

International Journal of Development and Sustainability
ISSN: 2186-8662 - www.isdsnet.com/ijds
Volume 15 Number 4 (2026): Pages 424-443
https://doi.org/10.63212/IJDS25091502

ISDS JOURNALS

Stokvels as catalysts for financial inclusion and poverty reduction: A literature-based review

Sibabalwe Kela*, Sareesha Pillay, Thanduxolo Fana

Public Management and Leadership, Nelson Mandela University, Port Elizabeth, South Africa

Received: 15 September 2025 | Revised: 18 February 2026 | Accepted: 16 March 2026 | Published: 13 August 2026

Abstract

Rural development is crucial for national stability and inclusive economic growth, particularly in South Africa, where poverty is prevalent in rural areas with limited access to formal banking. Stokvels, informal community financial systems, are designed to address these financial needs and empower marginalised groups. This paper examines the role of stokvels in promoting financial inclusion and alleviating poverty in rural communities through a qualitative desktop research analysis of scholarly articles and institutional reports from 2017 to 2025. Thematic analysis reveals that stokvels improve financial access by providing loans, promoting savings, and offering informal social security, while also fostering interpersonal relationships and community support. However, challenges such as poor management, lack of regulations, financial literacy issues, and payment delays hinder their effectiveness. The study concludes that stokvels have significant potential to integrate impoverished individuals into the economy but require targeted support for optimisation. Recommendations include formal recognition through legislation, financial management education, leadership development, and the utilisation of digital technology to enhance transparency and efficiency. By integrating stokvels into the broader financial ecosystem, they can make a significant contribution to economic growth and rural transformation in South Africa. This research consolidates evidence on stokvels, highlighting structural limitations and policy gaps in governance and regulation.

Keywords: Stokvels; Financial Inclusion; Poverty Alleviation; Rural Communities; Economic Growth

Published by ISDS LLC, Japan | Copyright © 2026 by the Author(s) | This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.



Cite this article as: Kela, S., Pillay, S. and Fana, T. (2026), "Stokvels as catalysts for financial inclusion and poverty reduction: A literature-based review", *International Journal of Development and Sustainability*, Vol. 15 No. 4, pp. 424-443.

* Corresponding author. *E-mail address:* s225836181@mandela.ac.za

1. Introduction

Stokvels represent informal financial institutions in developing nations that offer critical credit, savings, and insurance services. According to Mabitje-Thompson (2024), these self-help groups collectively pool resources to meet daily poverty and income instability needs. Henama et al. (2022) highlight their contribution to advancing financial inclusion for vulnerable populations, safeguarding them against exploitative financial services. Maseng (2022) notes that stokvels offer working-class individuals access to affordable financial products. Adinolfi, Harilal, and Giddy (2021) emphasise the role of community-building in conflict resolution and the determination of members. Poverty in South Africa is a critical concern, especially in rural regions, intensified by economic factors such as corruption, unemployment, and inequality. The government has launched the National Development Plan (NDP) and the Expanded Public Works Plan (EPWP) to foster economic growth and enhance black economic empowerment. Structural economic challenges continue to persist despite these efforts. This paper examines the role of stokvels in promoting financial inclusion and alleviating poverty in rural communities, with a focus on their impact on marginalised populations and community development. The paper is structured into distinct sections: the introduction offers context and outlines the research focus; the literature review highlights existing research gaps; the methodology describes the research design and data collection processes; the findings and discussion interpret the results; and the conclusion encapsulates key findings while proposing directions for future research.

2. Research methodology

This paper employed an extensive literature analysis, alongside desktop research methods, to examine the effect of stokvels on enhancing financial inclusion and alleviating poverty in rural regions. The literature review focused on academic papers, governmental initiatives, and institutional reports published between 2017 and 2025. The collected data were categorised according to key themes pertinent to the paper: the influence of poverty on rural communities, the difficulties encountered by these communities in obtaining financial services, the function of stokvels in meeting financial needs and alleviating poverty, the barriers faced by stokvels in fostering financial inclusion, and approaches for utilising stokvels to mitigate poverty. These topics guided the selection and study of pertinent literature and data sources to ensure a focused and cohesive examination of the subject.

This paper employed a qualitative, descriptive desktop research methodology, which is appropriate for examining complex social and economic phenomena in rural settings. The methodology was chosen to rigorously analyse the function of stokvels in advancing financial inclusion and alleviating poverty among marginalised rural communities in South Africa. This research, conducted as a desktop study, depended exclusively on the analysis of available secondary data sources, including academic journal articles, government publications, institutional reports, and policy papers. Thematic analysis was employed to identify recurring patterns, linkages, and insights within the selected sources. This technique corresponds with this paper's primary objective, which is to critically analyse the transformative impact of stokvels on rural financial exclusion and to provide evidence-based solutions for augmenting their role in poverty alleviation. In accordance with Braun and Clarke's six-phase methodology for thematic analysis, the reviewed literature was initially read multiple times to acquire familiarity. Subsequently, preliminary open coding was conducted to identify recurring themes, patterns, and issues related to rural poverty, financial exclusion, and informal

financial practices. Analogous codes were consolidated and enhanced into larger clusters. The groups were further analysed and integrated into larger themes. Themes emerged inductively from the data, determined by their frequency, analytical relevance, and connection to the study's aims. The concluding themes illustrate the predominant patterns observed across many sources and serve as the foundation for the findings.

3. Theoretical framework

3.1. Systems theory of financial inclusion

The Systems Theory of Financial Inclusion, formulated by Dr Peterson K. Ozili, provides a paradigm for comprehending financial inclusion via systems thinking (Ozili, 2025). Presented in his paper published in January 2025, the theory asserts that financial inclusion is crucial for the functioning of economic, financial, and social subsystems (Ozili, 2025). It contends that attaining financial inclusion has a positive impact on these subsystems and the entire economy, which is notably advantageous for individuals and enterprises that are financially included. The theory emphasises the importance of enhancing financial inclusion for rural populations, indicating that it may benefit the systems they rely upon. Utilising this theory enables academics and policymakers to better understand the interrelated dynamics of financial systems, particularly in addressing the financial inclusion issues faced by rural households (Sikarwar et al., 2024).

This paper identifies stokvels as informal financial sub-systems in rural communities that improve financial accessibility for marginalised populations. Ozili's thesis posits that including rural individuals in financial sub-systems via stokvels can yield substantial economic and social advantages, including enhanced household financial stability, improved investment access, increased community resilience, and poverty reduction. The paper underscores the significance of stokvels as essential elements of a comprehensive economic and social framework, adept at mobilising resources and promoting inclusive engagement, by the systemic dynamics articulated by Ozili.

4. Findings

The thematic analysis yielded five interrelated themes demonstrating how stokvels function as mechanisms for financial inclusion and poverty alleviation in rural South Africa. These themes emerged from persistent trends seen in the analysed literature, highlighting both systemic constraints and community-led initiatives. The themes encompass: (1) the impact of poverty on rural communities; (2) challenges faced by rural communities in accessing financial services; (3) the role of stokvels in addressing financial needs and poverty reduction; (4) obstacles faced by stokvels in promoting financial inclusion; and (5) strategies for leveraging stokvels to reduce poverty. Subsequently, each topic has been comprehensively discussed, detailing its origins based on the sources that were examined.

4.1. Impact of poverty on rural communities

The literature concurs that poverty in South Africa transcends mere financial insufficiency. It is a multifaceted issue that has persisted for a considerable period. Despite being a member of the BRICS group and classified

as a middle-income nation, South Africa continues to face persistent developmental challenges, including poverty, inequality, and unemployment (Gumede, 2021a). The African or black population, particularly in rural regions, encounters these issues more acutely than any other group. The COVID-19 pandemic did not create new vulnerabilities; instead, it exposed and exacerbated pre-existing structural deficiencies, leading to increased poverty rates and job losses (Mdluli and Dunga, 2022). This convergence in the studies highlights the structural attributes of rural poverty and the limited resilience of existing socio-economic support systems.

Poverty is consistently described in numerous studies as a condition shaped by the interaction of individual, household, community, and regional factors. Ngepah et al. (2023) argue that deprivation stems not only from inadequate income but also from limited access to essential services, including housing, electricity, water, and sanitation. Gumede (2021b) identifies unemployment, educational attainment, gender, income, and household size as factors that exacerbate poverty. The relationship among these difficulties is cumulative disadvantage. Restricted access to services impedes human development, subsequently hindering employment opportunities and income generation.

The literature consistently demonstrates a strong correlation between poverty and food insecurity in African environments. Numerous studies indicate that impoverished households often lack access to nutritional food, resulting in malnutrition and stunted growth, especially in children (Tambe et al., 2023; Masuku et al., 2023). This study highlights the inadequacy of food systems and social safety nets in safeguarding rural households, underscoring the need for sustainable agricultural practices and targeted measures to ensure food security.

Health and education serve as primary conduits for the intergenerational perpetuation of poverty. Restricted access to healthcare heightens susceptibility to preventable diseases and mortality (Ye and Koch, 2021), whereas insufficient investment in healthcare infrastructure intensifies these consequences (Muswubi, 2024). Likewise, limited access to quality education perpetuates economic stagnation and constrains upward mobility (Ngubane et al., 2023). The literature widely acknowledges the transformative power of education; nonetheless, a significant gap persists concerning the efficacy of existing rural education programs in disrupting the cycle of poverty.

Numerous studies broaden the examination to include governance and political stability, indicating that poverty may lead to societal instability, displacement, and diminished state legitimacy (Oluwatayo and Babalola, 2020). Good governance is considered an essential prerequisite for poverty alleviation, as it facilitates transparent resource allocation and efficient policy implementation (Dagume, 2021). These findings collectively indicate that poverty in rural South Africa is perpetuated by interconnected structural causes, underscoring the need for integrated, multi-sectoral solutions rather than discrete policy approaches.

4.2. Challenges faced by rural communities in accessing financial services

The literature consistently indicates that structural and institutional barriers, rather than individual choices, hinder individuals in rural areas from accessing financial assistance. Previous research constantly demonstrates that marginalised groups, namely, the impoverished, women, youth, and older people, are persistently excluded from formal financial systems (Sharizan et al., 2021). A key issue leading to this exclusion is the lack of productive assets or property that can serve as collateral, causing banking institutions to classify rural households as high-risk and unviable clients (Abdu and Adem, 2021; Hidayat and Sari, 2022). In Africa,

several individuals, particularly those residing in rural regions and engaged in labour, utilise informal financial sources due to their inability to get formal credit records (Solanki and Chhikara, 2024). This reinforces the cycle of exclusion, as informal employment and inadequate remuneration hinder access to formal financing, while the absence of formal finance obstructs the pursuit of well-paying positions. The scholarship acknowledges that rural families are often trapped within structurally constrained financial institutions.

Educational attainment and financial literacy are frequently identified as significant mediating variables. Elevated illiteracy rates impair comprehension of financial goods and hinder engagement with written financial documents (Khan et al., 2022; Simatele and Maciko, 2022). The Global Findex database provides empirical evidence for this correlation, showing that individuals with higher education levels in sub-Saharan Africa are more likely to engage with formal banking services (Njanike and Mpofu, 2024). Nevertheless, even among literate individuals, apprehension regarding financial systems persists, particularly among women, who often rely on informal networks to obtain financial services (Mhlanga and Denhere, 2020). Despite widespread agreement on the importance of education and literacy, a significant gap remains in understanding the adequate provision of financial education in rural areas with limited institutional presence. This disparity renders community-based financial instruments such as stokvels increasingly vital.

4.3. Role of Stokvels in addressing financial needs and poverty reduction

Scholarly consensus indicates that stokvels serve as significant informal financial instruments in South Africa's initiatives to enhance economic inclusion. Stokvels operate outside formal regulatory structures while delivering essential financial services to marginalised communities. They are widely recognised in the international framework of financial inclusion as access to affordable and sufficient financial services (Nasution et al., 2022).

Stokvels have historically emerged as adaptive responses to exclusion from formal financial systems, evolving from early stock fairs to burial societies and various savings organisations (Armstrong, 2022; Koenane, 2019; Gwamanda, 2019). The predominance of women in stokvel membership is typically attributed to systemic poverty, unemployment, and marginalisation in the formal economy (Ngobeni, 2020). This historical trajectory demonstrates that stokvels are not mere occurrences but rather deeply rooted responses to marginalisation.

Figure 1 illustrates that African people in South Africa have increasingly utilised informal savings methods over time. The graph shows that in 2013, more than 60% of Africans used informal savings methods, and this number rapidly increased to over 80% between 2020 and 2022. In contrast, the percentage of the general population using informal savings vehicles stayed steadily lower, going from less than 50% to about 60% over the same time frame. Although more people were able to open and use basic official accounts during this time, the number clearly shows that informal savings methods remain the most common, especially among African and low-income households. This pattern underscores the ongoing significance of stokvels and other informal financial arrangements in regions where conventional financial services are scarce, inadequate, or unsuitable for how households manage their finances.

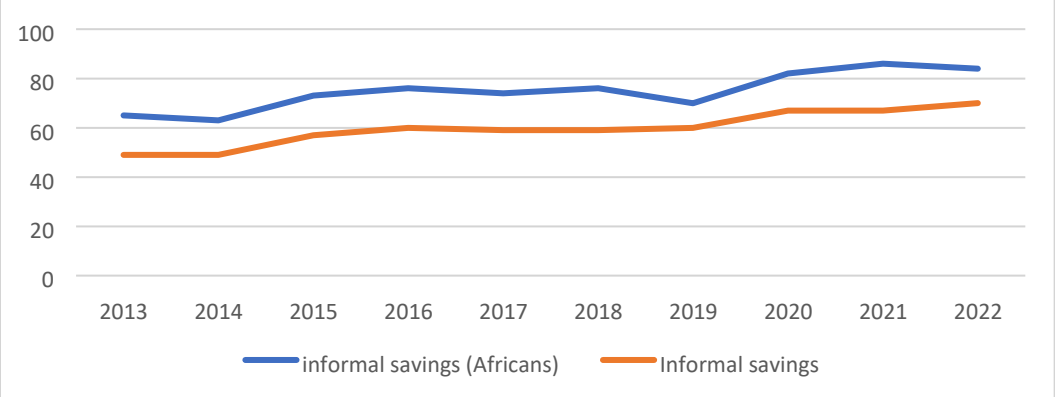


Figure 1. Percentage use of informal savings vehicles (Source: Data from Old Mutual Savings and Investment Monitor (2018, 2022).

4.3.1. Ability to save, invest, and meet basic needs

Research regularly shows that stokvels encourage disciplined saving through group contributions, which helps people avoid the impulse to spend money quickly (Ngomane, 2023; Masha and Fihla, 2025; Ngcobo and Sibindi, 2025). The method that makes this work is communal enforcement, which means that social accountability takes the role of governmental financial controls. Evidence suggests that stokvels play a crucial role in meeting essential needs, such as education, clothing, and food security, particularly for households with fluctuating incomes (Lukwa, 2024; Ngcobo, 2024).

However, the evidence differs on the extent to which stokvels promote long-term investment and wealth accumulation. Some studies underscore improvements in livelihoods (Iwara and Netshandama, 2021; Bophela, 2022), whilst others indicate a persistent consumption tendency. This disparity illustrates that people don't comprehend what makes stokvels go from smoothing out consumption to making investments that pay off.

4.3.2. Creation of social capital, moral support, and mutual assistance

There is considerable agreement that stokvels enhance social capital by reinforcing networks of trust, reciprocity, and mutual support (Wango, 2023; Asnake, 2024). These social mechanisms facilitate information sharing, emotional support, and collaborative problem-solving (Xu and Zhao, 2022; Mauti, 2020). Stokvels are founded on the principles of ubuntu and provide social protection that extends beyond mere financial transactions, particularly in times of hardship such as bereavement.

4.3.3. Bridging the gap for the unbanked

Stokvels offer a secure pathway for the marginalised to confidently access and utilise formal financial services (Mabitje-Thompson, 2024). Stokvels provide a vital source of informal financial services and a safeguard against exploitative practices for individuals marginalised or inadequately served by conventional financial institutions. They play a crucial role in bridging the financial gap, particularly in isolated regions, as a significant source of informal financial services and a safeguard against exploitative practices for individuals excluded or underserved by formal financial services. (Ntimbane, 2023). Stokvels are essential for reaching

unbanked individuals, especially in regions with limited access to formal financial institutions. These systems are intricately integrated within local communities and cater to individuals who may lack formal identification or sufficient income to engage with the formal financial sector. Consequently, they can serve as gateways for financially excluded individuals to embrace formal financial services, thereby cultivating incremental trust in the banking system.

4.3.4. Low entry barrier and flexibility

Dube and Edwell (2018) observe that black South Africans are viewed as underprivileged and financially marginalised, which hinders their capacity to meet financial obligations through official institutions such as banks. Informal savings mechanisms such as stokvels often have minimal entry barriers and adaptable participation conditions, making them suitable for low-income individuals and micro-entrepreneurs. Mbhekeni (2021) contends that stokvels substantially improve financial inclusion and access to financial products and services, and should not be perceived merely as a mechanism for economic security for the underprivileged. Ngcobo (2024) proposes that formal financial institutions develop customised solutions that include these flexible attributes, enhancing the attractiveness and accessibility of formal services for previously marginalised groups.

4.3.5. Digital financial inclusion

The emergence of mobile banking and FinTech presents an unparalleled potential to digitise informal savings systems (Rodima-Taylor, 2022). As mobile phone usage rises, especially in developing areas, digital platforms can formalise and expand these savings clubs, providing improved security, transparency, and efficiency (Iwara, 2022). Mobile platforms enhance financial inclusion by offering vital services, including savings, payments, and loans, to populations that previously lacked access to formal banking services. Nevertheless, the digital gap may exacerbate pre-existing inequities within the group. Individuals having superior access to ICTs and the proficiency to utilise them successfully may exploit these resources for personal gain, hence marginalising others (Tembo, 2023). ICTs in stokvels may present several problems, including the need for universal coverage in certain rural regions, which hinders the national implementation of ICT programs, as noted by Harrisberg and Mensah (2022). Consequently, governmental incentives may be necessary to expand network access to isolated populations where such services can have a substantial influence.

4.4. Obstacles faced by Stokvels in promoting financial inclusion

4.4.1. The lack of formal regulation

The regulatory environment in South Africa has a profound impact on the operation and evolution of stokvels. Despite operating outside the formal banking system, Stokvels are subject to particular regulatory scrutiny (Gwamanda, 2019). The lack of control poses concerns due to the absence of a legal framework that protects members from potential fraud or mismanagement of funds (Demirguc-Kunt et al., 2017). Members must rely on the group's reputation and confidence to ensure the security of their assets. This core problem obstructs poverty eradication through stokvels in South Africa. Stokvels operate outside official financial institutions and are not regulated by authorities such as the Financial Sector Conduct Authority (FSCA) (Greyling and Verhoef,

2017). The lack of regulation heightens risks for participants, as there are no defined mechanisms to protect their investments or resolve disputes. The lack of institutional restrictions in Stokvels encourages behaviours that violate Ubuntu's ideals, mainly because of the high interest rates charged by these organisations (Groenewald, 2017). The problems pose a substantial threat to the future of stokvels in South Africa.

4.4.2. Lack of financial literacy

The literature concurs that the long-term sustainability and growth potential of stokvels are significantly undermined by a deficiency in financial acumen (Dube and Edwell, 2018). An empirical study indicates that most stokvel participants possess qualifications no higher than a matriculation level, thereby constraining their ability to navigate more complex financial processes (Ngcobo and Chisasa, 2018). Thus, Ngcobo and Chisasa (2018) advocate for the systematic integration of financial literacy into training programs for governmental and economic entities. Mulaudzi (2017) asserts that educating individuals about finance is crucial for assisting stokvel members in transitioning from expenditure to investment and wealth accumulation. Unlike global trends, South African stokvels predominantly focus on consumption, prioritising immediate necessities over long-term wealth growth (Mulaudzi, 2017). Socio-cultural saving practices and persistent economic insecurity may influence this orientation.

Despite these challenges, stokvels have demonstrated potential for evolution throughout time. They have evolved from early stock fairs into diverse informal financial arrangements that remain beneficial in a modernising economy (Van Wyk, 2017). As South Africa's financial industry expands and demand for capital increases, stokvels are expected to remain a significant and accessible source of funding, particularly for individuals unable to secure it through formal channels (Kolweni, 2023). Enhancing the financial literacy of these populations remains crucial to ensuring their sustained effect on the economy.

4.4.3. Poor governance and leadership

Stokvels, community-oriented savings and investment collectives, are primarily formed to enhance financial inclusion, alleviate poverty, and promote community development. Nonetheless, they face the challenge of inadequate leadership and governance frameworks (Maziriri et al., 2024). This governance weakness creates vulnerabilities that can be exploited by influential individuals, leading to decision manipulation and excessive influence over others. These dynamics frequently lead to internal disagreements, resource mismanagement, and finally, the organisation's dissolution (Mubangizi, 2021).

The longevity and effectiveness of stokvels depend on competent leadership, which is essential for providing strategic direction, setting realistic goals, and guiding members toward achieving these aims (Ardener and Burman, 2024). Effective leaders demonstrate inclusion, transparency, and practical communication skills, which foster member engagement in decision-making processes (Makgato and Mudzanani, 2019). Augmented member engagement bolsters confidence in leadership and fosters active participation in the stokvel's prosperity. Nonetheless, a considerable issue persists due to inadequately defined leadership criteria, since organisations frequently neglect to assess the fundamental traits necessary for leadership positions. Members must evaluate skill sets, availability, experience, and competency when selecting candidates for critical roles (Rachekhu and Makgamatha, 2022). The lack of procedures for objectively evaluating leadership performance is a significant concern.

4.4.4. Defaulting members

Stokvels, community-oriented savings groups common in South Africa, encounter substantial obstacles in combating poverty, especially in rural regions, mainly due to member defaults on contributions (Yimer, 2025). These groups operate based on a mutual agreement, where members periodically contribute a specified sum, facilitating access to funds via a rotational or need-based mechanism. Nonetheless, when members neglect their financial responsibilities, it disrupts the entire savings cycle, resulting in a diminished amount of money available for loan or distribution (Tan and Savani, 2022). This disruption jeopardises the financial stability of the stokvel. It poses risks to other members, who may be compelled to augment their contributions or postpone anticipated payouts, ultimately impeding ongoing participation and threatening the group's sustainability (Nkem and Tengeh, 2018; Iwara et al., 2021).

Furthermore, the problem of defaulting undermines the fundamental confidence that supports the operation of stokvels. Trust and openness are crucial for maintaining group cohesion and fostering members' confidence in their commitments (Nkem and Tengeh, 2018). Repeated defaults may lead to internal discord, diminished morale, and, in extreme cases, the disbandment of the stokvel (Abaho et al., 2022; Asah and Louw, 2021). The failure to sustain regular payments undermines the stokvels' ability to facilitate income-generating endeavours or address emergency needs, which are essential for alleviating poverty among members.

4.4.5. Poor record-keeping

Insufficient record-keeping is a significant factor that diminishes the effectiveness of stokvels in combating poverty, particularly among rural and underprivileged populations. Stokvels often rely on informal documentation techniques, such as handwritten notes or verbal agreements (Ncoliwe, 2019). The absence of structured and precise record-keeping can lead to substantial problems, including inconsistencies in financial contributions, overlooked payments, and conflicts among members regarding distributions or obligations (Banda et al., 2025). The failure to maintain accurate records obstructs the monitoring of contributions, administration of loans, and evaluation of the group's financial status, ultimately compromising financial accountability and transparency, which are crucial for preserving member trust and ensuring the long-term sustainability of these groups (Nalane and Sekantsi, 2020).

Furthermore, inadequate record-keeping negatively impacts decision-making processes inside stokvels. Leaders frequently encounter difficulties making informed financial decisions due to unreliable data, which can result in inefficiencies and potential financial losses (Nyathi, 2017). This difficulty is intensified in rural regions, where literacy and economic education are often constrained.

4.4.6. Lack of clear operational structures

Mathuva's (2022) research emphasises the crucial importance of well-defined operational frameworks in enhancing the efficiency and efficacy of stokvels, particularly in their capacity to alleviate poverty. Burlando, Canidio, and Selby's (2021) research indicates that numerous stokvels operate informally, lacking critical elements such as official constitutions, delineated member responsibilities, and established operational protocols. The lack of institutional governance leads to ambiguity in decision-making, inconsistent rule enforcement, and an increased risk of mismanagement and internal conflicts, as noted by Bouman (2021).

This ambiguity undermines leadership accountability and lowers trust and cohesion among members, potentially leading to conflicts regarding financial management and distribution schedules, which may threaten the stability and sustainability of the stokvel (Panman et al., 2022).

The absence of defined operational frameworks severely impedes stokvels' capacity to expand or collaborate with formal financial institutions, highlighting the need for openness, codified policies, and organisational accountability (Danso-Wiredu, 2021). Operational clarity is essential for implementing adequate internal controls and assessing financial risks.

4.5. Strategies for leveraging Stokvels to reduce poverty

4.5.1. Community support

The robust community support inherent in stokvels is essential for facilitating poverty alleviation through these informal savings mechanisms. Engagement in a stokvel fosters a communal identity and collective objective among participants, thereby augmenting emotional and financial support (Dube, 2018). This community-focused approach often leads to improved financial discipline, shared accountability, and a willingness to assist fellow members during challenging times. Members can utilise collective financial resources and gain from frequent engagements that improve financial literacy and decision-making abilities (Gwamanda, 2019). The social setting of stokvels facilitates peer learning, allowing seasoned members to share insights on budgeting, saving, and investing with less experienced individuals (Lukwa et al., 2024).

This collaborative support facilitates poverty alleviation by protecting against economic disruptions, such as unemployment, health crises, or funeral costs, which can intensify personal poverty when faced alone. The social nature of stokvels helps mitigate emotions of loneliness and financial strain common in under-resourced areas (Zondo, 2017). Support structures facilitate educated financial decision-making among members, improving their potential for economic resilience and ongoing empowerment.

4.5.2. Social cohesion and trust among members

Social cohesion and trust are fundamental prerequisites for the effective operation of stokvels. Informal finance systems function efficiently owing to strong human interactions, transparency, and accountability (Maseng, 2022). Trust among members' fosters reliable contributions and adherence to established regulations and timelines. Fostering reciprocal trust reduces the likelihood of default and promotes a culture of dependability and respect, often lacking in formal financial institutions (Zhakata and Wayi-Mgwebi, 2023).

The trust built among stokvels promotes enduring commitment and enhances group stability. Member engagement is positively associated with the sustainability of the savings model (Tau, 2020). Moreover, during periods of financial distress, the strong social ties among members enable the adoption of adaptable solutions, such as payment deferrals, interest-free loans, or cash reallocation techniques, which are rarely available in conventional banking systems (Mushonga et al., 2019). These characteristics make stokvels particularly important in low-income communities where access to official finance is limited, and social networks are vital for survival. The social cohesiveness intrinsic to stokvels surpasses simple money donations, often seen in extensive community development initiatives, such as joint investments in small businesses and support for

members' families' educational and healthcare needs. This concerted effort strengthens community ties and promotes holistic poverty alleviation by addressing economic and social well-being dimensions (Muzeza, 2023).

4.5.3. Financial literacy and skills development

Financial literacy and capacity-building efforts are crucial for the success and sustainability of stokvels. Providing members with expertise in budgeting, record-keeping, interest computation, and investment methods enhances their ability to manage group finances efficiently (Ntambwe, 2020). This leads to superior decision-making, reduced financial mismanagement, and increased returns for stakeholders. Financial management training enhances the group's openness and accountability, enabling members to efficiently oversee transactions and maintain accurate records (Bambeni, 2021).

These abilities are applicable beyond the stokvel environment, augmenting members' personal and household financial empowerment. Financial literacy enables individuals to engage with formal financial institutions, understand loan conditions, and develop saving and investment plans, enhancing their economic resilience (Kariuki and Ofusori, 2017). Lusardi and Mitchell (2023) argue that financial education within stokvels has promoted entrepreneurship and enhanced financial planning in underprivileged communities. Financial literacy is both a safeguard and a catalyst in the fight against poverty.

4.5.4. Technological advancements

The integration of technology into stokvel operations has revolutionised the efficacy of these informal financial entities. Digital technologies, such as mobile banking applications, WhatsApp groups, and online bookkeeping platforms, have enhanced transparency, security, and efficiency in stokvel transactions (Gazu, 2024). These instruments reduce the risk of mismanagement or fraud by providing digital evidence and real-time oversight of donations and withdrawals (Masoka, 2022). Moreover, technology has enhanced the accessibility of stokvels by enabling remote participation, especially for members in rural or geographically isolated areas (Shipalana, 2019). Mobile money services and fintech platforms facilitate contributions and access to funds without necessitating actual encounters, which is especially beneficial in the post-COVID-19 context (Chigada and Hirschfelder, 2017). Technological advancements have promoted inclusivity, allowing younger, tech-savvy individuals to participate in stokvels and adopt creative strategies (Landman and Mthombeni, 2021). Technology has updated stokvels, augmenting their attractiveness and viability in the current economic environment (Dlamini, 2023).

5. Discussion of findings

The findings of this study can be comprehensively interpreted using the Systems Theory of Financial Inclusion, which characterises financial inclusion as an interconnected framework of economic, social, and institutional subsystems. The analysis reveals that stokvels function as informal financial sub-systems that alleviate the exclusion of rural populations from conventional banking systems. Their effectiveness arises not from replacing formal finance, but from stabilising familial financial behaviour within constrained institutional frameworks.

5.1. The impact of poverty on rural communities

The findings suggest that poverty in rural South Africa is not merely a financial deficiency, but a systemic issue rooted in historical, institutional, and spatial imbalances. Rural poverty, when examined through the prism of the Systems Theory of Financial Inclusion, is attributable to issues within interrelated sub-systems, including labour markets, education, healthcare, and financial institutions. These systemic issues exacerbate one another, hindering individuals from accessing economic opportunities and formal financial services. The COVID-19 pandemic highlighted the fragility of these processes, exacerbating household vulnerability and demonstrating the limited efficacy of formal state efforts in rural areas to shield people from shocks. In this context, stokvels emerge as adaptable social and financial mechanisms that address some of the deficiencies in existing institutions. Stokvels enhance short-term household resilience and offer informal social protection by facilitating collective saving and mutual assistance. The findings indicate that stokvels cannot independently address the structural reasons of rural poverty. Their efficacy is hindered by significant structural shortcomings, particularly inadequate infrastructure, limited market access, and little governmental support. This underscores the importance of integrated rural development strategies that utilise stokvels within a comprehensive policy framework designed to address the root causes of poverty, rather than relying solely on community-based remedies.

5.2. Challenges faced by rural communities in accessing financial services

The analysis indicates that the challenges hindering financial access for individuals in rural areas are predominantly structural and institutional. From a systems approach, financial exclusion arises from a dissonance between the architecture of formal financial products and the socio-economic circumstances of rural households. Criteria such as collateral, consistent income, and formal documentation intentionally exclude individuals residing in rural regions, particularly women, youth, and those engaged in informal employment. This exclusion is exacerbated by inadequate financial literacy, hindering individuals' ability to utilise complex financial instruments, despite their technical availability. In this flawed system, stokvels serve as a remedy for the deficiency of formal banking by offering accessible and culturally relevant alternatives. Their emphasis on trust-centric governance, adaptable contribution frameworks, and social accountability facilitates participation among individuals who might otherwise be marginalised. Nevertheless, the findings suggest that the informal characteristics of stokvels limit their ability to offer a broader range of financial services, such as long-term lending or insurance. This indicates a structural deficiency in the financial inclusion system: stokvels facilitate access to funds within the community. At the same time, the absence of institutional connections hinders individuals from advancing in the financial hierarchy. Policy interventions should focus on unifying informal and formal financial subsystems rather than perceiving them as separate or competing entities.

5.3. The role of Stokvels in addressing financial needs and poverty reduction

The Systems Theory of Financial Inclusion posits that stokvels are informal financial sub-systems that assist families in managing their finances when they are excluded from the formal system. The findings demonstrate that stokvels primarily function as mechanisms for stabilising consumption and distributing risk, enabling

members to manage fluctuating incomes and withstand economic disruptions. These outcomes stem from social cohesion, peer oversight, and collective discipline, which serve as substitutes for the formal enforcement mechanisms employed by financial institutions. Despite these positive aspects, the analysis reveals a significant issue: the primary emphasis of stokvels on short-term spending constrains their capacity to alleviate poverty in the long term. This indicates that informal savings mechanisms and productive economic sub-systems, such as entrepreneurship, formal credit markets, and state development initiatives, are not well integrated. Stokvels can only endure in the absence of specific institutional support. To enhance the impact of stokvels on development, it is imperative to deliberately link them to income-generating strategies, educational programs for skill acquisition, and investment prospects. This will render them more than merely an instrument for obtaining immediate cash assistance.

5.4. Obstacles faced by Stokvels in promoting financial inclusion

The findings indicate that inadequate governance, insufficient financial literacy, member defaults, and poor record-keeping are significant issues that hinder the sustainability of stokvels. From a systems perspective, these issues indicate a lack of supportive institutional structures that may enhance the accountability and risk management of informal financial groups. Trust-based governance facilitates flexibility and inclusivity; nevertheless, it also increases the likelihood of mismanagement and conflicts, particularly as stokvels expand and become more financially intricate.

The lack of institutional oversight generates considerable strain. Regulation could enhance the credibility of stokvel activity and provide legal protection. Conversely, excessive formalisation may undermine the social trust essential for the effective functioning of stokvels. This contradiction signifies the need for hybrid governance structures that amalgamate community ownership with essential regulatory safeguards. To enhance the reliability of stokvels as financial entities within the broader inclusion framework, they require capacity-building initiatives aimed at cultivating leadership, financial management, and maintaining transparent records.

5.5. Strategies for leveraging Stokvels to reduce poverty

The findings indicate that stokvels can effectively alleviate poverty only when they are strategically integrated into the broader financial and developmental framework. Financial literacy and skills development are essential tools that empower individuals to manage their resources and engage effectively with formal financial institutions. From a Systems Theory of Financial Inclusion perspective, enhancing capability in this manner strengthens the linkage between informal and formal subsystems, thereby increasing the likelihood of individuals improving their financial circumstances. Technological improvements offer additional opportunities to enhance stokvel operations by promoting more transparency, efficiency, and scalability. Digital technologies such as mobile banking applications and online record-keeping systems mitigate the risks associated with inadequate management and enhance participation, particularly among younger individuals and those residing at a distance. We must exercise caution in pursuing digital inclusion due to infrastructural challenges and varying degrees of digital literacy in rural areas.

Policy interventions should therefore adopt a coordinated, multi-stakeholder approach that involves government, financial institutions, civil society, and development organisations. Stokvels can serve as

sustainable catalysts for rural economic empowerment if they are recognised as genuine financial entities, their institutional capacity is enhanced, and they are linked to broader economic opportunities.

6. Conclusions and recommendations

This paper demonstrates that stokvels function as critical grassroots financial mechanisms that enhance financial participation and economic resilience among rural and marginalised populations in South Africa. By facilitating collective saving, informal credit access, and mutual support, stokvels address gaps left by conventional banking systems and contribute to household-level financial stability. Their embeddedness within local communities enables inclusion of individuals who remain excluded from formal finance due to income insecurity, lack of collateral, or limited documentation. However, the findings also reveal that persistent structural challenges, including weak governance arrangements, limited financial literacy, inadequate record-keeping, and the absence of a supportive regulatory framework, constrain the developmental impact of stokvels. These constraints undermine trust, restrict scalability, and limit stokvels' ability to transition from consumption-oriented mechanisms to instruments of productive investment and long-term poverty reduction. From a policy perspective, the paper underscores the importance of recognising stokvels as legitimate financial actors within South Africa's broader financial inclusion ecosystem. Rather than pursuing heavy-handed formalisation, policymakers should adopt hybrid regulatory approaches that protect members' interests while preserving the social cohesion and flexibility that underpin stokvel success. Targeted capacity-building initiatives, particularly in financial literacy, leadership, and governance, are essential for strengthening stokvel sustainability. In addition, the strategic use of digital technologies offers opportunities to improve transparency, efficiency, and accountability, provided that digital exclusion in rural areas is addressed.

Future research should move beyond descriptive analyses to examine the conditions under which stokvels can support entrepreneurship, asset accumulation, and integration with formal financial institutions. Longitudinal and comparative studies are particularly needed to assess how institutional partnerships, digital platforms, and regulatory innovations influence stokvel performance and their contribution to inclusive rural development.

References

Abaho, E., Mindra, R., Agasha, E. and Balunywa, A. (2022), "Alternative business finance: insights from selected informal savings groups in Uganda", *African Journal of Economic and Management Studies*, Vol. 13 No. 2, pp. 268-283. https://doi.org/10.1108/AJEMS-11-2021-0490

Abdu, E. and Adem, M. (2021), "Determinants of financial inclusion in Afar Region: Evidence from selected woredas", *Cogent Economics & Finance*, Vol. 9 No. 1, p. 1920149. https://doi.org/10.1080/23322039.2021.1920149

Adinolfi, M.C., Harilal, V. and Giddy, J.K. (2021), "Travel stokvels, leisure on lay-by, and pay at your pace options: The post-COVID-19 domestic tourism landscape in South Africa", *African Journal of Hospitality, Tourism and Leisure*, Vol. 10 No. 1, pp.302-317. https://doi.org/10.46222/ajhtl.19770720-102

Ardener, S. and Burman, S. (2024), *Money-go-rounds: The importance of ROSCAs for women*, Taylor & Francis. https://doi.org/10.4324/9781003579939

Armstrong, A. (2022), "A South African Innovation in Economic Justice for Women", *Community Economies in the Global South: Case Studies of Rotating Savings and Credit Associations and Economic Cooperation*, Oxford University Press.

Asah, F.T. and Louw, L. (2021), "Formal financial institutions financing immigrant small and medium enterprises in South Africa", *Acta Commercii-Independent Research Journal in the Management Sciences*, Vol. 21 No. 1, p. 953. https://doi.org/10.4102/ac.v21i1.953

Asnake, A. (2024), "Informal savings and insurance associations: Advancing solidarity and key to a good life", *Saving and Being Safe Away from Home: Savings and Insurance Associations in Ethiopia and Its Diaspora*, Open Access Co-Publishing Network. https://doi.org/10.1515/9783839471272-004

Bambeni, N. (2021), "The role of social workers in facilitating financial capabilities development of vulnerable households", Doctoral dissertation, Stellenbosch University.

Banda, N., Matafwali, and Mwange, A. (2025), "Regulatory Frameworks for Village Banking and Financial Inclusion: Comparative Lessons from Africa, South Asia, and the Middle East", *East African Finance Journal*, Vol. 4 No. 1, pp. 76-97. https://doi.org/10.59413/eafj/v4.i1.5

Bophela, M.J.K. (2022), "Analysing Stokvels Development Through the Lens of a Layered Conceptual Framework", *Technium Soc. Sci. J.*, Vol. 29, p. 458. https://doi.org/10.47577/tssj.v29i1.5936

Bouman, F.J. (2021), "Informal saving and credit arrangements in developing countries: Observations from Sri Lanka", In: *Undermining rural development with cheap credit*, Routledge. https://doi.org/10.4324/9780429270178-24

Burlando, A., Canidio and Selby, R. (2021), "The economics of savings groups", *International Economic Review*, Vol. 62 No. 4, pp. 1569-1598. https://doi.org/10.1111/iere.12526

Chigada, J. and Hirschfelder, B. (2017), "Mobile banking in South Africa: A review and directions for future research", *South African Journal of Information Management*, Vol. 19 No. 1, pp. 1-9. https://doi.org/10.4102/sajim.v19i1.789

Dagume, M.A. (2021), "Factors influencing poverty in South Africa: Time series analysis", *International Journal of Economics and Financial Issues*, Vol. 11 No. 5, p. 86. https://doi.org/10.32479/ijefi.11629

Danso-Wiredu, E.Y. (2021), "Saving for one another: the informal economy of subsistence among the urban poor in Ghana", *Geographical Journal*, Vol. 86 No. 3, pp.1287-1299. https://doi.org/10.1007/s10708-019-10123-0

Demirguc-Kunt, A., Klapper, L., and Singer, D. (2017), "Financial inclusion and inclusive growth: A review of recent empirical evidence", Policy Research Working Paper, World Bank, pp. 1-27. https://doi.org/10.1596/1813-9450-8040

Dlamini, M.C. (2023), "The assessment of stokvels as a strategy for fighting hunger in the Umzingazi area", Available at: https://uzspace.unizulu.ac.za/items/ (Access 20 March 2026).

Dube, N. (2018), "Informal social security and its contributions towards meeting the needs of people experiencing poverty. The case of stokvels in Soweto, Johannesburg", Doctoral dissertation, University of Witwatersrand.

Dube, N. and Edwell, K. (2018), "Strengthening informal social security to provide meaningful social protection: The case of stokvels in Soweto", *Journal of Social Development in Africa*, Vol. 1, pp. 157-181.

Gazu, S.J. (2024), "The Role of Fintech in Improving Savings and Credit Institutions' Service Offering", Master's thesis, University of Johannesburg, South Africa.

Greyling, L. and Verhoef, G. (2017), "Savings and economic growth: a historical analysis of the Cape Colony economy", *Monetary History of Developing Regions*, Vol. 32 No. 2, pp. 127-176. https://doi.org/10.1080/20780389.2017.1327808

Groenewald, Y. (2017), "R49bn Stokvel economy", available at: https://www.fin24.com/Savings/News/r49bn-stokvel-economy-could-be-powerful-investment-tool-2017070 (Accessed 08 April 2024).

Gumede, V. (2021a), "Revisiting poverty, human development and inequality in democratic South Africa", *Indian Journal of Human Development*, Vol. 15 No. 2, pp. 183-199. https://doi.org/10.1177/09737030211032961

Gumede, V. (2021b), "Poverty in South Africa: The Oxford Handbook of the South African Economy", Oxford: Oxford University Press. https://doi.org/10.1093/oxfordhb/9780192894199.013.8

Gwamanda, M. (2019), "Why do South Africans use stokvels, and what barriers prevent participation in the formal financial sector?", Doctoral Thesis, University of Cape Town.

Harrisberg, K. and Mensah, K. (2022), "As young Africans push to be online, data cost stands in the way", available at: https://news.trust.org/item/20220614123128-f5ske (Accessed 09 February 2023).

Henama, U.S., Apleni, L., Phori, M.M., Maphanga, P.M., Mabaso, S.L. and Dlamini-Mnisi, X. (2022), "Inducing domestic tourism through stokvels in South Africa: post-COVID-19 tourism recovery in the global South", In: *Crisis Management, Destination Recovery and Sustainability*, Routledge, pp. 57-66. https://doi.org/10.4324/9781003295839-8

Hidayat, P. and Sari, R.L. (2022), "Linkage between financial inclusion and Indonesian welfare: recent evidence", *Cogent Business & Management*, Vol. 9 No. 1, p. 2108299. https://doi.org/10.1080/23311975.2022.2108299

Iwara, I.O. (2022), "Digital informal credit system for student entrepreneurship promotion in higher learning: the case of South Africa", In: *Digital Service Delivery in Africa: Platforms and Practices*, Cham: Springer International Publishing, pp. 163-186. https://doi.org/10.1007/978-3-030-83909-3_7

Iwara, I.O. and Netshandama, V.O. (2021), "Small-enterprise capital mobilisation and marketing in rural areas: A review synthesis of the Stokvel model", *Academy of Entrepreneurship Journal*, Vol. 27 No. 2, pp. 1-11.

Iwara, I.O., Adeola, O. and Netshandama, V.O. (2021), "Traditional savings association for entrepreneurial success in Africa: A case study of Rotative Stokvel enterprise", *Academy of Entrepreneurship Journal*, Vol. 27 No. 2, pp. 1-15.

Kariuki, P. and Ofusori, L.O. (2017, March), "WhatsApp-operated stokvels promoting youth entrepreneurship in Durban, South Africa: Experiences of young entrepreneurs", In: *Proceedings of the 10th International Conference on Theory and Practice of Electronic Governance*, pp. 253-259. https://doi.org/10.1145/3047273.3047397

Khan, F., Siddiqui, M.A. and Imtiaz, S. (2022), "Role of financial literacy in achieving financial inclusion: A review, synthesis and research agenda", *Cogent Business & Management*, Vol. 9 No. 1, p. 2034236. https://doi.org/10.1080/23311975.2022.2034236

Koenane, M.L. (2019), "Economic development in Africa through the stokvel system: 'our' indigenous way or 'theirs'", *Filosofia Theoretica: Journal of African Philosophy, Culture and Religions*, Vol. 8 No. 1, pp. 109-124. https://doi.org/10.4314/ft.v8i1.8

Kolweni, L. (2023), "Social capital and role of stokvels in the economic lives of poor people in Khayelitsha, Cape Town" (Doctoral dissertation, University of the Western Cape).

Landman, M. and Mthombeni, M. (2021), "Determining the potential of informal savings groups as a model for formal commitment saving devices", *South African Journal of Economic and Management Sciences*, pp. 1-12. https://doi.org/10.4102/sajems.v24i1.3940

Lukwa, A. (2024), "An assessment of the utilisation of stokvels or rotating savings and credit associations to influence healthy eating in South Africa".

Lukwa, A.T., Wayas, F.A., Lambert, E.V. and Alaba, O. (2024), "Stakeholder mapping to explore social and economic capital of Rotating Savings and Credit Associations (ROSCAs) to increase demand for and access to healthy food", *Frontiers in Sustainable Food Systems*, Vol. 8. https://doi.org/10.3389/fsufs.2024.1301578

Lusardi, A. and Mitchell, O.S. (2023), "The importance of financial literacy: Opening a new field", Journal of Economic Perspectives, Vol. 37 No. 4, pp. 137-154. https://doi.org/10.1257/jep.37.4.137

Mabitje-Thompson, M.S.A.M. (2024), "Essays on second-generation stokvels: Their essential role in promoting financial inclusion in South Africa", Doctoral dissertation, Stellenbosch University.

Makgato, M. and Mudzanani, N.N. (2019), "Exploring school principals' leadership styles and learners' educational performance: A perspective from high- and low-performing schools", *Africa Education Review*, Vol. 16 No. 2, pp. 90-108. https://doi.org/10.1080/18146627.2017.1411201

Mathuva, D. (2022), "Savings groups in Kenya: A Contextualised Literature Review on Savings Groups in Kenya", In: *Transforming Africa: How Savings Groups Foster Financial Inclusion, Resilience and Economic Development*, pp. 163-178. https://doi.org/10.1108/978-1-80262-053-520221013

Maseng, J.O. (2022), "Stokvels, Social Cohesion and Cyber Platforms in Post-Apartheid South Africa", *African* Renaissance (1744-2532), Vol. 19 No. 1.

Masha, A.K. and Fihla, S. (2025), "Alleviation of poverty through entrepreneurship in Savings and Credit Associations–Stokvels–a case study from South Africa", *Insights into Regional Development*, Vol. 7 No. 1, pp. 159-173. https://doi.org/10.70132/z7884944539

Masoka, X. (2022), "Social media used by selected stokvels to engage with stakeholders in South Africa", Doctoral dissertation, University of Johannesburg.

Masuku, M.M., Mthembu, Z. and Mlambo, V.H. (2023), "Gendered effects of land access and ownership on food security in rural settings in South Africa", *Frontiers in Sustainable Food Systems*, Vol. 7, p. 1158946. https://doi.org/10.3389/fsufs.2023.1158946

Mauti, N.J. (2020), "Social Capital and Savings Mobilisation in Co-Operative Societies, Nyamira County, Kenya", Doctoral dissertation, KeMU.

Maziriri, E.T., Nyagadza, B. and Maramura, T.C. (2024), "'Oh no! All my money is gone': The detrimental consequences of participating in stokvels among women entrepreneurs within the South African township economy", *Journal of Enterprising Communities: People and Places in the Global Economy*, Vol. 18 No. 5, pp. 1193-1219. https://doi.org/10.1108/JEC-05-2023-0081

Mbhekeni, Z.F. (2021), "Legal perspectives on the potential regulation of stokvels in South Africa", Doctoral dissertation, University of Johannesburg.

Mhlanga, D. and Denhere, V. (2020), "Determinants of financial inclusion in Southern Africa", *Studia Universitatis Babes-Bolyai*, Vol. 65 No. 3, pp. 39-52. https://doi.org/10.2478/subboec-2020-0014

Mubangizi, B.C. (2021), "Rural Livelihoods in South Africa", *Administratio Publica*, Vol. 29 No. 4, pp. 17-32.

Mulaudzi, R. (2017), "From consumers to investors: an investigation into the character and nature of stokvels in South Africa's urban, peri-urban and rural centres using a phenomenological approach".

Mushonga, M., Arun, T.G. and Marwa, N.W. (2019), "The cooperative movement in South Africa: Can financial cooperatives become sustainable enterprises?", *Strategic Change*, Vol. 28 No. 4, pp. 259-271. https://doi.org/10.1002/jsc.2268

Muzeza, K. (2023), "Feminisation of migration, precarious occupations, and workplace-based stokvels. A case of Zimbabwean women migrants working in the hospitality industry in South Africa", Doctoral dissertation, University of Pretoria.

Mdluli, P. and Dunga, S. (2022), "Determinants of poverty in South Africa using the 2018 general household survey data", *Journal of Poverty*, Vol. 26 No. 3, pp. 197-213. https://doi.org/10.1080/10875549.2021.1910100

Muswubi, T.A. (2024), "Missional precepts of the jubilee as an incentive to address poverty in South Africa and beyond", *In die Skriflig*, Vol. 58 No. 1, pp. 1-9. https://doi.org/10.4102/IDS.v58i1.3082

Nalane, L.J. and Sekantsi, L.P. (2020), "Assessment of micro, small and medium enterprises (MSME) financial inclusion initiatives by the commercial banks in Lesotho", *Journal of Digital Banking*, Vol. 5 No. 2, pp. 163-184. https://doi.org/10.69554/LTYY8349

Nasution, L.N., Sadalia, I. and Ruslan, D. (2022), "Investigation of Financial Inclusion, Financial Technology, Economic Fundamentals, and Poverty Alleviation in ASEAN-5: Using SUR Model", *Abac Journal*, Vol. 42 No. 3, pp. 132-147.

Ncoliwe, L. (2019), "Surfacing factors that prevent small businesses in economically deprived areas from growing: a multiple case study in Site C, Khayelitsha", Doctoral dissertation, University of Cape Town.

Ngcobo, L. and Chisasa, J. (2018), "Success factors and gender participation of stokvels in South Africa", *Acta Universitatis Danubius. Œconomica*, Vol. 14 No. 5, pp. 217-228.

Ngcobo, L. and Sibindi, A.B. (2025), "The Essential Role of Stokvels and Revolving Clubs in Finance and Insurance in Africa", In: *Sustainable Finance and Insurance in Africa*, Cham: Springer Nature, pp. 105-131. https://doi.org/10.1007/978-3-031-86516-9_7

Ngcobo, L. (2024), "Asymmetric impact of stokvel and banking sector efficiency in South Africa: Evidence from non-linear ARDL approach", *AL-ARBAH: Journal of Islamic Finance and Banking*, Vol. 6 No. 2, pp. 139-164. https://doi.org/10.21580/al-arbah.2024.6.2.23068

Ngcobo, L. (2021), "Financial Literacy and Stokvel Savings of Low-Income Households in South Africa", *International Journal of Economics & Business Administration (IJEBA)*, Vol. 9 No. 4, pp. 130-139. https://doi.org/10.35808/ijeba/738

Ngepah, N., Makgalemele, T. and Saba, C.S. (2023), "The relationship between education and vulnerability to poverty in South Africa", *Economic Change and Restructuring*, Vol. 56 No. 1, pp. 633-656. https://doi.org/10.1007/s10644-022-09439-8

Ngomane, T.S. (2023), "Stokvels' Ability to Reduce Household Poverty: Discussions with Rural Women from Jabulani Agri-Village in Mkhondo Local Municipality in South Africa", *PUBLIC ADMINISTRATION AND DEVELOPMENT ALTERNATIVES (IPADA)*, p. 27.

Ngobeni, C. (2020), "Improving the Financial Reporting of a Burial Stokvel", Master's thesis, University of the Witwatersrand, Johannesburg, South Africa.

Ngubane, M.Z., Mndebele, S. and Kaseeram, I. (2023), "Economic growth, unemployment and poverty: Linear and non-linear evidence from South Africa", *Heliyon*, Vol. 9 No. 10. https://doi.org/10.1016/j.heliyon.2023.e20267

Njanike, K. and Mpofu, R.T. (2024), "Factors influencing financial inclusion for social inclusion in selected African countries", *Insight on Africa*, Vol. 16 No. 1, pp. 93-112. https://doi.org/10.1177/09750878231194558

Nkem, L. and Tengeh, R.K. (2018), "Immigrant-operated informal financial associations in South Africa: Problems and solutions", Vol. 14 No. 1, pp. 84-98.

Ntambwe, K.L. (2020), "The impact of the local government support on the sustainability of co-operatives and its role in poverty alleviation in the eThekwini Municipal region", Doctoral dissertation.

Ntimbane, N.S. (2023), "Member-perceived Determinants of Resilience of Stokvels Operating in selected Rural Areas of Vhembe District, South Africa", Doctoral dissertation.

Nyathi, C. (2017), "Reducing conflicts within rural women's self-help groups in Hwange District, Zimbabwe", Doctoral dissertation.

Old Mutual (2022), "Data from Old Mutual Savings and Investment Monitor (2018, 2022)", Available at: https://www.fanews.co.za/article/surveys-reports-and-ratings/34/general/1195/old-mutual-savings-and-investment-monitor-research-reveals-that-most-south-africans-are-actively-managing-their-money-starting-to-save-more/35048 (Accessed 20 April 2025).

Oluwatayo, I.B. and Babalola, M.A. (2020), "Asset ownership and income as drivers of household poverty in South Africa", *The Journal of Developing Areas*, Vol. 54 No. 3. https://doi.org/10.1353/jda.2020.0028

Ozili, P.K. (2025), "Systems Theory of Financial Inclusion", available at SSRN: https://ssrn.com/abstract=4970221 or http://dx.doi.org/10.2139/ssrn.4970221 (Accessed 15 April 2025). https://doi.org/10.2139/ssrn.4970221

Panman, A., Madison, I., Kimacha, N.N. and Falisse, J.B. (2022, March), "Saving up for a rainy day? Savings groups and resilience to flooding in Dar es Salaam, Tanzania", In: *Urban Forum*, Vol. 33 No. 1, pp. 13-33. Dordrecht: Springer Netherlands. https://doi.org/10.1007/s12132-021-09424-w

Rachekhu, K. and Makgamatha, M.G. (2022), "The Efficacy of Community Schemes to Counteract the Adverse Impact of the Unemployment Crisis in South Africa", In: *Message from the Conference Chair*, p. 64.

Rodima-Taylor, D. (2022), "Platformizing Ubuntu? FinTech, inclusion, and mutual help in Africa", *Journal of Cultural Economy*, Vol. 15 No. 4, pp. 416-435. https://doi.org/10.1080/17530350.2022.2040569

Sharizan, S., Redzuan, N.H. and Rosman, R. (2021), "Issues and challenges of financial inclusion among low-income earners in rural Malaysia", *Turkish Journal of Islamic Economics*, Vol. 8, pp. 277-299. https://doi.org/10.26414/A2376

Shipalana, P. (2019), "Digitising financial services: A tool for financial inclusion in South Africa", *South African Institute of International Affairs*, pp. 1-38.

Sikarwar, T.S., Malik, F.A. and Jain, N. (2024), "Financial Inclusion in Emerging Markets: A Synthesis of Theory and Practicality", In *The Economics of Financial Inclusion*, Routledge, pp. 289-302. https://doi.org/10.4324/9781032655185-24

Simatele, M. and Maciko, L. (2022). "Financial inclusion in rural South Africa: A qualitative approach", *Journal of Risk and Financial Management*, Vol. 15 No. 9, pp. 1-22. https://doi.org/10.3390/jrfm15090376

Solanki, P. and Chhikara, K.S. (2024), "Constraints to the promotion of financial inclusion in India: an empirical study of implementing agencies under Pradhan Mantri MUDRA Yojana", *International Journal of Social Economics*, Vol. 51 No. 8, pp. 1076-1092. https://doi.org/10.1108/IJSE-06-2023-0462

Tambe, B.A., Mabapa, N.S., Mbhatsani, H.V., Mandiwana, T.C., Mushaphi, L.F., Mohlala, M. and Mbhenyane, X.G. (2023), "Household socio-economic determinants of food security in Limpopo Province of South Africa: a cross sectional survey", *Agriculture & Food Security*, Vol. 12 No. 1, p. 19. https://doi.org/10.1186/s40066-023-00424-6

Tan, S. and Savani, M.M. (2022), "Making sense of sustainability: how institutional design can sustain informal savings and credit groups", *The International Journal of Community and Social Development*, Vol. 4 No. 2, pp. 152-179. https://doi.org/10.1177/25166026221085085

Tau, T. (2020), "Availability and distribution of risk capital: how stokvels can help fill the financing gap for SMMEs in South Africa", Master's thesis, University of the Witwatersrand, Johannesburg, South Africa.

Tembo, M. (2023), "Design and evaluation of a mobile application interface for stokvel groups: An Eastern Cape case study", available at: https://pubs.cs.uct.ac.za/id/eprint/1663 (Accessed 30 April 2025).

Van Wyk, M.M. (2017), "Stokvels as a community-based saving club aimed at eradicating poverty: A case of South African rural women", *The International Journal of Community Diversity*, Vol. 17 No. 2, pp. 13-26. https://doi.org/10.18848/2327-0004/CGP/v17i02/13-26

Verhoef, G. and Hidden, K. (2022), "Savings Groups in South Africa", In: *Transforming Africa: How Savings Groups Foster Financial Inclusion, Resilience and Economic Development*, pp. 235-260. https://doi.org/10.1108/978-1-80262-053-520221017

Wango, N.C. (2023), "An exploratory study on the social capital and private saving theories for integrating voluntary contributions to the pension scheme in Tanzania", *European Journal of Development Studies*, Vol. 3 No. 3, pp. 156-162. https://doi.org/10.24018/ejdevelop.2023.3.3.283

Xu, X. and Zhao, L. (2022), "Social capital and the realisation of mutual assistance for older people in rural areas—based on the intermediary role of psychological capital", *International Journal of Environmental Research and Public Health*, Vol. 20 No. 1, pp. 1-19. https://doi.org/10.3390/ijerph20010415

Ye, Y. and Koch, S.F. (2021), "Financial literacy, inclusion, and stokvels: Evidence from South Africa", *International Journal of Social Economics*, Vol. 48 No. 3, pp. 567-588.

Yimer, G. (2025), "Courts and the Informal Credit Markets: The Case of Ethiopia", In *The Nexus Between Legal Pluralism and Inclusive Finance*, pp. 125-155, Springer, Cham. https://doi.org/10.1007/978-3-031-71653-9_6

Zhakata, N. and Wayi-Mgwebi, N. (2023), "Trust the Masked Stranger: Unveiling the African Stokvel's Blockchain Enticement", *African Conference on Information Systems and Technology*, pp. 1-20.

Zondo, N.M. (2017), "Self-help Economic Empowerment amongst Women in Blaauwbosch, KwaZulu-Natal", Doctoral dissertation, University of KwaZulu-Natal, Howard College.