

## **Corruption Perceptions Index 2018 Has Been Released**

## Introduction

Transparency International announced the results of the 2018 Corruption Perceptions Index (the "2018 Index") on January 29, 2019. As known, this study has been carried out and published by Transparency International since 1995, and reflects the public sector corruption perspective of experts, non-governmental organisations and representatives of the business world on a scale from 0 (highly corrupt) to 100 (very clean).

When compared to the 2017 results, Turkey has moved from 81 to 78 and improved 1 point by scoring 41. That being said, this happened not due to an overall improvement; but an increase in Turkey's point in only one of the survey areas which was not included in the assessment last year. Therefore, this year's slight increase in its ranking could not save Turkey from being listed as one of the five countries which has significantly decreased its point in the past 7 years.

Compared to the European Union countries, Turkey scored less than all 28 countries. It is ranked 34th among the 35 Organisation for Economic Cooperation and Development countries and 12th among the G20 countries. It is also dramatically assessed in the 2018 Index that in terms of the global rankings, Turkey has fallen behind many countries which consistently struggle with political, economical and social instabilities and which have not ever met democracy.

## **Reasons Behind Continuous Fall**

According to the research analysis made by Transparency International, the 2018 Index dramatically reveals the correlation between corruption and healthy democratic institutions and political rights. Turkey is given as an exemplifying country proving this analysis along with Hungary with a reference to Turkey's "Not Free" status as declined from "Partly Free" according to the Freedom House's report of 2018.

E Oya Ozarslan, the head of Transparency International's Turkey branch, evaluates the results of the 2018 Index as follows:

"Failure to bring corruption under control is a significant factor all over the world for emerging of democratic crisis and rising of populist regimes. Having abandoned the parliamentary democracy, Turkey has been struggling with vital problems such as weakening of political institutions, disappearance of independent media, violation of rule of law and losing respect on fundamental deeds such as the Constitution. Being referred to as a country having a hybrid regime instead of a democratic one is a warning signal for Turkey, which is among the countries with a corruption score falling significantly over the last 5 years."

## **Comments**

Not only specific to Turkey, the 2018 Index strongly emphasises on a macro scale how a democratic environment with transparent public institutions and a society provided with the opportunity to express and question freely makes a positive effect on perception of corruption. When it comes to the private sector and corporations, it is apparent that they can also make inferences from this analysis to fight against corruption under their corporate bodies.

On this basis, establishment of a transparent system in conduct of their activities and a strong control mechanism with proper monitoring of their relationship with third parties along with proper conflict of interest checks can be regarded as an initial and perhaps a preventive step in this fight. On the other hand, having an effective whistleblowing or hotline mechanism where each and every member of the corporate organization, from the employees to business partners, is provided with the opportunity to apply to and speak fearlessly would incontrovertibly be substantial when things did not go as expected and suspects of corruption arise.

When it comes what Turkey can learn from the Index 2018, we can say that although there is not a strong economic stability for the moment, the government strongly encourages foreign direct investments and takes important initiatives to provide profitable investment opportunities for foreign investments. Also considering that the state of emergency is no longer in effect, taking steps to change the current perception of corruption in Turkey would also accelerate this process and attract more foreign investors as desired.



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