

Perceptions of affirmative action: an empirical study

Trevor Amos,^{1*} Richard Scott, J. William²

Department of Management, Rhodes University, Grahamstown, 6140 Republic of South Africa

Judith Scott³

Department of Marketing, Metropolitan State College, Denver, Colorado 80217, United States of America

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Private and public South African employers have instituted affirmative action policies meant to provide employment opportunities to Black South Africans. A body of literature suggests that because of affirmative action policies Black hopes have been raised while Whites view such policies as having a negative impact on their opportunities. However, no extant literature details an empirical investigation of these suggestions. Therefore, this study focusses on the affirmative action perceptions held by 350 South African university commerce students.

Suid-Afrikaanse werkgewers van beide die private en die openbare sektore het 'n beleid van regstellende aksie in werking gestel met die doel om werkseleenthede aan Swart Suid-Afrikaners te verskaf. 'n Verskeidenheid navorsingsliteratuur gee voor dat die proses aanleiding gegee het tot verhoogte verwagtings onder Swart Suid-Afrikaners, terwyl Blanke Suid-Afrikaners sulke optrede as nadelig vir hul werkseleenthede beskou. Nietemin blyk dit dat geen navorsingsliteratuur wat op ervaring gegrond is eintlik voor die hand liggend is nie. Die klem van hierdie studie val dus op die persepsies van 350 Suid-Afrikaanse studente in die ekonomiese en bestuurswetenskaplike veld ten opsigte van regstellende aksie.

*Author to whom correspondence should be addressed.

Introduction

Relative to its southern African neighbours the Republic of South Africa is an economic dynamo. South Africa's prowess is evidenced by comparing its economic activity with that of its eleven fellow member states of the Southern African Development Community (SADC) – Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Swaziland, Tanzania, Zambia, and Zimbabwe. Such a comparison shows, according to the *Daily Dispatch* (1995), that South Africa's national budget, currently about 30% of its Gross Domestic Product (GDP), is about as large as the total GDP of the other eleven members of the SADC combined. Further, South Africa's GDP per capita is more than twice as high as the next best country, Mauritius, and about 25 times greater than the SADC member state with the lowest, Mozambique.

Employment and income distribution

With the above economic indicators in hand, a casual observer would likely regard South Africa's economy as rich and robust. Compared to other sub-Saharan countries it is. But as any student of economics knows, statistics often do not paint a true portrait of a nation's wealth, especially when analysing how wealth is distributed. Distribution of jobs and income among its racial/ethnic groups is where South Africa has a *big problem*.

Shortly after he was released from prison in early 1990, Nelson Mandela candidly observed, 'You say (the South African economy) is inherently strong. How can that be when it fails to employ half of those who wish to work?' The problem seems to be even more acute than Mandela's observation. In fact, according to the *Financial Mail* (1994: 6) about 80% of South Africa's Black population is unemployed (as used here the term 'Black' includes Africans, Coloureds [people of mixed race], and Asians that is, all non-whites.) Also, according to the same edition of the *Financial Mail*, if current trends

continue, for every ten young Blacks who enter the formal job market, less than one of those will succeed in finding a job.

Supporting this contention is 1993 research reported by the *South African Institute for Race Relations* (1994), which details that three million (52%) of the people between the ages of 16 and 30 years who were able to work were not employed. Altogether 57% of Black South Africans, 46% of young Coloured people, 17% of young Indians and 4% of young Whites fell into this category. It should be kept in mind, however, that South Africa has no comprehensive system for the registration of unemployment, which means that there is no true measure with respect to the extent of unemployment in the country.

Any discussion concerning South Africa's employment and income distribution problems requires some information about its demographics. In that vein, South Africa's total population is just over 40 million. Of this total, 76.1% is Black, 12.8% White, 8.5% Coloured, and 2.6% is Asian. Personal disposable income (personal income less direct taxes) for Whites is 48.9%, 38.3% for Blacks, Coloureds 8.9%, and for Asians, 3.9%. Measured against White income, the average Asian will receive 49% of the average White's income, the average Coloured 27%, and the average Black 13% (Bureau of Market Research, 1994).

With respect to the representation of these groups in managerial positions, a study of 70 large companies, whose combined workforce represents nearly 700 000 employees, found that Whites occupied 93.34% of all management positions, Blacks 2.5%, Coloureds 2.02%, and Asians 2.14% (Bowmaker-Falconer & Horwitz, 1994).

Interim constitution and affirmative action

Inequality between White South Africans and other racial and ethnic groups pinpoint the width of the gulf between the grinding poverty of most of South Africa's non-white population and the massive wealth owned by its White citizens. This is nearly as true today as it was 25 years ago.