Growth of the middle class: Two perspectives that matter for policy

Justin Visagie

Two very different pictures emerge when one compares income changes of the relatively affluent ‘middle class’ with those of households in the literal middle of the income spectrum. In the affluent middle there has been significant racial transformation and growth of the ‘black middle class’. However, households in the actual middle of the income spectrum have experienced the lowest income growth of all groups since 1993. Both perspectives are crucial in the pursuit of a more equitable path of development and have important implications for policy design.

Keywords: middle class; affluence; middle strata; income growth; inequality