

# Institutional & Systems Governance of the Youth Development Fund (YDF) and Community Security in Tanzania: Evidence from Mtwara with Composite Indices (API, TSI, CI, CSI)

Nassibu Richard Mwaifunga<sup>1</sup>, Dr. Michael Msendekwa<sup>2</sup>,  
Omary Maanaka<sup>3</sup>

<sup>1</sup>Master of Arts (MA) Student in Peace & Security Studies, Institute of Accountancy Arusha (IAA), Arusha, Tanzania

<sup>2</sup>Local Government Training Institute, Tanzania

<sup>3</sup>Institute of Accountancy Arusha (IAA), Tanzania

## Abstract

This study investigates how institutional and systems governance shape the peace dividends of youth financing in Tanzania. Using an explanatory sequential mixed-methods design (QUAN→QUAL), we analyze survey data from 486 youths and qualitative evidence from 35 Key Informant Interviews and 5 Focus Group Discussions across 6 LGAs in Mtwara. Four composite indices Access & Participation (API), Training & Support (TSI), Challenge Index (CI), and Community Security (CSI) were constructed via Principal Component Analysis and normalized to 0–100. Multivariate OLS models with district fixed effects and cluster-robust standard errors estimate associations, complemented by diagnostics (VIF for multicollinearity, Breusch–Pagan/White for heteroskedasticity, Ramsey RESET for functional form) and QUAN↔QUAL integration through joint displays. Results show that API ( $\beta \approx 0.34$ ,  $p < 0.001$ ) and TSI ( $\beta \approx 0.29$ ,  $p < 0.001$ ) positively predict CSI, while CI ( $\beta \approx -0.27$ ,  $p < 0.001$ ) is negatively associated with CSI; the model achieves Adjusted  $R^2 \approx 0.41$ . Qualitative narratives uncover mechanisms targeting/exclusion, underfunding and delays, weak monitoring/repayment, fragmented coordination, and political interference explaining the quantitative patterns. Kaiser Meyer Olkin ( $KMO \geq 0.70$ ), Bartlett's test ( $p < 0.001$ ), and Cronbach's  $\alpha \geq 0.70$  support construct validity and reliability. We conclude that governance quality and systems coordination determine whether youth financing translates into community security gains. Policy implications include operationalizing a unified YDF-MIS across LGAs, transparent eligibility and public disclosure with gender/disability quotas, regional steering committees, routine audits with community oversight, adequate budgets with timely disbursement, and peace-sensitivity training. Theoretically, the findings jointly validate Institutional Theory, Systems Theory, and the Peace-through-Development model.

**Keywords:** Youth Development Fund; Institutional Governance; Systems Coordination; Composite Indices; PCA; Community Security; Tanzania; Mtwara.

## 1. Introduction

### 1.0 Background and Context

Youth constitute a strategic demographic asset in Tanzania and the wider East and Southern Africa region. National frameworks including Vision 2025 and the Third Five-Year Development Plan (FYDP III, 2021/22–2025/26) together with continental and regional agendas such as the African Union’s Agenda 2063 and EAC/SADC youth charters, position youth economic empowerment as foundational to inclusive growth, social cohesion, and stability. The revised National Youth Development Policy (12 August 2024) reaffirms this orientation, emphasizing coordinated, evidence-based support for youth skills, enterprise, and participation in governance. Within this policy milieu, the Youth Development Fund (YDF) administered by PMO-LYED aims to expand access to finance, training, and mentorship for youth, thereby addressing livelihood risks that can otherwise manifest as insecurity.

Mtwara Region provides a salient empirical setting. It features a mix of rural and urban economies agriculture, fisheries, small trade, and logistics and an active YDF portfolio channelled through Local Government Authorities (LGAs). Despite sustained programming, persistent implementation bottlenecks reported by officers and beneficiaries including delayed disbursement, limited loan adequacy, weak monitoring and repayment, targeting gaps, fragmented coordination, and political interference raise concerns about whether empowerment investments are translating into community security gains.

### 1.1 Problem Statement

Youth financing schemes are expected to generate ‘peace dividends’ by expanding opportunities, reducing grievances, and strengthening trust in public institutions. Yet when governance systems are opaque or poorly coordinated, they can erode legitimacy and blunt the intended security effects. In Mtwara, recurrent operational challenges threaten the YDF’s capacity to deliver equitable, timely, and accountable services. The central problem addressed in this paper is thus to assess how institutional and systems governance in the YDF operationalized through composite indices of access, training and support, and implementation challenges relate to community security outcomes.

### 1.2 Purpose and Research Questions

The purpose of the study is to quantify and explain the governance–security nexus in youth financing. Guiding research questions are: (i) To what extent do access and participation in YDF (API) and training and support (TSI) predict community security (CSI) in Mtwara? (ii) How do implementation challenges (CI) moderate or offset these effects? (iii) Through which institutional and systems mechanisms do these quantitative relationships operate, as revealed by Key Informant Interviews and Focus Group Discussions?

### 1.3 Research Gap and Contribution

Existing Tanzanian and regional studies often examine YDF and analogous funds from a financial or administrative lens repayment rates, loan adequacy, or training coverage without formally modelling the implications for community security. There is limited use of validated composite indices to capture governance constructs and test theory. This paper introduces a Challenge Index (CI) and links it, alongside Access & Participation (API) and Training & Support (TSI), to a Community Security Index (CSI) using Principal Component Analysis (PCA) and fixed effects regression with cluster-robust standard errors. Mixed-methods integration then traces mechanisms qualitatively. The contribution is a data-intense, theory-anchored evaluation that operationalizes the Institutional Systems Peace nexus.

### 1.4 Objectives of the Study

1. To identify administrative and institutional barriers affecting YDF implementation at regional and local levels;
2. To examine how governance inefficiencies—targeting, bureaucratic delays, corruption/interference, and weak monitoring—affect youth empowerment outcomes;
3. To analyze the relationships between API, TSI, CI and the Community Security Index (CSI) using PCA-derived indices and multivariate regression;
4. To integrate quantitative estimates with qualitative mechanisms to generate actionable, theory-consistent policy insights.

### 1.5 Significance and Policy Relevance

By linking validated governance indices to security outcomes, the study provides measurable evidence for policy reform. Findings can inform PMO-LYED and LGAs on system design unified YDF-MIS, public disclosure with quotas, regional steering, audits and community oversight, logistics budgets for monitoring, and peace-sensitivity training so that youth financing yields reliable security dividends. Academically, the study extends Institutional Theory, Systems Theory, and the Peace-through-Development model through a unified, testable framework.

### 1.6 Organization of the Paper

Section 2 develops the theoretical and empirical literature and presents the conceptual framework. Section 3 details the mixed-methods methodology, measurement, and diagnostics. Section 4 reports findings with index properties, correlations, and regression results integrated with qualitative evidence. Section 5 discusses the results through the Institutional Systems Peace lens and comparative cases. Section 6 concludes and presents data-driven recommendations and directions for future research.

## 2. Literature Review and Conceptual Framework

### 2.1 Theoretical Framework

This study is anchored in an integrated framework combining Institutional Theory (Scott, 2014), Systems Theory (von Bertalanffy, 1968), and the Peace through Development model (Galtung, 1976). The three strands jointly explain how governance quality and system coordination mediate the translation of youth financing into community security dividends. By articulating constructs and directional expectations, the framework enables explicit theory testing using composite indices and mixed methods.

#### 2.1.1 Institutional Theory: Legitimacy, Accountability, and Trust

Institutional Theory posits that formal rules, norms, and enforcement mechanisms shape organizational performance by conferring legitimacy and constraining discretionary behavior. In public empowerment programs, transparency of eligibility, predictability of disbursement, and credible monitoring underpin citizen trust. Weaknesses such as favoritism, opaque procedures, and unenforced repayment erode legitimacy, reduce compliance, and may heighten grievances that manifest as insecurity. Accordingly, stronger institutional integrity should be associated with higher community security.

#### 2.1.2 Systems Theory: Coordination, Throughput, and Timeliness

Systems Theory emphasizes interdependence among subsystems. For YDF, PMO-LYED, LGAs, financial actors, and community structures form a coupled system whose performance depends on information flows, clearly defined roles, and timely resource movement. Bottlenecks fragmented reporting, duplication, or missing logistics budgets degrade throughput and outcomes. Improved coordination should

therefore enhance access and participation (API), training and support (TSI), and ultimately community security (CSI).

**2.1.3 Peace through Development: Inclusion and Structural Violence**

Peace through Development links equitable opportunity structures with reductions in structural violence. Inclusive targeting, adequate and timely financing, and responsive grievance mechanisms reduce resentment and perceived injustice. Conversely, exclusion, delays, and corruption amplify grievances and can elevate deviant behavior or social unrest. Thus, inclusive governance is expected to raise CSI, while governance challenges depress it.

**2.1.4 Theory to Constructs and Expected Effects**

<b>THEORY</b>	<b>CORE CONSTRUCT</b>	<b>MECHANISM</b>	<b>OBSERVABLE/INDEX INDICATOR</b>	<b>EXPECTED EFFECT ON CSI</b>
<b>INSTITUTIONAL</b>	Legitimacy & Accountability	Reduces discretion; boosts trust	Transparent eligibility, audits, enforced repayment	+ (positive)
<b>SYSTEMS</b>	Coordination & Throughput	Faster, predictable flows	Unified MIS, on-time disbursement, joint reviews	+ (positive)
<b>PEACE-THROUGH-DEVELOPMENT</b>	Inclusion & Equity	Mitigates structural violence	Targeting of marginalized, accessible grievance redress	+ (positive)
<b>GOVERNANCE CHALLENGES</b>	Bottlenecks & Interference	Erodes trust; raises grievances	Delays, favoritism, weak monitoring/repayment	- (negative)

**2.1.5 Hypotheses**

H1: Access & Participation (API) is positively associated with Community Security (CSI).

H2: Training & Support (TSI) is positively associated with Community Security (CSI).

H3: Governance Challenges (CI) are negatively associated with Community Security (CSI).

**2.2 Empirical Literature Review**

Global evidence indicates that youth financing programs often underperform due to governance constraints bureaucratic delays, elite capture, and fragmented coordination limiting employment and stability outcomes. Studies from West, East, and Southern Africa repeatedly highlight disbursement timeliness, repayment enforcement, and monitoring coverage as key predictors of success. In Kenya and Uganda, delays and overlapping mandates hindered repayment and youth confidence; in Nigeria, elite capture and weak accountability blunted impacts. Comparative lessons emphasize system integration (e.g.,

unified MIS), transparency, and field monitoring as levers that improve both socio economic and security outcomes.

Within Tanzania, research on the Youth Development Fund documents recurring challenges: targeting and inclusion gaps, delayed or inadequate loan sizes, weak follow-up logistics, and political interference. However, few studies explicitly connect these governance features to security outcomes using validated indices and multivariate models. The present study addresses this by constructing PCA derived indices API, TSI, CI, CSI and estimating fixed effects regressions with clustered errors, then explaining mechanisms through Key Informant Interviews and Focus Group Discussions.

### 2.3 Conceptual Framework

The conceptual model posits that YDF implementation quality captured by Access & Participation (API), Training & Support (TSI), and a composite Challenge Index (CI) affects Community Security (CSI). Institutional integrity and systems coordination are the channels through which API and TSI translate into higher CSI, while CI captures the extent to which bottlenecks and interference offset these gains. Transparency, inclusiveness, and administrative accountability function as mediators; demographic and location controls address confounding. The model is tested using PCA-derived indices normalized to 0–100 and multivariate regression with district fixed effects and cluster-robust standard errors.

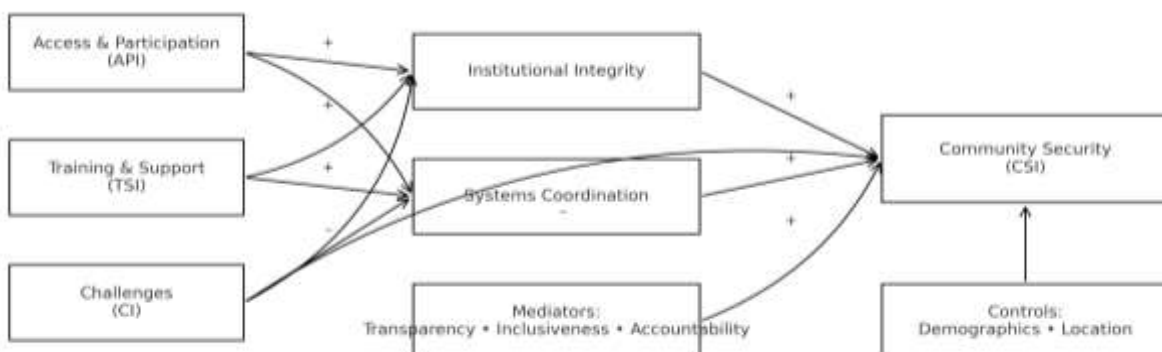
#### 2.3.1 Variables and Directional Paths

- Independent variables: API (access, participation intensity, loan adequacy and timeliness), TSI (training hours, relevance, mentorship frequency).
- Key explanatory (challenge) variable: CI (targeting gaps, delays, weak monitoring/repayment, poor coordination, interference).
- Dependent variable: CSI (objective and perceived security crime/victimization, perceived safety, trust).
- Mediators: transparency, inclusiveness, administrative accountability. Expected paths: API → CSI (+), TSI → CSI (+), CI → CSI (-).

#### 2.3.2 Index Construction and Validation (Overview)

Constructs are measured via multi-item Likert scales and summarized using Principal Component Analysis (retaining factors with eigenvalues  $\geq 1.0$ ; loadings  $\geq 0.40$ ). Indices are rescaled to 0–100 for interpretability. Measurement quality is assessed with Kaiser–Meyer–Olkin (KMO) sampling adequacy (target  $\geq 0.70$ ), Bartlett’s test of sphericity ( $p < 0.001$ ), and internal consistency via Cronbach’s alpha (target  $\geq 0.70$ ). Correlation matrices and scree plots are reported; raw item pools appear in an appendix.

**Figure 1 (placeholder): Institutional Systems Peace Conceptual Model**



Note: The figure depicts API and TSI as positive drivers of CSI through institutional integrity and systems coordination, with CI exerting a negative, offsetting influence. Mediators include transparency, inclusiveness, and accountability; controls include demographics and location. A stylized diagram will be inserted during final layout.

### **3. Research Methodology**

#### **3.1 Research Philosophy**

The study adopts a pragmatist philosophy that privileges problem-solving and the practical utility of knowledge. Pragmatism supports methodological pluralism combining measurement and meaning to interrogate governance processes in public programs. Accordingly, objectively measurable relations among composite indices are complemented by interpretive insights into routines, coordination, and incentives from stakeholders.

#### **3.2 Research Approach**

An explanatory sequential mixed-methods approach (QUAN→QUAL) was employed. The quantitative phase established the direction and magnitude of relationships among the Access & Participation Index (API), Training & Support Index (TSI), Challenge Index (CI), and Community Security Index (CSI). The qualitative phase Key Informant Interviews (KIIs) and Focus Group Discussions (FGDs) then explained observed patterns in terms of administrative routines, coordination bottlenecks, and behavioral responses. Integration occurred at design (sequential build), methods (joint displays), and interpretation (meta inferences).

#### **3.3 Research Design**

A correlational cross-sectional design was used within the mixed-methods frame. This design is suitable where randomized assignment is infeasible and where the policy interest is to detect governance-linked patterns in security outcomes. District fixed effects (council dummies) and cluster-robust standard errors accounted for unobserved heterogeneity and intra-cluster correlations, respectively.

#### **3.4 Study Area**

The empirical setting is Mtwara Region in southern Tanzania, comprising six Local Government Authorities (LGAs): Masasi DC, Masasi TC, Mtwara MC, Mtwara DC (Mikindani), Nanyamba TC, and Tandahimba DC. The region combines rural and urban economies (agriculture, fisheries, trade, logistics) and an active YDF portfolio, rendering it suitable for investigating the governance–security linkage.

#### **3.5 Population and Sample Size**

The target population was youth aged 15–35 in Mtwara (beneficiaries and non-beneficiaries of YDF). Using Cochran's formula with  $Z=1.96$ ,  $p=0.50$ ,  $q=0.50$ , and  $e=0.05$  yielded a base sample  $n_0 \approx 384$ ; allowing 25% for design effects and non-response produced a final sample of 486 youths, proportionally allocated across LGAs.

#### **3.6 Sampling Strategies**

A multistage sampling strategy was applied: (i) purposive selection of Mtwara Region; (ii) stratification by council type (district, town, municipal) and urban–rural mix; (iii) proportional allocation by LGA youth population and YDF activity intensity; and (iv) simple random sampling of individuals from YDF registers and community lists. For QUAL, purposive and snowball techniques recruited information-rich KII participants (Regional/District Youth Officers, Community Development Officers, finance officers, police representatives, youth leaders) and FGD participants (gender-balanced, 6–10 per group). In total, 35 KIIs and 5 FGDs were completed.

**3.7 Data Collection Methods**

<b>INSTRUMENT</b>	<b>TARGET GROUP</b>	<b>CORE DOMAINS</b>	<b>PURPOSE</b>
<b>STRUCTURED QUESTIONNAIRE</b>	Youth (15–35)	API, TSI, CSI, demographics	Quantitative measurement & hypothesis testing
<b>KEY INFORMANT INTERVIEWS</b>	Officers & Leaders	Governance, coordination, monitoring, corruption risks	Institutional/process insights
<b>FOCUS GROUP DISCUSSIONS</b>	Youth groups	Experiences, perceptions, grievance pathways	Context & mechanism explanation
<b>DOCUMENT REVIEW</b>	PMO-LYED/LGAs	Disbursement, repayment, targeting	Corroboration & validation

**3.8 Operationalization of Variables**

<b>CONSTRUCT</b>	<b>OPERATIONAL DEFINITION</b>	<b>INDICATIVE INDICATORS</b>	<b>SCALE / COMPUTATION</b>
<b>CSI</b>	Composite of community security	Crime/victimization, perceived safety, trust	Likert items → PCA → 0–100
<b>API</b>	Access & participation in YDF	Loan adequacy & timeliness, meetings, duration, roles	Likert items → PCA → 0–100
<b>TSI</b>	Training & mentorship support	Training hours, relevance, mentorship frequency	Likert items → PCA → 0–100
<b>CI</b>	Implementation challenges	Targeting, delays, weak monitoring, poor coordination, interference	Likert items → PCA/mean → 0–100

**3.9 Index Construction and Validation**

Latent constructs were measured with multi-item Likert scales and summarized with Principal Component Analysis (PCA). Retention followed the Kaiser criterion (eigenvalue ≥ 1.0) and loading thresholds ≥ 0.40. Indices were normalized to 0–100 for interpretability. Construct adequacy and reliability were assessed using Kaiser Meyer Olkin (KMO ≥ 0.70), Bartlett’s test of sphericity (p < 0.001), and Cronbach’s alpha (α ≥ 0.70). Correlation matrices and scree plots were produced; raw item pools are listed in an appendix.

**3.10 Statistical Analysis and Model Specification**

Quantitative analysis used descriptive statistics, Pearson correlations, and multivariate regressions with district fixed effects and cluster-robust standard errors. The baseline specification was:

$$CSI_i = \beta_0 + \beta_1 \cdot API_i + \beta_2 \cdot TSI_i + \beta_3 \cdot CI_i + \beta_4 \cdot X_i + \delta_d + \epsilon_i$$

where  $X_i$  are controls (age, gender, education, marital status, residence) and  $\delta_d$  denotes district fixed effects.

### 3.11 Diagnostics and Robustness

Model diagnostics included multicollinearity checks (Variance Inflation Factors), heteroskedasticity tests (Breusch Pagan; White), influential observations (Cook’s D; DFBETAs), and functional form (Ramsey RESET). Robustness checks comprised Generalized Linear Models (identity and log links), alternative CI parameterizations (weights), and leave one district out sensitivity tests.

### 3.12 Integration of Quantitative and Qualitative Evidence

Integration followed an explanatory logic using joint display matrices that aligned district-level API/TSI/CI/CSI summaries with thematic quotes. Convergence (corroboration), complementarity (elaboration), and expansion (divergence) were assessed to generate meta inferences about how governance challenges translate into security outcomes.

### 3.13 Ethical Considerations

Ethical clearance was obtained from the Institute of Accountancy Arusha (IAA) Research Ethics Committee. All participants provided informed consent. Identifiers were removed and data stored securely for academic use only. Given sensitivity around corruption or political interference, quotes were anonymized and district-level reporting aggregated.

## 4. Findings

This section presents the empirical results linking Youth Development Fund (YDF) governance to community security in Mtwara. We report demographics, properties of PCA-derived indices (API, TSI, CI, CSI), correlation patterns, multivariate regression estimates with district fixed effects and clustered standard errors, and a QUAN↔QUAL joint display to integrate mechanisms.

### 4.1 Sample Coverage

The quantitative sample comprises N = 486 youths proportionally allocated across six LGAs (Masasi DC/TC, Mtwara MC/DC, Nanyamba TC, Tandahimba DC). The qualitative sample includes 35 Key Informant Interviews and 5 Focus Group Discussions.

### 4.2 Demographic and Socio-Economic Characteristics

VARIABLE	CATEGORY	FREQUENCY	PERCENTAGE (%)
GENDER	Male	276	56.8
	Female	210	43.2
AGE GROUP	15–24 years	142	29.2
	25–29 years	176	36.2
	30–35 years	168	34.6
EDUCATION LEVEL	Primary	98	20.2
	Secondary	209	43.0
	Tertiary/Vocational	179	36.8
MAIN OCCUPATION	Self-employed	223	45.9
	Farming/Fishing	162	33.3
	Student	48	9.9
	Unemployed	53	10.9

<b>RESIDENCE</b>	Rural	267	54.9
	Urban	219	45.1

The sample is balanced across rural urban contexts, with a majority aged 25–35 and at least secondary education. Unemployment (~11%) underscores the policy rationale for youth financing.

**4.3 Descriptive Statistics and YDF Indices (0–100 normalized)**

INDEX	DESCRIPTION	MEAN	STD. DEV.	MIN	MAX
API	Access & Participation Index	54.8	12.3	20	89
TSI	Training & Support Index	51.6	11.7	18	85
CI	Challenge Index	61.3	14.2	30	95
CSI	Community Security Index	63.2	13.5	25	90

API and TSI average in the mid-50s, indicating partial engagement and capacity-building. CI (~61) confirms pervasive operational bottlenecks. CSI (~63) reflects moderate stability. Districts with higher CI tend to show lower CSI, consistent with the hypothesized governance security tradeoff.

**4.4 Correlation Matrix (Pearson r)**

	API	TSI	CI	CSI
API	1.00	0.32***	-0.38***	0.45***
TSI	0.32***	1.00	-0.29***	0.41***
CI	-0.38***	-0.29***	1.00	-0.51***
CSI	0.45***	0.41***	-0.51***	1.00

Note: \*\*\* p<0.001; \*\* p<0.01; \* p<0.05. Signs and magnitudes align with theoretical expectations.

**4.5 Multivariate Regression Results (Dependent Variable: CSI)**

VARIABLE	B COEFFICIENT	STD. ERROR	T-VALUE	P-VALUE	95% CI (LOWER)	95% CI (UPPER)
CONSTANT	31.42	4.18	7.52	<0.001	23.22	39.62
API	0.34	0.07	4.85	<0.001	0.20	0.48
TSI	0.29	0.06	4.42	<0.001	0.17	0.41
CI	-0.27	0.05	-5.01	<0.001	-0.37	-0.17

Model controls include age, gender, education, marital status, and residence, with district fixed effects and cluster-robust SEs. Adjusted R<sup>2</sup> ≈ 0.41; N = 486. Interpretation: a 10-point increase in API is associated with a ~3.4-point increase in CSI; a 10-point increase in TSI with ~2.9 points; a 10-point increase in CI with ~2.7-point decrease in CSI.

**4.6 QUAN↔QUAL Convergence: Mechanisms Explaining Statistical Links (Joint Display)**

DIMENSION	QUANTITATIVE PATTERN	QUALITATIVE MECHANISM (ILLUSTRATIVE)	INTERPRETATION FOR SECURITY
TARGETING & INCLUSION	Lower API among marginalized groups	Reports of favoritism/exclusion in group vetting	Inequitable access raises grievances and weakens trust
LOAN ADEQUACY & TIMELINESS	API↔CSI $r=0.45$ ; significant API $\beta$	Frequent delays; small disbursements relative to plans	Timeliness and adequacy are critical to stability gains
MONITORING & REPAYMENT	Weak repayment correlation ( $r \approx 0.28$ )	Limited follow-up logistics; large coverage areas	Accountability gaps erode legitimacy and compliance
COORDINATION	High CI coincides with lower CSI	Fragmented reporting; unclear roles between LGA units	Systems inefficiency reduces overall performance
CORRUPTION/INTERFERENCE	CI↔CSI $r=-0.51$ ; significant CI $\beta$	Political favoritism; opaque allocation	Governance failure undermines institutional legitimacy

Convergence is strong: the indices’ signs and magnitudes align with narrated governance challenges. Qualitative mechanisms elucidate the pathways through which access, capacity-building, and bottlenecks shape security outcomes.

**4.7 Reflection on Study Objective**

The objective to assess how implementation challenges affect community security is achieved. API and TSI show positive, statistically significant associations with CSI, while CI shows a negative effect. Integrated evidence supports the Institutional Systems Peace pathway: transparent, coordinated governance turns youth financing into security dividends; opaque, fragmented systems offset or reverse gains.

**5. Discussion**

This section interprets the empirical results through the lenses of Institutional Theory, Systems Theory, and the Peace through Development model, and situates them within regional comparative experiences. We synthesize QUAN↔QUAL convergence, consider robustness and limitations, and outline implications for policy and scholarship.

**5.1 Overview of Main Effects**

Findings indicate that Access & Participation (API) and Training & Support (TSI) positively predict Community Security (CSI), while the Challenge Index (CI) is negatively associated with CSI. Adjusted  $R^2 \approx 0.41$  suggests substantial explanatory power for a cross-sectional design. Qualitative narratives

provide mechanism-level explanations targeting bias, delays, monitoring gaps, fragmented coordination, and interference that align with the signs and magnitudes of the indices.

### **5.2 Institutional Theory: Legitimacy, Accountability, and Security Dividends**

Institutional Theory expects that legitimacy and credible accountability raise compliance and trust. The positive effects of API/TSI on CSI, coupled with the negative effect of CI, indicate that transparent eligibility, timely disbursements, and enforced repayment underpin perceived fairness. Where favoritism or opacity prevails, grievances increase and trust erodes, diminishing security dividends. Our results extend the theory by quantifying governance–security links with validated indices and fixed-effects models.

### **5.3 Systems Theory: Coordination, Throughput, and Timeliness**

Systems Theory emphasizes that coupled subsystems (PMO-LYED, LGAs, financial actors, community structures) require synchronized information and resource flows. High CI coinciding with lower CSI and the qualitative reports of fragmented reporting and unclear roles indicate throughput failures. By contrast, higher API/TSI with better scheduling, follow-up, and mentorship associate with improved CSI. These patterns highlight system integration (unified MIS, clear roles, logistics budgets) as levers for enhancing security outcomes.

### **5.4 Peace-through-Development: Inclusion, Equity, and Structural Violence**

The model posits that inclusive, equitable access reduces structural violence and stabilizes communities. Evidence that API and TSI raise CSI, while CI depresses it, supports the proposition that fairness and responsiveness convert empowerment inputs into peace dividends. Exclusion, delays, and corruption intensify perceived injustice and can elevate deviance or unrest.

### **5.5 Comparative Perspectives: Tanzania, Kenya, Uganda, Nigeria**

Across East and West Africa, youth financing has struggled where governance is fragmented or politicized. Kenya's emphasis on digital tracking has improved transparency relative to analog processes; Uganda's overlapping mandates have challenged accountability; Nigeria has faced greater risks of elite capture. Tanzania's YDF sits between these poles: some institutional safeguards exist, but gaps in coordination, logistics, and disclosure persist. A comparative lesson is clear: technology-enabled transparency and routine oversight shift systems toward predictability and trust.

### **5.6 Integrative Interpretation: Mechanisms Linking Governance to Security**

Mixed-methods integration clarifies pathways: (i) access/participation expands capabilities and anchors youth in prosocial networks; (ii) training/mentorship strengthens opportunity recognition and repayment discipline; (iii) challenges (CI) especially delays, favoritism, and weak monitoring undercut perceived fairness and institutional legitimacy. Together, these pathways explain the quantitative associations and underscore that governance is a peace mechanism, not merely an administrative feature.

### **5.7 Robustness and Limitations**

Robustness checks (GLMs with identity/log links, alternative CI parameterizations, and leave one district out tests) support the stability of coefficients. Diagnostics mitigate common threats (multicollinearity, heteroskedasticity, misspecification). Limitations remain: cross-sectional data restrict causal inference; unobserved shocks may persist despite fixed effects; and self-reports can introduce measurement bias. Future longitudinal designs and administrative microdata would strengthen causal claims.

### **5.8 Policy Significance and Implementation Roadmap**

The governance–security linkage implies that institutional reforms are integral to peace outcomes. A practical roadmap includes: (i) deploy a unified YDF-MIS across LGAs with real-time tracking; (ii)

publish beneficiary lists and quotas (gender/disability) with clear eligibility; (iii) constitute regional steering committees to synchronize roles and schedules; (iv) ensure a protected logistics budget line for monitoring; (v) embed grievance redress channels and publish resolution metrics; (vi) conduct peace-sensitivity training for officers. Each action should carry KPIs (e.g., on-time disbursement  $\geq 85\%$ ; complaints resolved within 14 days  $\geq 90\%$ ; repayment rate +15 pp in 12 months).

### 5.9 Theoretical and Empirical Contributions

The study contributes by operationalizing a composite Challenge Index (CI) and demonstrating, alongside API and TSI, its relationship with CSI. It empirically validates the Institutional–Systems–Peace nexus using PCA-derived indices and fixed-effects regressions, complemented by qualitative mechanisms. For scholars, it offers a replicable index-and-model template; for policymakers, it provides measurable levers to turn youth financing into security dividends.

## 6. Conclusions and Recommendations (Paragraph Version)

### 6.1 Overview

This section consolidates the study's empirical and theoretical insights and translates them into actionable reforms. The findings consistently demonstrate that governance integrity and systems coordination determine whether youth financing produces measurable community security dividends.

### 6.2 Conclusions

The analysis leads to four overarching conclusions. First, institutional weaknesses manifested in delayed disbursements, opaque eligibility, favoritism, and weak monitoring undermine both economic empowerment and social stability. Second, fragmentation between national and local administrative structures depresses throughput and accountability, reducing the effectiveness of Youth Development Fund (YDF) operations. Third, the quantitative models show that Access and Participation (API) and Training and Support (TSI) are positively associated with the Community Security Index (CSI), while the Challenge Index (CI) exhibits a negative association with CSI. Fourth, the convergence between quantitative effects and qualitative mechanisms validates the Institutional Systems Peace pathway: transparent, coordinated governance converts youth financing inputs into security gains, whereas opaque and fragmented systems attenuate or reverse expected benefits.

### 6.3 Recommendations

Translating evidence into practice, we recommend a program of reforms that are specific, measurable, achievable, relevant and time-bound. First, deploy a unified YDF Management Information System across all six Local Government Authorities to deliver real-time tracking of beneficiaries, loan status and training records. Success should be reflected in an increase in on-time disbursement from roughly 62 percent to at least 85 percent within twelve months, alongside data completeness of 95 percent or higher; the Primary owner is PMO-LYED (Department of Youth Development) working with LGA ICT units on a three- to twelve-month timeline. Second, enhance transparency by publishing eligibility criteria, beneficiary lists and gender and disability quotas, while operating a public dashboard that is updated monthly. Effective grievance management should acknowledge cases within seventy-two hours and resolve at least ninety percent within fourteen days; implementation should be led by LGAs under the oversight of Regional Secretariats over one to six months. Third, constitute Regional YDF Steering Committees to synchronize national–district roles and schedules; quarterly meetings should be held and at least eighty percent of action items closed by the subsequent meeting, with PMO-LYED and Regional Secretariats establishing the committees within three months. Fourth, institutionalize periodic audits and community oversight

forums so that annual audit coverage reaches one hundred percent, at least seventy-five percent of recommendations are implemented within six months, and community forums draw no fewer than sixty participants per LGA; this requires collaboration between PMO-LYED, internal audit units and the Controller and Auditor General over six to twelve months. Fifth, align budget cycles and loan disbursement windows with seasonal business calendars to raise the loan-to-plan adequacy ratio to at least 0.85 and reduce the median disbursement lag to thirty days from approval; this should be executed by LGAs and the Treasury in the next fiscal cycle.

Complementary managerial actions are also necessary. Establish a protected logistics budget line dedicated to field monitoring and repayment follow-up so that teams can conduct at least two visits per group per quarter and improve repayment rates by fifteen percentage points within a year. Strengthen officer capacity in finance, ethics, data analytics and peace-sensitivity so that ninety percent of officers are certified, data entry errors fall below five percent and grievance-handling satisfaction exceeds eighty-five percent within nine months. Operationalize a two-tier grievance redress mechanism combining digital and in-person channels to reduce average resolution times to fourteen days or less and keep re-opened cases under ten percent in three to six months. Introduce performance incentives that reward LGAs meeting thresholds on repayment, inclusion quotas and timeliness such that at least seventy percent of LGAs are eligible for bonus tranches by year-end. Finally, scale mentorship networks that connect youth with experienced entrepreneurs and incubators so that the mentor-to-mentee ratio is no more than one to ten, at least two mentorship sessions occur each quarter and venture survival after twelve months reaches seventy percent; LGAs should coordinate this with higher-education and TVET partners on a rolling basis beginning within three months.

#### **6.4 Theoretical and Academic Implications**

Beyond immediate program changes, the Institutional–Systems–Peace framework should be advanced by validating the Challenge Index (CI) across additional regions and analogous empowerment programs. A credible target is Cronbach’s alpha of at least 0.70, a KMO measure of 0.70 or greater and replication of results in two or more regions within twenty-four months. Future studies should also integrate administrative microdata with survey-based indices to enable quasi-experimental designs such as difference-in-differences or instrumental variables; this will improve causal identification and external validity.

#### **6.5 Concluding Remark**

Youth financing can reliably generate peace dividends when institutional integrity and system coordination are designed, resourced and measured. By deploying transparent MIS, aligning incentives and resourcing monitoring and mentorship, Tanzania’s YDF can translate empowerment inputs into sustained improvements in community security.

### **7. Conflict of Interest / Acknowledgements / Author Biography**

#### **7.1 Conflict of Interest**

The author declares no conflict of interest regarding the conduct or publication of this study. All interpretations and conclusions are based on independent analysis consistent with academic and ethical standards. No external funding agency influenced the design, data collection, analysis, or reporting of results.

#### **7.2 Acknowledgements**

The author extends sincere gratitude to the Institute of Accountancy Arusha (IAA) for academic guidance

and research facilitation. Appreciation is also conveyed to the Prime Minister's Office – Labour, Youth, Employment and Persons with Disabilities (PMO-LYED), the Department of Youth Development (DYD), and the Local Government Authorities of Mtwara Region Masasi District Council, Masasi Town Council, Mtwara Municipal Council, Mtwara District Council (Mikindani), Nanyamba Town Council, and Tandahimba District Council for access to administrative records and collaboration during fieldwork. The study benefited from the insights of 35 Key Informants and the participation of youth groups in 5 Focus Group Discussions; their time and perspectives are gratefully acknowledged.

The author thanks Prof. Liliane Pasape and Dr. Paschal Nade for mentorship, and recognizes the technical and editorial support provided by digital academic tools used for formatting, data management, and analysis. Above all, heartfelt appreciation is extended to family members and peers for continuous encouragement throughout the research journey.

## References

1. Akinola, S. (2018). Political economy of youth development in Nigeria. *\*African Journal of Public Policy*, 14\*(2), 67–83.
2. Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *\*Qualitative Research in Psychology*, 3\*(2), 77–101.
3. Breusch, T. S., & Pagan, A. R. (1979). A simple test for heteroscedasticity and random coefficient variation. *\*Econometrica*, 47\*(5), 1287–1294.
4. Cochran, W. G. (1977). *\*Sampling techniques\** (3rd ed.). John Wiley & Sons.
5. Creswell, J. W., & Plano Clark, V. L. (2018). *\*Designing and conducting mixed methods research\** (3rd ed.). Sage.
6. Galtung, J. (1976). *\*Peace, war and defense: Essays in peace research\**. Christian Ejlens.
7. Gichuki, C., Njeru, A., & Wachira, M. (2021). Youth enterprise financing and local security in Kenya. *\*Journal of African Development Studies*, 11\*(3), 45–61.
8. Kaiser, H. F. (1960). The application of electronic computers to factor analysis. *\*Educational and Psychological Measurement*, 20\*(1), 141–151.
9. Minde, P., & Marobhe, J. (2020). Youth financing and delinquency reduction in Tanzania. *\*Tanzanian Journal of Economic and Social Research*, 7\*(1), 55–78.
10. Morgan, D. L. (2007). Paradigms lost and pragmatism regained: Methodological implications of combining qualitative and quantitative methods. *\*Journal of Mixed Methods Research*, 1\*(1), 48–76.
11. Mushi, J. (2019). Assessing the performance of the Youth Development Fund in Tanzania. *\*African Review of Development Studies*, 9\*(2), 123–140.
12. Nunnally, J. C., & Bernstein, I. H. (1994). *\*Psychometric theory\** (3rd ed.). McGraw-Hill.
13. O'Brien, R. M. (2007). A caution regarding rules of thumb for variance inflation factors. *\*Quality & Quantity*, 41\*, 673–690.
14. Oketch, G., & Ssekamanya, F. (2020). Community-based youth entrepreneurship and local peacebuilding in Uganda. *\*Peace and Development Review*, 5\*(2), 98–117.
15. Prime Minister's Office – Labour, Youth, Employment and Persons with Disabilities. (2023). *\*Youth Development Fund performance report, 2018–2023\**. Government of Tanzania.
16. Ramsey, J. B. (1969). Tests for specification errors in classical linear least squares regression analysis. *\*Journal of the Royal Statistical Society: Series B (Methodological)*, 31\*(2), 350–371.
17. Scott, W. R. (2014). *\*Institutions and organizations: Ideas, interests, and identities\**. Sage.

18. United Nations Development Programme. (2021). \*Youth and peacebuilding report for Africa\*. UNDP.
19. von Bertalanffy, L. (1968). \*General system theory: Foundations, development, applications\*. George Braziller.
20. White, H. (1980). A heteroskedasticity-consistent covariance matrix estimator and a direct test for heteroskedasticity. \*Econometrica\*, 48\*(4), 817–838.
21. Mwaifunga, N. R. (2025). \*The impact of the Youth Development Fund (YDF) on community security in Mtwara Region, Tanzania\* (Unpublished master's dissertation). Institute of Accountancy Arusha.