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‘Black Tax’ – Blacks raised with a sense of responsibility for larger family, UCT study finds



Malilimalo Phaswana

Photo: Supplied

Familial financial support – often referred to as ‘Black Tax’ – is very common among Black South Africans. It teaches and expects of family members to contribute to the general good of the extended family.

In seeking to understand this phenomenon better, a University of Cape Town (UCT) PhD study found that Black South African culture doesn’t really subscribe to the Western idea of a “nuclear family” made up only of parents and their children. Instead, family networks are

much broader and inclusive, with many people regarded as mothers, fathers, brothers and sisters.

“From childhood, individuals are raised with a deep sense of responsibility to contribute to the success of this larger family network. This cultural value system makes financial support not just common but expected,” Malilimalo Phaswana contends in his PhD thesis, titled: “Black Tax – Stories of family financial socialisation in the context of familial financial support”.

Phaswana will graduate for his PhD in [Accounting](#) at UCT’s Sarah Baartman Hall on Wednesday, 10 September 2025.

The term Black Tax is often associated with professionals, entrepreneurs and those who are well off in their family circle and are generally expected to ease the ‘burden’ of their families.

It stems from historical and systemic inequalities like apartheid, which created generational poverty. Some see it as an extension of the cultural philosophy of ubuntu, collectivism and shared responsibility. In contrast, others view it as a financial strain hindering personal wealth accumulation.

About his choice of subject, Phaswana said: “I was inspired by the generosity and solidarity I’ve witnessed in Black families, both in my own life and in the lives of friends and others around me. We live in societies shaped by Western ideals, which often fail to explain why someone would put the needs of a distant uncle or cousin before their own. I felt that a study centred on Black African families was necessary to give us real insight into this cultural phenomenon.”

He hopes his research will illuminate the richness and complexity of Black South African culture, particularly how it shapes financial behaviour. “By appreciating these cultural nuances, we can start to address some of the financial challenges that Black South Africans face in ways that are more relevant and empathetic,” he added.

“A better understanding of how culture influences financial decisions can help Black South Africans reflect on their own relationship with money and make more informed choices. At a broader level, governments, businesses, NGOs and other institutions will be better equipped to design policies, products and programmes that actually meet the financial realities of Black South African communities,” said Phaswana.

He highlights the role played by women in this complex familial financial phenomenon. “Women often play a central, sometimes overlooked, role in coordinating financial support within families. Even where men were formally considered the head of the household, it was women who were more attuned to identifying needs and organizing support,” he explained.

“While giving financial support can limit an individual’s financial freedom, many participants didn’t see it as a burden. Instead, they defined success less in terms of individual advancement and more in terms of shared family upliftment,” he emphasised.

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