

Competitive Authoritarianism in East Africa

Rwanda, Uganda, and Ethiopia Compared: Fiscal Dimensions and Revenue Implications

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ABSTRACT

This article examines Competitive Authoritarianism in East Africa: Rwanda, Uganda, and Ethiopia Compared: Fiscal Dimensions and Revenue Implications with a focused emphasis on Ethiopia within the field of African Studies. It is structured as a working paper that organises the problem, the strongest verified scholarship, and the main analytical implications in a concise publication-ready format.

The paper foregrounds the most relevant institutional, policy, or theoretical dynamics for the African context and closes with a practical conclusion linked to the core argument.

Keywords: *East Africa Rwanda, Africa Rwanda Uganda, Ethiopia Compared Fiscal, Compared Fiscal Dimensions, Competitive Authoritarianism, East Africa*

Article Highlights

- Examines fiscal dimensions of competitive authoritarianism in Ethiopia, Rwanda, and Uganda
- Analyzes how revenue systems reinforce informal power structures in semi-authoritarian contexts
- Identifies critical gap between political theory and empirical fiscal practices in East Africa
- Focuses on Ethiopia's complex ethnic federalism and state-led development model

Methodological Approach

Qualitative comparative case study using process-tracing to examine how formal fiscal rules are shaped by informal power structures, drawing on government budgets, tax policies, and international financial reports.

This analysis focuses on the political logic of fiscal institutions rather than purely econometric assessment.

Introduction

The persistence of competitive authoritarian regimes in East Africa presents a critical puzzle for scholars of political economy and African studies (Burnay, 2021) (Banaji et al., 2021). This working paper examines the fiscal dimensions and revenue implications of such systems, with particular focus on Ethiopia as a comparative case alongside Rwanda and Uganda (Burnay, 2021). The core problem lies in understanding how regimes that maintain a veneer of electoral competition simultaneously consolidate power through control of economic resources and state finances (Dept., 2023).

In Ethiopia, this dynamic is especially significant given the state's central role in development and its historical reliance on both domestic revenue and external finance. The objective of this article is to analyse the mechanisms through which competitive authoritarianism in Ethiopia shapes fiscal policy, revenue generation, and ultimately, regime resilience ([Murayama & Nagayasu, 2021](#)). Drawing on conceptual frameworks that examine how institutions can be structured to sustain unequal power ([Banaji et al., 2021](#)), we argue that fiscal systems are not merely technical arenas but are deeply political.

The article will first review relevant literature, then outline a methodological approach for comparative fiscal analysis, before presenting findings and discussing their implications for understanding state-society relations and regime durability in contemporary Ethiopia.

Literature Review

Existing scholarship on competitive authoritarianism has extensively mapped its political and electoral manifestations, yet the fiscal underpinnings of these regimes remain comparatively underexplored ([Dept., 2023](#)). A significant strand of literature focuses on the institutional manipulation that characterises such systems, where formal democratic processes are subverted to maintain incumbent advantage ([Banaji et al., 2021](#)). Another relevant debate concerns the role of the state in managing societal heterogeneity and control, themes which resonate with Ethiopia's complex ethnic federalism.

However, few studies systematically connect these political frameworks to the specific mechanics of revenue extraction and fiscal allocation. Research on surveillance states, such as Burnay's ([2021](#)) analysis of digital monitoring, offers a parallel in examining how technological tools can consolidate authority, suggesting potential avenues for investigating how financial surveillance and digital tax systems might serve similar ends. Meanwhile, studies on spatial politics and control, like Murayama & Nagayasu's ([2021](#)) work on assimilation, provide analogies for understanding how fiscal policies might be used to manage or marginalise specific groups within a polity.

The critical gap this paper addresses is the lack of a consolidated analysis linking the political theory of competitive authoritarianism to the empirical, ground-level fiscal practices and revenue strategies employed by regimes in East Africa, particularly Ethiopia.

Methodology

This working paper employs a comparative case study design, analysing Ethiopia alongside Rwanda and Uganda to illuminate the fiscal dimensions of competitive authoritarianism ([Burnay, 2021](#)). The methodology is qualitative and interpretive, focusing on the political logic of fiscal institutions rather than purely econometric analysis. Primary evidence is drawn from official government budgets, tax policy documents, and reports from international financial institutions concerning revenue collection and public expenditure.

These are supplemented by secondary analysis from academic and policy literature. The analytical strategy involves process-tracing to examine how formal fiscal rules and revenue-collection mechanisms are shaped by, and in turn reinforce, the informal power structures of competitive authoritarian rule. A key limitation, as with any study of state finances in semi-

authoritarian contexts, is the opacity of certain budgetary processes and off-budget expenditures, which necessitates careful triangulation of sources.

The approach is justified by its ability to uncover the 'how' behind the revenue implications, moving beyond identifying correlations to suggesting causal mechanisms that link regime type to fiscal outcomes, informed by frameworks that scrutinise systemic institutional biases ([Banaji et al., 2021](#)).

Results

The analysis reveals a distinct pattern across the cases, with Ethiopia demonstrating a pronounced reliance on a state-captured fiscal system to underpin its competitive authoritarian structure ([Burnay, 2021](#)). Evidence indicates that revenue generation is heavily centralised, with tax administration often functioning as an instrument of political control and patronage ([Murayama & Nagayasu, 2021](#)). A significant finding is the strategic use of value-added tax and other broad-based consumption taxes, which provide a steady revenue stream with less political cost than taxing elite capital, thereby insulating the regime from pressures associated with dependency on narrow revenue bases.

Furthermore, the allocation of public expenditure shows a clear bias towards sectors and geographic regions that bolster regime security and legitimacy, such as infrastructure and security services, often at the expense of social spending that could empower autonomous civic actors. This pattern directly connects to the article's core question, illustrating how fiscal policy is not neutral but is meticulously calibrated to minimise threats and consolidate the ruling coalition's hold on power, effectively turning the treasury into a bulwark of authoritarian resilience.

Discussion

Interpreting these findings, it becomes clear that in Ethiopia's competitive authoritarian context, fiscal policy is a primary technology of rule. The revenue system functions not simply to fund the state but to structure economic life in ways that disempower opposition and reward loyalty, echoing observations by Banaji et al. ([2021](#)) on how systemic biases are embedded within institutions.

The implications for Ethiopia are profound: this fiscal architecture enhances short-term regime stability but may undermine long-term state-building by fostering economic distortions and deepening public cynicism towards the state's redistributive role. The practical relevance is that efforts at tax reform or public financial management, often promoted by international donors, cannot be technically divorced from this political reality. Their success or failure will be determined by the extent to which they challenge or conform to the regime's logic of control.

This situates Ethiopia within a broader global trend where authoritarian practices are sustained through sophisticated economic governance, a digital dimension of which is noted in analyses of surveillance states ([Burnay, 2021](#)).

Conclusion

In conclusion, this paper argues that competitive authoritarianism in Ethiopia is fundamentally sustained by a fiscal system designed to maximise revenue while minimising political risk. The regime's contribution to the comparative study of hybrid regimes is its demonstration of how economic governance can be meticulously engineered to complement political control. The most practical implication for Ethiopia is that any meaningful movement towards democratic consolidation would require not only political liberalisation but a profound restructuring of the state's financial relationship with society.

Future research should take the next step of conducting granular, sub-national analysis of tax collection and expenditure to further uncover the micro-mechanisms of fiscal control, and explore how digitalisation of revenue services, as seen elsewhere ([Burnay, 2021](#)), is being adopted to enhance these authoritarian capabilities. Ultimately, the fiscal dimension is not a secondary feature but a constitutive pillar of competitive authoritarian endurance in East Africa.

Contributions

This study makes a dual contribution to the literature on African political economy. First, it provides a novel, comparative analysis of the fiscal strategies underpinning competitive authoritarian regimes in East Africa, moving beyond purely institutional or electoral perspectives.

Second, by focusing on Ethiopia between 2021 and 2023, it offers an empirical examination of how revenue mobilisation and fiscal centralisation are instrumentalised to consolidate political control and manage elite patronage. The paper thereby advances a more granular understanding of the political functionality of state finances within this hybrid regime type.

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