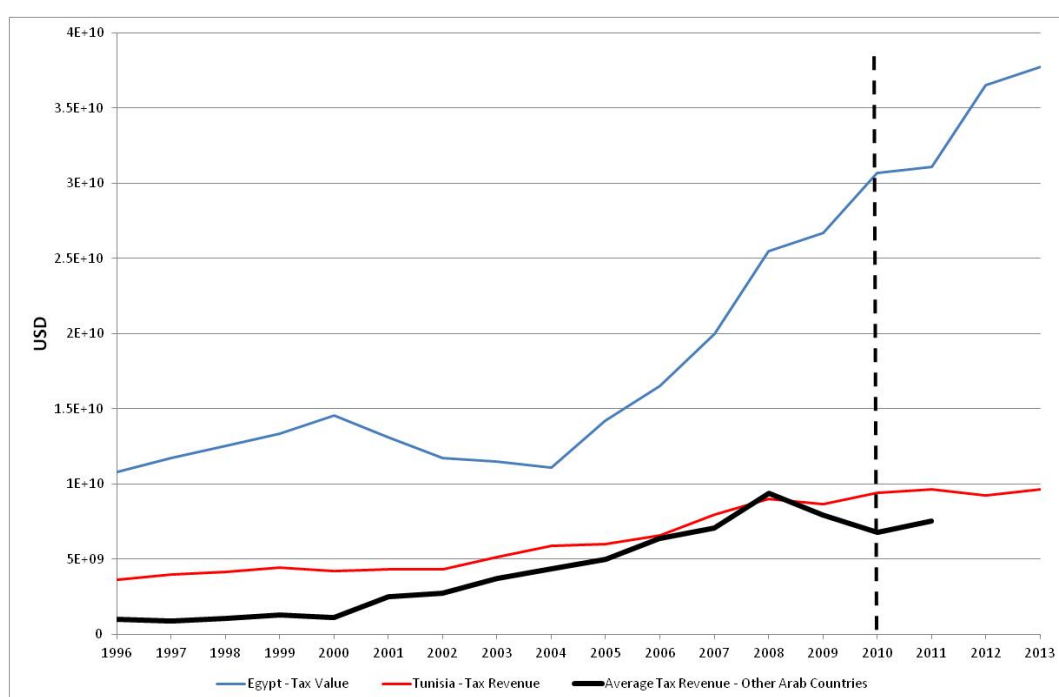


## The impacts of Arab Spring Countries (ASCs) on tax revenue. Special emphasis on Governance.

This article aims to conduct limited analysis on the probable impacts of the Arab Spring (AS) on the tax revenues in the countries where AS are taking place. The idea of this study comes from the societal pattern of any tax system and the critical analysis that is presented in this article based on identifying the extent of tax system that being affected by revolution and social movements.

This chart shows the tax revenues of two ASC which are not based-petroleum economies<sup>1</sup>. It can be realized that unlike the other Arab countries, the ASCs' tax revenue had not been affected by the AS in 2011 onwards<sup>2</sup> that is addressed by vertical dashed line<sup>3</sup>. Additionally, it seems clear that there is no influence of AS on the "Other Arab Countries" which is shown in black line.



Source: the used to prepare this chart is retrieved from World Bank Data.

This situation encouraged the researcher to study another factor that might affect the figures of annual tax revenues through identifying the impacts of the Arab Spring Countries (ASCs) by focusing on their "Governance factors". In fact, the first question, that we might ask, is the comparison cannot be made between the ASCs and developed countries due to the evident and unfair differences should definitely be found.

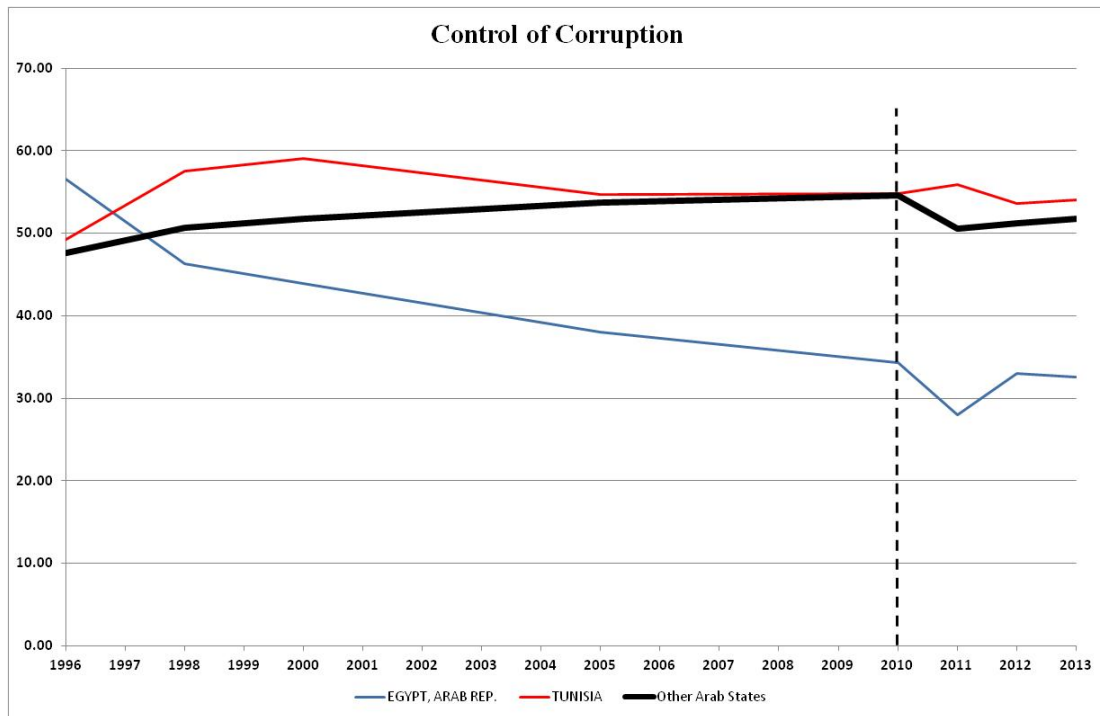
The shared aspect among ASCs is the governance indicators. The World Bank Data presents the situation of governance during the past two decades. This data has been shown by the researcher through the next four charts which emphasise the governance

<sup>1</sup> The data is not available for the other three Spring countries (Libya, Yemen, Syria).

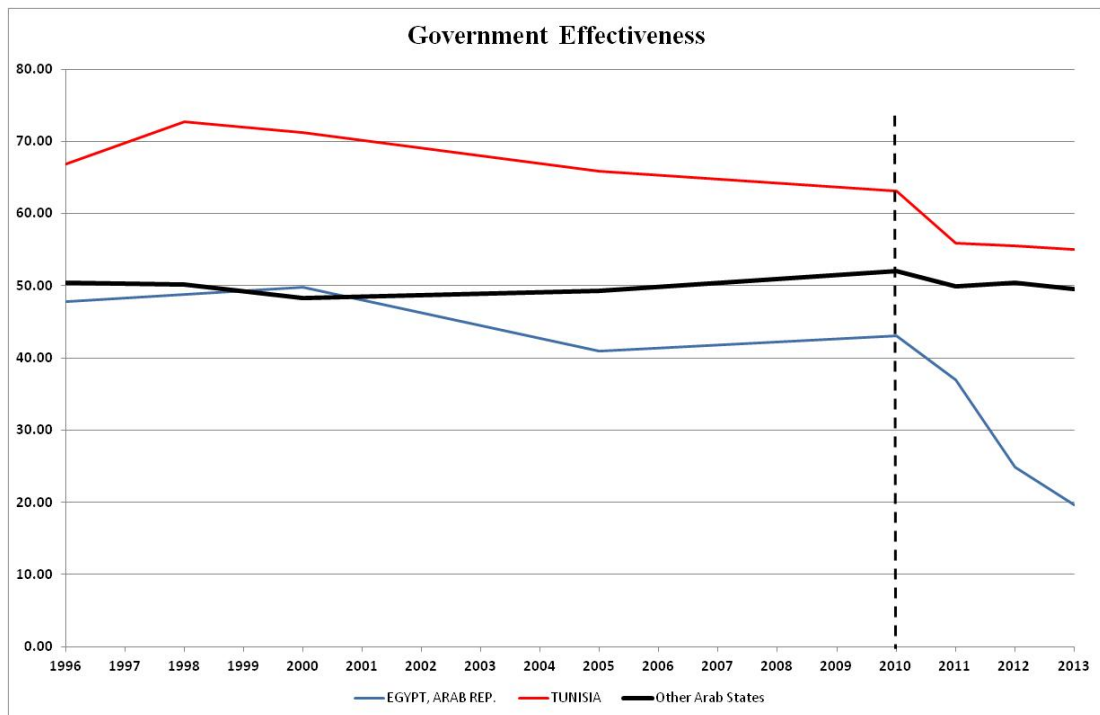
<sup>2</sup> The available data for these TWO countries does not exceed 2011, the researcher has estimated 2012 and 2013 based on their GDP figures.

<sup>3</sup> This line indicates the time line between the pre-revolutionary era from the left side and revolutionary period which is followed by post-revolutionary era until 2013

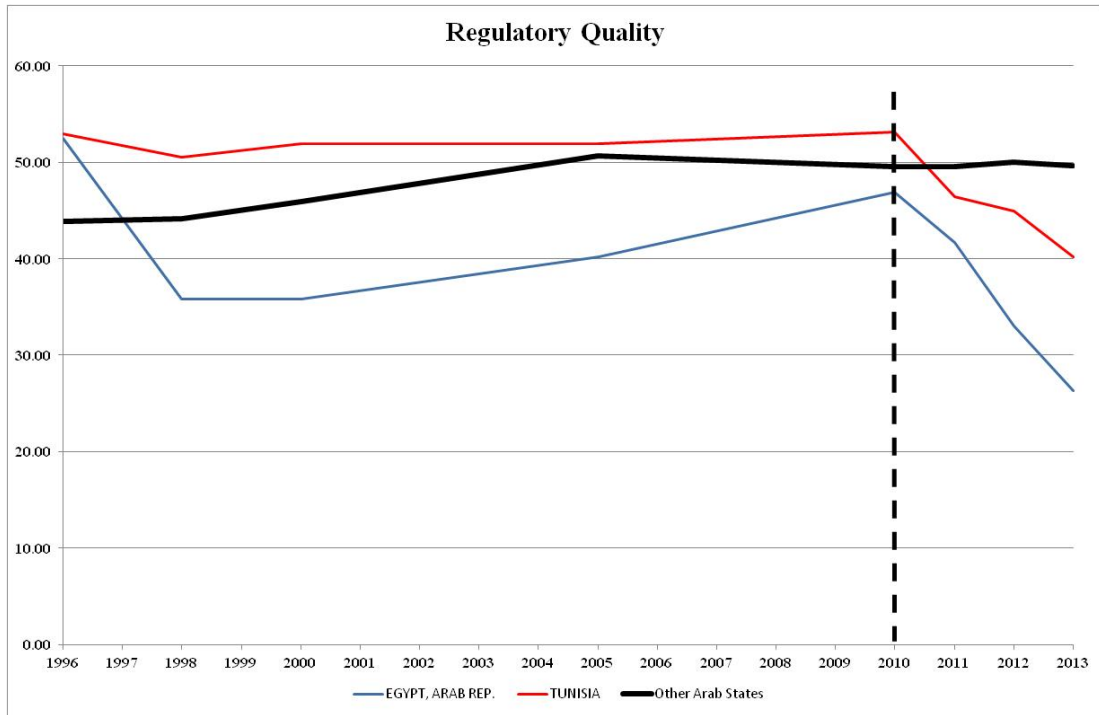
trend of ASCs compared with other Arab states. All the indicators are ranked as percentages of 100%.



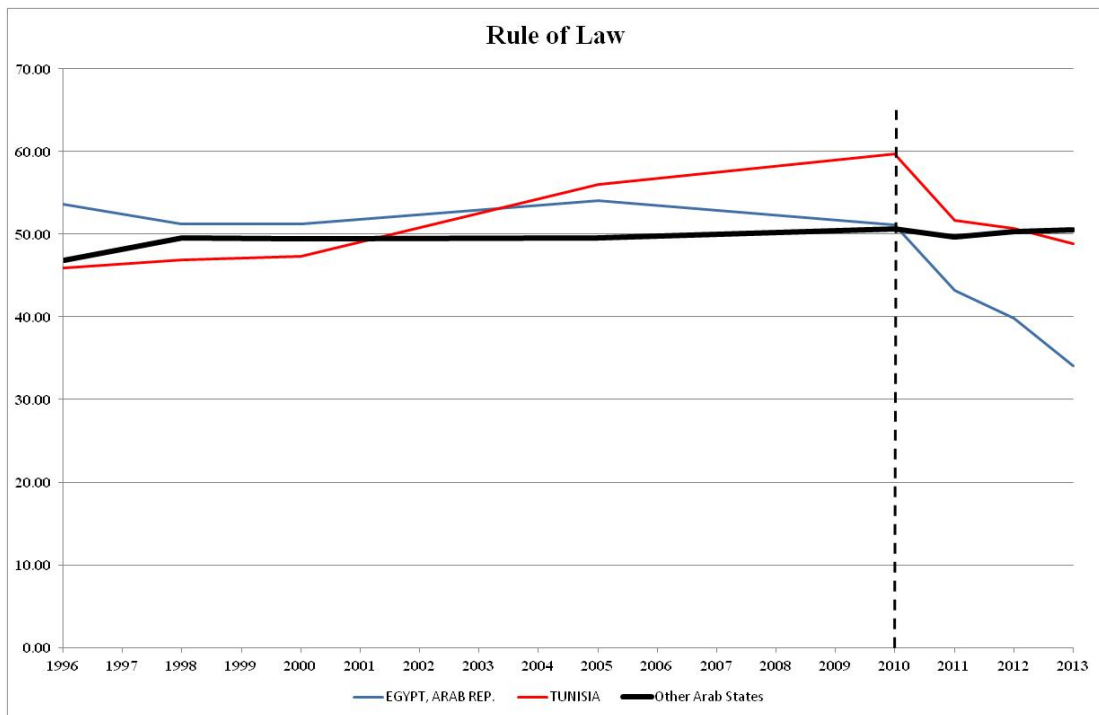
It is clear that the Arab Spring revolutions were not successful in improving the governments efforts in terms of control of corruption. Interestingly, this aspect in most ASCs have not yet tackled the dilemma properly.



In terms of governments' effectiveness, the pre-revolutionary era was broader than the followed years except the non-spring states. This is an expected signal of the governmental collapsing which was followed by huge institutional reorganisation.



Unlike the non-ASCs, most of the ASCs have low rank of governing quality in terms of ruling. Tunisia and Libya are shaped the variation area on the chart from top and bottom respectively.



The resemblance of behaving was clearly seen between ASCs in terms of “Rule of Law” during the pre-revolutionary era. While the convergence on the lack of ruling was noticeably observable between the ASCs at the revolution year onwards.

## **Cocclusion**

In spite of the fact that taxes have societal roots and effects, the Arab Spring does not affect on tax figure in ASC. Additionally, the AS has not yet affect positively on the institutional system in these countries. This finding can be found by observing the previous charts which are related to the governance factors. It can be concluded that the main reason for stability of tax revenues during the post-revolutionary period compared with pre-revolutionary era is their economies structures and the weakness of societal dimention in their tax structure.

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