improve the quality of life for all and such endeavours become unsustainable. It was revealed in chapter 6, section 6.5 that the CoJ under

the Democratic Alliance administration started well in 2016 with an economic growth target of 5% per annum until 2021, but that has since been dropped. Thus, the CoJ must strive to grow the economy to ensure that the aspirants have enough income to have some form of economic stability which allows them other opportunities such as access to education, starting up their own businesses and asset accumulation. The CoJ must therefore rally its Economic Growth Strategy (EGS) around economic intelligence, promoting local investments, reducing the cost of doing business and promoting the informal sector to survive along with the formal sector as discussed below

On economic intelligence, the economic choices suggested to the CoJ must be based on proper research to ensure a focus that has a long-term perspective and that things are done strategically. Proper intelligence will enable the EGS to zoom in on specific sectors. In its current form, the EGS is very broad and general, yet economic development happens in a very specific sector time and place. This calls for the need for the CoJ to create the niche sectors that will give it a comparative advantage. It was indicated in the previous chapter that the City of Cape Town has done very well in this respect. Comprehensive sector analysis is one avenue to ascertain such niche markets and the EGS needs to select only a few that have maximum impact on growth and employment. Furthermore, monitoring and evaluation of the performance of these sectors needs to be established by developing appropriate measures. Secondly, the EGS must provide for the framework to enable comprehensive consultation with sectors or subsectors. Such consultations must be well focused and not be broad based. This will lead to congruence between the municipality and the private sector, which will help to enable investment in those sectors. The consultations should be wide so that they are as inclusive as possible.

Sector consultations referred to above must also be viewed in terms of the Local Government: Municipal Systems Act 32 of 2000, which provides that the municipality must establish suitable mechanisms, processes, and procedures to enable the local community to participate in the affairs of the municipality and to ensure greater community participation through ward committees, IDP forums, community meetings, and other participatory processes. The CoJ would need to improve the way it operates by starting to consider various business sectors as communities in its jurisdiction. The

analysis of the CoJ IDPs in the last five years indicated that traditionally, public consultations on the IDP have been more prominent among individuals and civil society but not among the business sectors. In the CoJ, such consultations have been done in two stages. Firstly, consultations on the IDP need to provide the broader input on what communities want to see as priority developments in the City and budget commitments. Secondly, as the CoJ is divided into 135 wards, it has annually been conducting "community-based planning", whereby the specific communities in each ward are required to propose what they would want as priority developments in their specific community. It is recommended that the CoJ develop a public participation policy framework alongside the IDPs that will explicitly identify how it will engage inclusively with different communities that include business communities. Such a policy or strategy will need to consider a separate "business-based planning" as a distinct approach, whereby the different targeted sectors can also make input into what they would want to see as priority developments both at the city level as it affects their business sectors and in their specific business communities. These "business-based participation" sessions need to be conducted in all the 135 wards in a similar way to that in which the "community-based planning" has been conducted.

In terms of promoting local investments and reducing the cost of doing business in the CoJ, the EGS must be well resourced to enable this endeavour to create a climate of investment to turn around the economy. Besides, the EGS must be friendly to business and such investment. This can be achieved if the municipality commits to reducing the cost of doing business, which is one of the aspects that was pointed out in this study as a weak point. In its current form, the EGS has six pillars and none of them speaks to reducing the cost of doing business as a strategic pillar. An additional pillar on reducing the cost of doing business could focus on the reduction of turnaround times to register a business, provision of uninterrupted and affordable basic services, and ensuring that the municipal tariff framework is supportive of the small business by avoiding unnecessarily high tariffs. It is important to highlight that reducing the cost of business is something that is within the ambit of the CoJ. Reducing the cost of doing business is also supported in chapter 6 by the World Bank report "Doing Business 2019" that compares regulations for domestic firms across 190 economies. Learning from this report, which used the CoJ as a case for South Africa, the following elements can be considered under this additional pillar on reducing the cost of doing business:

improving the enforcement of contracts; resolving insolvency where necessary; speedy registering of property; facilitating trading across borders; and access to credit. These are some of the challenges faced by aspirants when they attempt to start up their business and a focus on institutionalising how to address these challenges will improve not only domestic competitiveness but also international competitiveness, thus attracting both internal and external investments. It was stated in chapter 6 that countries such as Mozambique, Namibia, Senegal, and Mali have been able to attract investments as a result of the quality of their domestic business climates.

It is worth mentioning that this study found that the CoJ is challenged by its internal policies, which do not encourage internal investment. For example, one of the investment deterrents identified in this study is that the CoJ has a strong influence from trade unions that are not prepared to trade in for high pay and decent work. This requires the CoJ's EGS to incorporate in its framework how the municipality can bring partners such as the unions and others on board as part of its investment strategy. The CoJ as the biggest metro could use its stature to bring these powerful trade unions to the negotiation table to deal with issues around labour policy and structural unemployment. The concept of "low wage employment" may be preferable in a similar way to that which South Africa's emerging market competitors, Vietnam and Ethiopia, have pursued. However, low wage employment should be seen as a transitional solution. The study found that the aspirants often are employed but find it difficult to progress up the income ladder owing to low wages, short-term employment and zero-based contracts. The CoJ is recommended through its GDS, IDPs, and the EGS to ensure that it strikes a balance between low-wage employment and an enabling environment for long-term growth in income in those sectors.

While making the labour markets favourable to the aspirants is an undisputed imperative, the CoJ needs to note that improving employment alone is not enough, without diversifying the income sources for the aspirants. Chapter 4 found that incomes for Blacks, who make up the majority of the aspirants, was five times lower than that of their White counterparts. At the same time, 73% of the income earned by Blacks came from employment compared to 67% for Whites. Thus, when the economy is not growing and jobs are scarce, the aspirants do not have streams of income from other sources such as investments and assets. These findings therefore support the

recommendation that the CoJ policies must encourage diversification of income among the aspirants to reduce vulnerability to shocks.

The role of the informal sector featured prominently in this study. The study found that the adoption of the informal economy has an important policy position in the CoJ, especially in confronting the challenge of youth unemployment among the aspirants. The data from the GCRO QoL (2017/18) showed that 5.6% of the aspirants and 13.3% of the middle class are involved in businesses in the informal sector. This calls for the CoJ to support the sector through the development-orientated policy approach to enable the informal enterprises to become self-sustainable entities that are financially and organisationally separate from the household. The CoJ support to the informal sector will enable it to be vibrant and effective in leveraging inclusive growth. It was revealed that the informal sector plays a significant role in generating employment for the aspirants and reducing their risk of descending into poverty. The CoJ must consider enabling policies such as smart formalisation. That means that the CoJ must avoid enforced formalisation, but aim rather at a smart and nuanced formalisation. This allows for various degrees of formalisation to coexist among the spectrum of informal enterprises. In this way, the CoJ in its policy-making should rather allow informal sector business owners to self-identify and accordingly take part in appropriate policy instruments or formalisation elements.

The CoJ also needs to regard the participants in the informal sector as individuals who have entrepreneurial skills and aspirations to ensure that the sector does not remain eclipsed on the margins of economic analysis and policy consciousness. By doing so, the CoJ will be demystifying the perceptions that aspirants who participate in the informal sector are mere survivalists who have no meaningful role to play in creating employment or reducing their risk of falling into poverty. Some further recommendations include streamlining and not setting too many regulations and law enforcement against the informal sector. In other words, the CoJ needs to acquaint itself with a situation of living within the formalities of the informal economy. Currently, the conditions are so difficult that the informal sector is now regarded as the survival-of-the-fittest type of an economy where only participants who are best adapted to the environment can cope and those who are not able to adapt face extinction. However, with more acceptance by the CoJ, this sector will integrate itself into the mainstream

formalised type that contributes to the economy. Thus, by accepting the informal economy, the CoJ will be setting the scene for its formalisation.

(c) Addressing inequality between population groups

The different forms of inequality identified in the study include income, education, health and spatial inequality. Health and education inequalities are related to spatial inequality. It is worth mentioning that all these various inequalities manifest themselves along racial lines. In chapter 4, the logistic modelling indicated that Black Africans, who make up the majority of the aspirants, had relatively fewer chances of being in the middle class compared to Coloureds, Asians/Indians, and Whites. StatsSA data also indicated that the income of Black Africans was five times less than that of their White counterparts. Since the population group was found to be a strong factor in determining mobility in the CoJ, racial imbalances can be defeated if the CoJ invests in citizen capabilities to enable them to provide for themselves in today's rapidly and continually changing circumstances. The CoJ must ensure that the aspirants have improved access to finance that will assist them in advancing their start-up businesses.

The study argued that the presence of income inequality in the CoJ was also resulting from some policy failures that are within the municipal ambit, for example, preferential procurement legislation. Since improving the preferential procurement policy is within the municipal control, the CoJ could use this policy to target the aspirants who are in business and those aspiring to venture into business. This study recommends the following in the implementation of the preferential procurement policy: improving on noncompliance with procurement processes; increasing awareness and knowledge of preferential procurement targets; improving on turnaround time when paying suppliers; and elimination of fraud and corruption. It is also important for the CoJ to note that improving equal access to economic opportunities through procurement policy works best if it is complemented by improved access to finance and training aimed at these small entrepreneurs. Therefore, it is encouraged that the CoJ should promptly improve its process to pay suppliers and adhere to the payment cycle of 30 days in terms of the Treasury Regulations (2005). This will assist in improving cash flow for the small and micro enterprises, who are largely the aspirants, so that they can, in turn, meet their financial obligations to their employees and financial institutions that lend money to them. The CoJ must also intervene through regular training of

supply chain officials. Such training must also be extended to the small businesses in its jurisdiction who are the beneficiaries of the preferential procurement process. This will enhance, for both officials and suppliers, compliance with the procurement process as well as improve their understanding and knowledge of preferential procurement targets. The CoJ must fight against corruption that tends to discourage honest citizens. While these preferential procurement policies have, in some instances, yielded some positive results in growing the middle class, they have done so at the expense of reducing inequality.

Inequality can also be addressed through improving education, as also discussed in section 7.4.1. More equitable distribution of educational opportunities has been shown to result in a more equitable distribution of labour income. Thus, the CoJ can address income inequality by improving the quality of education among the aspirants and also by reducing education inequality through improved access to education facilities in schools regarded as quintiles 4 and 5. The CoJ needs policies to offset the educational consequences of inequality by establishing measures that aim to create a more socially balanced entry into elite universities. All stakeholders are critical to ensure that balanced entry to universities is turned into reality and collaboration with academic institutions and leveraging on the IGR, as stated earlier, is one feasible way to do this. Some of the reforms to improve access to education discussed in section 7.4.1 will also solve the inequality between population groups if the CoJ targets them particularly at the aspirants, who were found to be predominantly Black Africans.

Chapter 6 found that in the affluent suburbs of the CoJ there is a better concentration of medical services and private schools since people can afford to pay for the services. The concentrated nature of better medical services and school is related to how the city is spatially developed. The CoJ therefore needs to reconsider, in its Spatial Development Framework, the methods and approaches it uses to influence the distribution of new developments in its spaces of various scales. The way the City is developed, for example, in responding to market-based demands for infrastructure, may result in unintended consequences. However, for some individuals in these suburbs, particularly the aspirants, they may not necessarily be able to afford to pay for the services but are forced to pay as they do not have a choice. The CoJ must also address spatial inequality by investing in spatial development that is amenable to the

aspirants in these areas. Thus infrastructure development in the CoJ must be done in a way that ensures that spatial and income inequality are addressed, and this must be done to create longer-term sustainability in addressing upward social mobility.

The CoJ can mitigate inequality between race groups by embarking on well-diversified public participation. The CoJ has various avenues to consider. In terms of the Local Government: Municipal Systems Act 32 of 2000, the CoJ must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality. Some of the mechanisms that will ensure greater community participation are through ward committees, Integrated Development Plan (IDP) Forums, community meetings, and other participatory processes. Thus, the CoJ must take advantage of public participation and community engagements through the IDP sessions to ensure that as many aspirants are represented as possible. It is recommended that the IDP participation and community engagements avoid a blanket approach and must include the use of innovative participation platforms that are often preferred by the aspirants, such as social media.

Finally, racial imbalances can be defeated if the CoJ invests in citizen capabilities to enable them to provide for themselves in today's rapidly and continually changing circumstances. If the CoJ is to assume that citizens can provide for themselves more efficiently and effectively than the municipality can, it will therefore have to invest not only in the cultivation of citizen capabilities but also in the provision of the resources and infrastructure to allow citizens to succeed at scale.

(d) Facilitation of the accumulation of assets

Asset accumulation featured prominently as a key determinant of social mobility. The impact of asset accumulation on social mobility of the aspirants was also found to be significant along with access to education and addressing inequalities across the race groups. The results from previous chapters point to the need for the CoJ to create an enabling environment for the accumulation of assets, particularly, by the aspirants. It was found that the aspirants in the CoJ aspire towards the acquisition of assets and high quality of life. Asset accumulation defines the ability of the aspirants to access finance and provide a way to get an income. The aspirants without assets do not have security and are completely vulnerable regardless of the income they may have, and

any intervention by the CoJ to improve income is futile unless it is linked to how individuals can accumulate assets. Thus, the CoJ could gain both in terms of a more augmented growth as well as improved better democratic governance by stressing the role of asset accumulation by the aspirants in the design of social policies.

Asset accumulation will safeguard the aspirants against unexpected shocks, thus helping to reduce their vulnerability to falling back into poverty. The CoJ's inclusive housing policy can be very useful in assisting the aspirants to build assets and help their social mobility. Results in Chapter 4 have thus far indicated that 91% of the aspirants live in formal dwellings. However, over half (55.2%) do not own the houses compared to the middle class (49.1%). It was therefore not surprising that one of the main forms of an asset that was encouraged for the aspirants in this study is owning a house. The findings in chapter 6 pointed out that a house can enable the aspirants to get income through renting out or as security to access finance.

The CoJ is also encouraged to ensure the facilitation of a more even distribution of assets in the CoJ through the improvement in defining and enforcement of property rights. Chapter 6 found that without well-defined and enforceable property rights, assets will not be able to mobilise capital. In the CoJ the aspirants may have acquired a house as their main asset through non-market mechanisms, or through subsidised housing policies. As a result, some of the aspirants do not have title deeds on their property, yet the legal process to acquire title deeds is regrettably costly and often unfriendly to them. The CoJ, in this case, must assist and provide the title deeds to the aspirants to enable them to give their families the security of permanent tenure.

The study found that the limited savings capacity of the aspirants impedes asset accumulation. It was revealed that the CoJ does not have savings incentives for the aspirants as all incentives address the poor. Therefore, it is suggested that the CoJ assists in improving savings rates among the aspirants by considering specific incentives in the rates policy that are explicitly tailored for them. For example, there was a sense that in the CoJ, the aspirants can no longer afford tariffs charged by the municipality as many of the aspirants have just moved from the township areas where they were not paying rates and taxes into suburbs and suddenly they are faced with huge bills for electricity, water and property rates. Furthermore, the CoJ property rates policy does not consider the aspirants as beneficiaries of any tariff rebates. Many of

the aspirants, who already can no longer afford high tariffs, are therefore likely to dip into their savings, which impacts negatively on asset accumulation. The CoJ is therefore encouraged in this instance to be innovative when dealing with the aspirants' debt book. One innovative way could be for the CoJ to consider reducing its debt book by offering discounts to the aspirants. This way of managing the aspirants' debt book may be institutionalised by incorporating it into the rates policy that is published annually for ease of management.

(e) Improving proximity to amenities

It was clear from this study that solving accessibility problems in the CoJ must include improved location of key services and activities (amenities) in ways that assist people to reach them easily. This calls for improvement in the way the CoJ spatially plans developments around its space. Proximity to services was found to be a significant factor in promoting upward mobility in that the aspirants who live far away from services had fewer chances of moving up the social ladder. There are disadvantages to which these aspirants in the CoJ could be subjected. For example, it becomes costly to reach various destinations needed for day-to-day living, and this could result in social exclusion. It could also mean that for the aspirants who are located far away from economic opportunities, it is difficult to generate income relative to the middle class, who are located closer to opportunities. Thus, the CoJ is recommended to alleviate the cost of transport by ensuring that they provide services and opportunities closer to the aspirants. In this regard, the Spatial Development Framework must be enriched to plan better for the provision of amenities such as health services and schools, and decentralising government services in areas populated by the aspirants will eliminate the need for travelling by these households. In the US, the Department of Housing and Urban Development (HUD), after noting that many communities suffer from disinvestment and under-investment in areas particularly populated by the disadvantaged communities, adopted "place-based tax incentives" such as "empowerment zones" and "new market tax credits" in an attempt to attract capital investment to those economically distressed areas (HUD 2019). Equivalent to the "enterprise zones" in the US, the CoJ could use the rates policy instrument to identify the designated aspirant communities and offer them tariff rebates for engaging in economic activity that encourages local economic growth.

The CoJ could also consider in its rates policy the model of a “new market tariff rebates” programme whereby individuals or institutions are granted tariff rebates for investing equity in areas that are populated by the aspirants and other vulnerable groups. Currently, the CoJ offers tariff rebates only to households based on their poverty levels to cushion them against extreme poverty. By facilitating local investments, the CoJ will thus bring down the prices of commodities in areas where the aspirants live and will also significantly eliminate travelling costs by reducing the need to travel long distances to buy basic commodities. Ensuring spatial infrastructure developments that are capable of reducing the cost of living by bringing down prices of basic needs for the aspirants in the CBD and the surrounding areas will have a positive impact on upward mobility and will minimise regression of the aspirants into poverty.

This study also suggests that the CoJ consider in their Spatial Development Framework the establishment of 'One-Stop Centres for services' similar to what they call Citizen Service Centres in São Paulo, Brazil. In São Paulo, the Citizen Service Centres refer to buildings for in-person public service delivery and citizen attendance, where numerous government offices are physically located together, such that there is a central location to which citizens need to displace themselves to conduct their errands. These types of centres will then be tasked with providing the range of all services that the aspirants and other vulnerable groups may require from government and other services provided by the private sector. This approach entails the CoJ to leverage partnerships with the other spheres of government and the private sector to ensure that these "one-stop centres" provide a basket of services adequate for the vulnerable aspirants. This will significantly reduce the need to travel and therefore promote upward mobility as resources by the aspirants will therefore be channelled to other needs such as schooling and housing.

The transportation and housing policies of the CoJ need to be synchronised. The analysis by this author of the CoJ inclusionary housing policy, specifically section 3.2 which relates to the location of the inclusionary housing programmes, revealed that the policy is silent about proximity to amenities, places of work, or public transport systems such as the BRT lines. The housing policy should complement the transport policy by ensuring that people are either located close to their places of work or close

to the public transport system. The CoJ must ensure that policies are not developed in silos, but in a way that guarantees that these policies work together as a system.

Finally, it was also found that the aspirants were concentrated, for example, in the CBD and Soweto. Therefore, the CoJ must ensure that the investments to boost amenities around them avoid the unintended consequences that gentrify these areas. To prevent these pockets of gentrification, the CoJ needs to consider setting up a framework for land pooling that will enable the dense mixed-use development driven by the homeowners. The Spatial Development Framework already suggests regulations that ensure that market correction mechanisms are in place to protect beneficiaries of housing from displacement through gentrification. However, the inclusionary housing policy of the CoJ is silent about this phenomenon despite its being approved by the council in 2019. The CoJ should therefore be cautious that if spatial developments allow gentrification, they may result in the middle to upper classes displacing the aspirants in these urban neighbourhoods. This consequently will constrain the ability of the aspirants to move up the social ladder and will also raise questions on the risks of and the role of the municipality in facilitating such displacement.

7.5 Contribution to the knowledge

The problem of growing the middle class today necessitates solutions that traditionally could not be found in solutions to poverty alleviation and economic development. This study therefore contributes to proffering a new approach that provides the CoJ Metropolitan Municipality with new insights to grow their middle class by extending the developmental policies beyond the poor to include the aspirants. Thus this study strengthens and expands on the existing approaches to class analysis in that it incorporates the differentiation between the middle class and the aspirants into a broader social-stratification schema. To the best of the author's knowledge, this is one of the first attempts to incorporate the differentiation between the aspirants and the middle class into a social-stratification schema in a metropolitan context. This will assist in appropriately targeting municipal policies that promote the growth of the middle class. More than a few studies in literature locate the middle class just above the poverty line. However, these studies fail to acknowledge that being above the poverty line provides an insufficient indication as some of those who are currently the

aspirants face the risk of falling to progress into becoming a stable middle class. Broadly, this research study filled in gaps in the empirical literature on inclusive growth, inclusive social policy and social mobility dynamics for the aspirants as they progress towards becoming the secure middle class. This empirical contribution consisted of the application of the proposed conceptual framework of key determinants of social mobility to the CoJ Metropolitan case.

Furthermore, this study made contributions to knowledge in the following ways. It profiled the characteristics of the aspirants as a means of deepening understanding of this emerging and growing class in metropolitan areas of South Africa such as the CoJ. This study identified impactful factors that sustain the growth of the aspirants in the CoJ. This was done theoretically by first determining factors that logically are considered as an explanation for the progression of the aspirants. These factors were mapped to show how they are related operationally, thus adding order to the conceptualisation by explicitly delineating patterns and introducing causality. Using theoretical assumptions and logistic regression modelling, the study determined and justified the selection of factors that informed policy recommendations for enabling upward mobility of the aspirants towards becoming a stable middle class. This study also revealed long-term policy perspectives that can be targeted at the aspirants as they make the transition towards becoming a stable middle class. In this case, a contribution was made towards closing the knowledge gap by integrating policies and strategies for poverty alleviation together with those for sustaining the middle class to reveal new and useful policy arrangements suitable to enable upward mobility of the aspirants. In the end, this study reshapes the Local Government policy environment to impact positively on the ability of the aspirants to become the realised stable middle class as well as stimulate public policy debates on how to ensure the upward progression of the aspirants.

7.6 Areas for future research

The phenomenon of growing the middle class is becoming critical to all metropolitan municipalities in South Africa. The thesis makes a major contribution to knowledge creation in the area of promoting the growth of the middle class, particularly, through enabling policies for the progression of the aspirants. This study recognises that there is a new phenomenon of a class of people in the South African metropolitan that is no

longer regarded as poor but is not middle class either. This group of people has been neglected by policy makers in Local Government. However, some of the concepts introduced in this thesis will require further development and extension. The author suggests the following topics for further research, and he believes that they could enhance the body of knowledge to grow the middle class in the metropolitan areas. The lack of growth in the middle class may not necessarily be as a result of the aspirants who are stuck in that class without prospects for growth. It is possible that some of the aspirants who were presenting opportunities to grow into the middle class regress into poverty. Thus, there is a need to research the antecedents of downward mobility of the aspirants in the same context of the metropolitan areas. Secondly, this author sees merit in further research in the area of the impact of consumption behaviour of the aspirants on their sustainability when they become a stable middle class. It was found in this study that the aspirants are aspiring towards the lifestyles of the middle class, but without sufficient income to live that lifestyle. The Permanent Income Hypothesis (PIH), however, stipulates that current consumption decisions are made based on future income, which may suggest that the lifestyles of the aspirants may not be sustainable when they finally progress into becoming a stable middle class. In this case, further research is needed to deepen the understanding of the impact of current consumption behaviour of the aspirants on their sustainability when they become a stable middle class.

7.7 Conclusion

This study provided new policy insights to grow the middle class by extending the focus of developmental policies beyond the poor to include the aspirants in a metropolitan context. The study adds to literature in the South African Municipality context, where few studies on social mobility of the aspirant middle class have been explored. It deepens the understanding and identification of key policy issues that are needed to promote upward mobility of the aspirants towards becoming a stable middle class.

This study sees the sources of the long-term growth of the middle class beyond just the upliftment of the poor but also to ensure that those above the poverty line are safeguarded against slipping back into poverty by providing them with enabling policies that promote their upward mobility. To guarantee the growth of the middle

class, this study argued for policy recommendations that increase the margin of safety away from the poverty line by enabling the aspirants to grow towards the higher classes. Thus, this research study filled in gaps in the theoretical and empirical literature on inclusive growth, inclusive social policy and social mobility dynamics for the aspirants as they progress towards becoming the secure middle class. This study therefore reshapes the local government policy environment to impact positively on the ability of the aspirants who have been neglected by government policy for some time now.

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Appendix 1: Principal component outputs

(a) PCA Output for the Proximity Index

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.19	45.866	45.866	1.19	45.866	45.866
2	0.285	10.974	56.84	0.285	10.974	56.84
3	0.217	8.35	65.191	0.217	8.35	65.191
4	0.176	6.794	71.985			
5	0.151	5.804	77.788			
6	0.116	4.487	82.275			
7	0.11	4.252	86.527			
8	0.1	3.868	90.395			
9	0.09	3.471	93.866			
10	0.077	2.975	96.841			
11	0.047	1.807	98.648			
12	0.035	1.352	100			

Extraction Method: Principal Component Analysis.

Component Matrix

	Component		
	1	2	2
Able to walk within 15 minutes to creche/ day care?	0.494	0.197	0.369
Able to walk within 15 minutes to uncooked food source?	0.631	0.32	0.153
Able to walk within 15 minutes to cooked/prepared food source?	0.639	0.347	0.183

Able to walk within 15 minutes to hardware store?	0.735	0.095	-0.418
Able to walk within 15 minutes to financial services/bank?	0.734	0.07	-0.439
Able to walk within 15 minutes to internet cafe?	0.765	0.33	0.072
Able to walk within 15 minutes to business services?	0.756	0.311	0.092
Able to walk within 15 minutes to bar, tavern, shebeen, liquor store?	0.633	0.282	0.377
Able to walk within 15 minutes to post office?	0.7	-0.171	-0.38
Able to walk within 15 minutes to park?	0.598	-0.421	0.284
Able to walk within 15 minutes to library?	0.665	-0.498	0.092
Able to walk to within 15 minutes to recreation facility?	0.654	-0.524	0.164
Extraction Method: Principal Component Analysis.			

(b) PCA Output for the Participation Index

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	0.382	27.871	27.871	0.382	27.871	27.871
2	0.221	16.12	43.991	0.221	16.12	43.991
3	0.178	12.982	56.973	0.178	12.982	56.973
4	0.116	8.433	65.406			
5	0.103	7.498	72.905			

6	0.093	6.813	79.718			
7	0.084	6.117	85.835			
8	0.075	5.471	91.306			
9	0.066	4.85	96.156			
10	0.053	3.844	100			
Extraction Method: Principal Component Analysis.						

Component Matrix

	Component		
	1	2	3
Participation: Rate payers, street or block committee, neighbourhood watch?	0.372	0.096	0.095
Participation: Church or religious organisation?	0.606	-0.779	-0.07
Participation: Choir?	0.374	-0.217	-0.102
Participation: Social recreational sport club?	0.601	0.168	0.523
Participation: Savings club stokvel or burial society?	0.656	0.394	-0.487
Participation: Women's, men's, or youth organisation?	0.582	0.13	0.078
Participation: Political party?	0.42	0.284	-0.369
Participation: Trade union?	0.46	0.246	-0.224
Participation: Business or professional organisation?	0.473	0.195	0.542
Participation: Other organisation(s)?	0.34	0.224	0.473
Extraction Method: Principal Component Analysis.			

(c) PCA Output for Asset Index

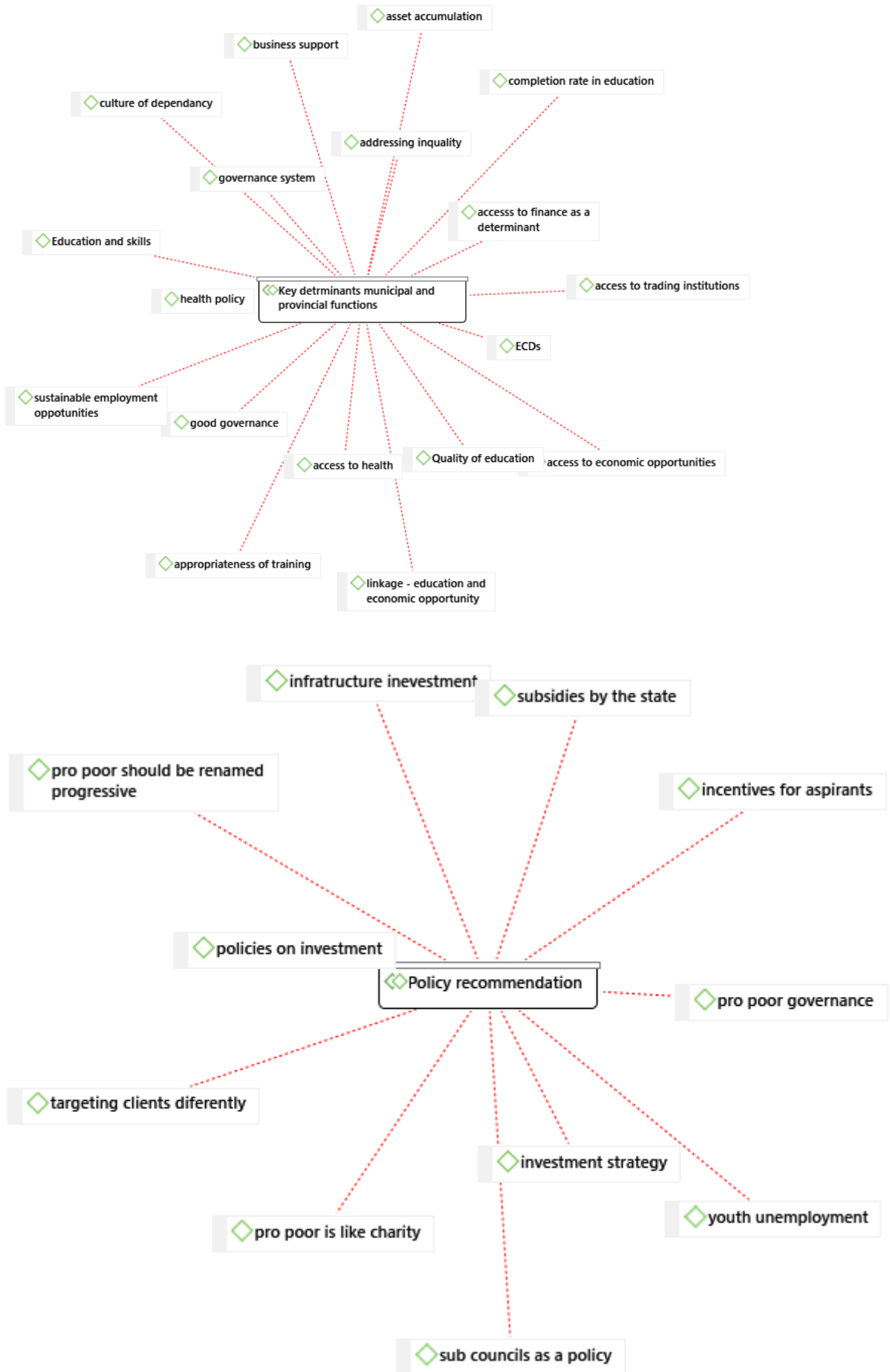
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	0.512	40.875	40.875	0.512	40.875	40.875
2	0.19	15.154	56.029	0.19	15.154	56.029
3	0.135	10.769	66.798			
4	0.121	9.633	76.431			
5	0.111	8.882	85.313			
6	0.083	6.642	91.955			
7	0.054	4.289	96.245			
8	0.029	2.289	98.534			
9	0.018	1.466	100			

Extraction Method: Principal Component Analysis.

Component Matrix

	Component	
	1	2
Household assets: Landline telephone	0.019	0.389
Household assets: Cell phone	0.049	-0.004
Household assets: Television	0.099	0.003
Household assets: Personal computer, laptop or tablet	0.341	0.175
Household assets: Radio, CD player or music system	0.175	0.017
Household assets: Satellite TV	0.299	0.067
Household assets: Car	0.304	0.222
Household assets: Bicycle	0.01	0.341

Household assets: Fridge	0.087	-0.004
Extraction Method: Principal Component Analysis.		



Appendix 3: Interview Schedule

Research Title: *Creating an enabling policy environment for growing the middle class: the case of the City of Johannesburg Metropolitan Municipality*

Interviewer: Tinashe Mushayanyama

Date of interviewer _____

Approximate duration of interview: 40 minutes

1. How long have you been working for this institution, and what are your responsibilities?
2. What do you understand by the concept of the poor in the City of Johannesburg?
3. What do you understand by the concept of the middle class in the City of Johannesburg?
4. Can you explain what is meant by the concept of the vulnerable groups in the City of Johannesburg?
5. How would you classify a group of people who are not poor yet are not yet in the middle class?
6. In this study, the aspirant middle class is regarded a growing phenomenon in metropolitan areas and comprises individuals who earn higher income than indigent thresholds, yet the same income is too low to afford the middle class lifestyle. Can you explain your own understanding of the concept of the aspirant middle class in the City of Johannesburg?
7. Looking into your area of responsibility, what do you think are the key determinants of progression of the aspirants towards becoming a stable middle class?
8. What are the factors that trigger regression into poverty for the aspirants in the City of Johannesburg? How can the municipality manage the regression of the vulnerable into poverty?
9. Do you know any policies or programmes, specifically in the CoJ, that are meant to uplift the poor?

10. Are the City of Johannesburg policies programmes for uplifting the poor working?
11. Do you think the pro-poor strategy is a solution to growing the middle class in the City of Johannesburg?
12. Do you know any policies or programmes specifically in the City of Johannesburg that are meant to promote the aspirant middle class to grow into fully fledged and stable middle class?
13. To what extent have development policies and strategies for socioeconomic empowerment promoted the aspirants to grow into fully fledged and stable middle class in the City of Johannesburg?
14. In your view, what are the new approaches and recommendations that could be adopted to enhance the effectiveness of future policies and strategies in the City of Johannesburg that will ensure that the aspirants grow and become sustainable as middle class?
15. As we conclude, what other additional comments do you need to bring to the attention of the researcher?

Thank you for taking part in this interview.

Appendix 4:

(a) University of Pretoria Ethical Clearance



Faculty of Economic and Management Sciences

RESEARCH ETHICS COMMITTEE

Tel: +27 12 420 3434

E-mail: alewyn.nel@up.ac.za

19 November 2018

Prof MR Chitiga-Mabugu
School of Public Management and Administration

Dear Professor Chitiga-Mabugu

The application for ethical clearance for the research project described below served before this committee on 16 November 2018:

Protocol No:	EMS165/18
Principal researcher:	T Mushayanyama
Research title:	Creating an enabling policy environment for growing the middle class: the case of the City of Johannesburg Metropolitan Municipality
Student/Staff No:	17322202
Degree:	PhD (Public Administration)
Supervisor/Promoter:	Prof MR Chitiga-Mabugu / Dr A Mazenda
Department:	School of Public Management and Administration

The decision by the committee is reflected below:

Decision:	Approved
Conditions (if applicable):	
Period of approval:	November 2018 – May 2019

The approval is subject to the researcher abiding by the principles and parameters set out in the application and research proposal in the actual execution of the research. The approval does not imply that the researcher is relieved of any accountability in terms of the Codes of Research Ethics of the University of Pretoria if action is taken beyond the approved proposal. If during the course of the research it becomes apparent that the nature and/or extent of the research deviates significantly from the original proposal, a new application for ethics clearance must be submitted for review.

We wish you success with the project.

Sincerely



pp PROF JA NEL
CHAIR: COMMITTEE FOR RESEARCH ETHICS

cc: Dr A Mazenda
Student Administration

(b) City of Johannesburg Clearance



City of Johannesburg
Department of Corporate & Shared Services
Office of the Group Head: Group Human Capital Management

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Memorandum

TO : Tinashe Mushayanyama
University of Pretoria

FROM : Enoch Mafuyeka
Deputy Director: Employee Relations and Development

DATE : 18 September 2018

SUBJECT : **RESPONSE ON THE REQUEST TO CONDUCT A RESEARCH ON TOPIC "CREATING AN ENABLING POLICY ENVIRONMENT FOR GROWING THE MIDDLE CLASS: THE CASE OF THE CITY OF JOHANNESBURG METROPOLITAN MUNICIPALITY"**

The above matter refers to the letter received on the 18 September 2018 in which a request was made to conduct a research in the City of Johannesburg.

I, Enoch Mafuyeka, as delegated authority of the City of Johannesburg Municipality (the City), here by give permission to the primary researcher, Tinashe Mushayanyama, who is a student at the University of Pretoria the following:

1. To collect and publish information about the City is publically not available:
2. For the research project titled: Creating an enabling policy environment for growing the middle class: the case of the City of Johannesburg Metropolitan Municipality. This authorization is based on mutual understanding that the City's name can be revealed in her/his project.

The information provided by the employees or any other means (such as company's archived documents or reports) of the City is purely for academic purposes and cannot be used for any other purpose.

Please note that on completion of the study, a copy of the research report should be submitted to the City of Johannesburg in honour of your commitment.

The City of Johannesburg wishes you the best during the period of research.

Please do not hesitate to contact us if we can be of further assistance.

Kind Regards


Enoch Mafuyeka
Deputy Director: Employee Relations and Development
Tel: (011) 407-7250
Email: Enochm@joburg.org.za

20/09/2018

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