**GIP Policy Memo** 

March 2025 / Issue #80

# From Regional Leader to Uncertain Future: Georgia's Corruption Outlook

Givi Silagadze 1

Corruption remains a critical issue for governance and democracy around the globe. Corruption undermines trust in public institutions and damages policy-making, ultimately hindering good governance and undermining the public good (Rose-Ackerman and Palifka 2016). Recent reports claim that corruption is growing in scale and complexity, with more than two-thirds of countries now scoring below the mid-point on Transparency International's Corruption Perceptions Index (Transparency International 2025b).

Georgia has been a regional leader in anti-corruption efforts (World Bank 2012). In the 2000s, the country managed to move away from being a 'failed state' and became a state with low corruption rates (Kupatadze 2014). Although favoritism and stifled market competition remained significant problems, petty corruption was nearly eliminated in the country (Kupatadze 2016). Georgia continues to lead in the region in terms of corruption rates. In 2025, Georgia's score on the Corruption Perceptions Index remained higher than that of any other country in the Black Sea and Caspian regions (Transparency International 2025a).

The recent Georgia Governance Index (GGI) demonstrates a significant decline in Georgia's effective governance, with fighting corruption being the most deteriorating component (Georgian Institute of Politics 2025). The GGI measures effective governance using eight indicators, two of which focus on fighting against bureaucratic corruption and political

<sup>&</sup>lt;sup>1</sup> Givi Silagadze is PhD Researcher at Department of Political and Social Sciences, European University Institute

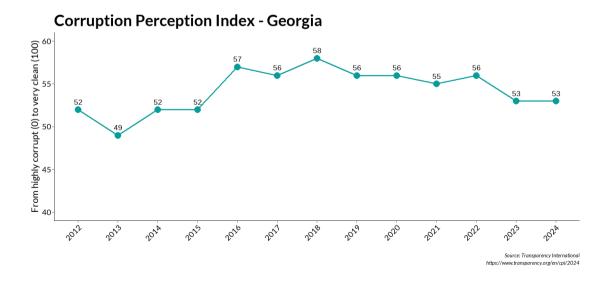
corruption. These two indicators experienced a drop of more than 10 points on a 0-100 scale. These findings paint a concerning picture of worsening corruption and governance in the country.

This policy memo aims to complement the GGI and analyze corruption trends in Georgia using multiple data sources, including international assessments, expert evaluations, and public opinion surveys. The main goal of the memo is to provide a clearer picture of corruption dynamics in the country. The findings highlight growing concerns over steadily worsening corruption trends in Georgia. Data signaling worsening corruption trends, coupled with the recent explicit decline in the quality of democratic governance in the country, paint an increasingly bleak picture for anti-corruption efforts in Georgia.

## A Closer Look at Georgia's Corruption Trends

According to the Corruption Perceptions Index, Georgia has a score of 53 on a scale from 0 to 100, where 0 indicates a highly corrupt system and 100 represents a very clean one (Transparency International 2025a). Georgia remains a regional leader and has the highest score among its immediate neighbors. However, a deteriorating trend has been visible since 2018 (Figure 1). The decline of 5 points between 2018 and 2024 may not seem like a substantial deterioration. More concerning, however, is the steady downward trend since 2018. Given the recent rapid democratic decline in Georgia (Freedom House 2025), the future looks increasingly grim with respect to corruption.

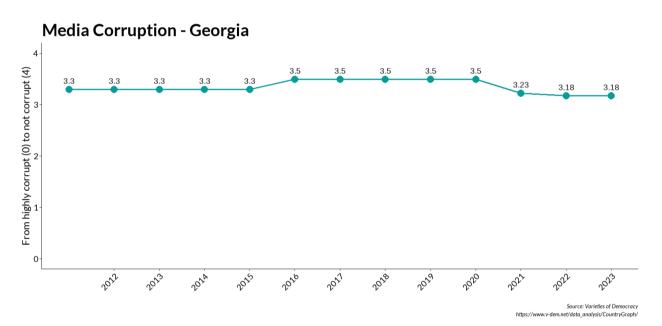
Figure 1



There have been an increasing number of claims from various sources that the media in Georgia is corrupt. The Varieties of Democracy project collects expert opinions on a vast number of indicators, one of which concerns media corruption (V-Dem Institute 2024). Essentially, this indicator aims to measure the extent to which journalists, publishers, or broadcasters in a country accept payments in exchange for altering news coverage. This measure is reported on a scale from 0 to 4, where 0 indicates a highly corrupt media and 4 signifies the absence of corruption.

Figure 2 shows that Georgia has consistently scored relatively high on this measure. A score of 3 means that "it is not normal for journalists, publishers, and broadcasters to alter news coverage in exchange for payments, but it happens occasionally, without anyone being punished." However, a deteriorating trend is visible here as well—Georgia's scores in the 2020s are slightly lower than those in the second half of the 2010s.

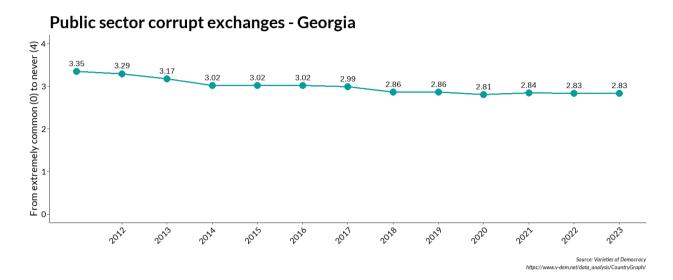
Figure 2



The Varieties of Democracy project measures another indicator regarding public sector corruption. The project asks national experts to assess on a scale from 0 to 4 how routinely public sector employees grant favors in exchange for bribes, kickbacks, or other material inducements. Figure 3 displays the results for Georgia since 2011 to 2024. Lower scores on the measure means public sector corrupt exchanges are more common in a particular country. Georgia, since 2011, consistently scores in the neighborhood of the value 3, which means that corrupt exchanges in the public sector are scattered and only a small minority of

public sector employees engage in petty corruption from time to time.<sup>2</sup> However, the trend is similar to other measures of corruption and it is slowly deteriorating.

Figure 3

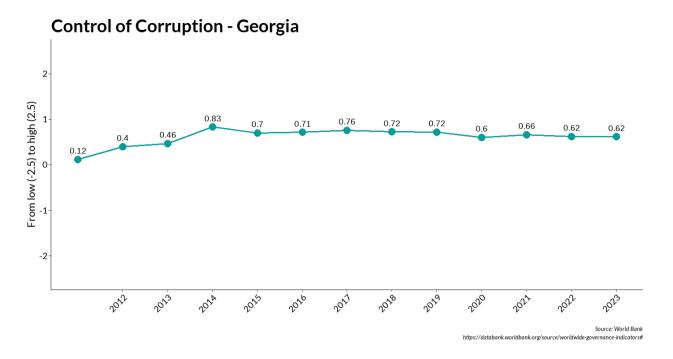


Another widely used source for assessing corruption in a country is the World Bank's Governance Indicators, and particularly relevant for the purpose of this memo is the dimension called Control of Corruption (World Bank 2025). According to the World Bank, Control of Corruption captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as the "capture" of the state by elites and private interests. Estimates of corruption range from -2.5 to 2.5. Higher scores indicate better control of corruption in a given country.

Georgia retains its leadership position in 2024 within its immediate neighborhood. However, as shown in Figure 4, Georgia's scores have been declining since 2014. It must be noted that the magnitude of the decline might not be statistically significant, but the unequivocal time dynamic since 2014, coupled with similar deteriorating tendencies in other measures, suggests that the situation in Georgia in terms of corruption is expected to worsen in the future.

<sup>&</sup>lt;sup>2</sup> This interpretation is according to the Codebook of V-Dem data.

Figure 4



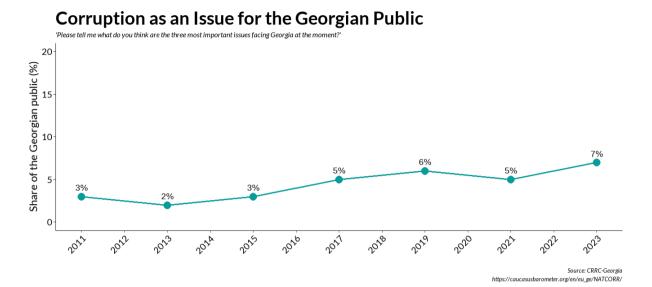
Even though the decline in corruption scores across multiple sources do not seem drastic and substantial, the convergence of trends highlights a systemic challenge. Corruption should not be seen as a standalone issue but rather as deeply intertwined with the rule of law and democratic institutions. In this light, the interplay between corruption and democratic backsliding poses a significant risk. Without robust mechanisms to ensure accountability and transparency, Georgia's governance trajectory is likely to worsen.

# Corruption Through the Eyes of the Georgian Public

Examining public perceptions of corruption as an issue in the country is another important indicator of the corruption situation. Survey data collected by CRRC-Georgia (2024) suggests that the Georgian public does not think that corruption is a major or one of the most important issues in Georgia. Figure 5 shows how the share of the Georgian public has changed over time with respect to naming corruption as the most important issue facing Georgia. Two interpretations can be made: first, the share of Georgians who name corruption as the most pressing national issue is consistently low. Second, nonetheless, the proportion of Georgians who think corruption is one of the most important issues has been increasing since the mid-2010s. The increase is not substantial but appears unequivocal. As of 2023, one in every 14 Georgian citizens named corruption as an important national issue, while in 2013, only one in every 50 Georgian citizens thought the same.

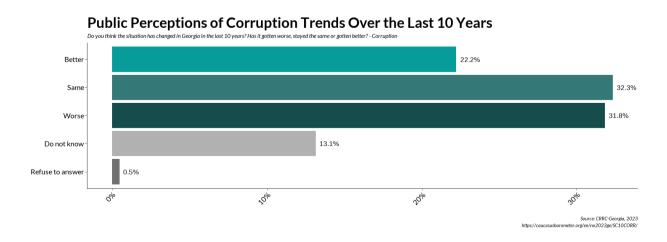
This increase might not be dramatic, but taken together with the multiple sources signaling worsening corruption trends, this might mean a growing awareness of corruption as a systemic issue.

Figure 5



Moreover, another source of survey data (CRRC-Georgia 2024b) suggests a plurality of the public thinks the corruption situation in Georgia has remained the same or worsened over the last 10 years (Figure 6). As of 2023, only 22% of the Georgian adult population reported that the situation in Georgia with respect to corruption has improved over the last decade, while 32% claimed that the situation was the same. A similar share of the public thought that the situation had worsened compared to 10 years ago. This data points to a perceived stagnation in the fight against corruption in the eyes of the public. This aligns with the downward trends discussed in the previous section of the paper.

Figure 6



Statistical analysis was conducted to better understand how the public perceives corruption trends over the last 10 years (see more details in Appendix 1). The data suggests that higher-income individuals are more likely to perceive corruption as worsening compared to those from less wealthy households. The data does not allow for a conclusive interpretation of this particular finding, but one plausible explanation could be that people with higher household incomes are more likely to engage with government and business dealings and, for that reason, are more likely to encounter high-level corruption.

High-level corruption is a topic that many local and international observers have noted as a significant problem in Georgia. The European Commission report (2023) on Georgia mentioned high-level corruption eight times and noted: "Further efforts need to be undertaken to tackle high-level corruption and, in particular, to address the challenge of large-scale vested interests and their influence in both the political, judicial, and economic spheres" (p. 25). The subsequent edition of the same European Commission report (2024) mentioned high-level corruption nine times and reiterated that "More efforts are needed to tackle high-level corruption."

The survey data and analysis suggest that public concern about corruption remains relatively low to in comparison to other issues. However, public concern seems to be on the rise. Moreover, the perception that the corruption situation in Georgia has stayed the same or worsened, especially among individuals from wealthier households, points to deeper systemic challenges.

#### Conclusion

Some recent reports regarding prevalent high-level corruption and international systemic trends indicate a somewhat marginal but steady decline across multiple corruption indicators. The Georgian office of Transparency International claims that their investigation found that companies connected to the ruling Georgian Dream (GD) party were involved in public tenders' worth of 1.1 billion GEL (Civil Georgia 2024). According to international assessments, such as CPI and World Bank Governance Indicators, the country's score has continuously deteriorated since the second half of the 2010s. European Commission reports in 2023 and 2024 have emphasized the need for stronger anti-corruption measures against high-level corruption.

Despite the deteriorating trend, corruption is still not seen as a top national issue by the general public. As of 2023, only one in every 14 Georgians names corruption as one of the key issues the country is facing. Moreover, Georgia remains a regional leader in terms of anti-corruption efforts.

The recent scores for Georgia on the CPI and World Bank Governance Indicators remain the highest among its neighbors. However, this regional leadership should not overshadow the growing risks manifested through deteriorating international scores and numerous reports about high-level corruption.

What is concerning is the deteriorating trend since the second half of the 2010s, coupled with recent drastic democratic erosion in Georgia. Taken together, effective and transparent governance in Georgia might face a fundamental challenge in the coming months and years. As a result, the most likely scenario seems to be one where Georgia slides back into corruption and loses its regional leadership in this regard. In practice, that could look like a resurgence of petty corruption and further entrenchment of high-level corruption.

## References

- Civil Georgia. 2024. "TI Georgia: Companies Tied to GD Received GEL 1.130 Billion Worth Tenders in 2024." Civil Georgia, 2024. https://civil.ge/archives/629782.
- CRRC-Georgia. 2024a. "Knowledge of and Attitudes toward the EU in Georgia 2011-2023." https://caucasusbarometer.org/en/eu2023ge/codebook/.
- CRRC-Georgia. 2024b. "NDI: Public Attitudes in Georgia, October 2023." https://caucasusbarometer.org/en/no2023ge/SC10CORR/.
- European Commission. 2023. "COMMISSION STAFF WORKING DOCUMENT Georgia 2023 Report."

  Directorate-General for Neighbourhood and Enlargement Negotiations.

  https://enlargement.ec.europa.eu/system/files/2023-11/SWD\_2023\_697%20Georgia%20report.pdf.
- European Commission. 2024. "COMMISSION STAFF WORKING DOCUMENT Georgia 2024 Report."

  Directorate-General for Neighbourhood and Enlargement Negotiations.

  https://enlargement.ec.europa.eu/document/download/7b6ed47c-ecde-41a2-99ea-41683dc2d1bd\_en?filename=Georgia%20Report%202024.pdf.
- Freedom House. 2025. "The Uphill Battle to Safeguard Rights." https://freedomhouse.org/report/freedomworld/2025/uphill-battle-to-safeguard-rights.
- Georgian Institute of Politics. 2025. "The Georgia Governance Index (GGI) 2024." https://gip.ge/publication-post/the-georgia-governance-index-ggi-2024/.
- Kupatadze, Alexander. 2014. "Explaining Georgia's Anti-Corruption Drive." In *Georgia: Revolution and War*. Routledge.
- Kupatadze, Alexander. 2016. "The Quest for Good Governance: Georgia's Break with the Past." *Journal of Democracy* 27 (1): 110–23.
- Rose-Ackerman, Susan, and Bonnie J. Palifka. 2016. *Corruption and Government: Causes, Consequences, and Reform.*Cambridge University Press.
- Transparency International. 2025a. "Corruption Perceptions Index 2024." https://www.transparency.org/en/publications/corruption-perceptions-index-2024.
- Transparency International. 2025b. "CPI 2024: Highlights and Insights." *Transparency.Org* (blog). February 11, 2025. https://www.transparency.org/en/news/cpi-2024-highlights-insights-corruption-climate-crisis.
- V-Dem Institute. 2024. "Democracy Report 2024: Democracy Winning and Losing at the Ballot." University of Gothenburg. https://www.v-dem.net/publications/democracy-reports/.
- World Bank. 2012. "Georgia's Fight Against Corruption in Public Services Wins Praise." Text/HTML. 2012. https://www.worldbank.org/en/news/press-release/2012/01/31/georgias-fight-against-corruption-in-public-services-wins-praise.
- World Bank. 2025. "Worldwide Governance Indicators." Text/HTML. www.govindicators.org.

#### Appendix 1

A logistic regression model examined the likelihood of respondents perceiving corruption as having worsened over the last 10 years. The analysis used survey-weighted estimation to ensure representativeness of the findings. The model contained the following variables:

- Age group
- Sex
- Education level
- Household income
- Type of settlement
- Ethnicity

The data used for the model is publicly available <u>here</u>.

The model was estimated using a binomial logistic regression with survey design adjustments (svyglm function in R). Full results, including coefficient estimates and significance levels, are available upon request.



**Georgian Institute of Politics (GIP)** is a Tbilisi-based non-profit, non-partisan, research and analysis organization. GIP works to strengthen the organizational backbone of democratic institutions and promote good governance and development through policy research and advocacy in Georgia.

The publication was produced with the support of the Netherlands Fund for Regional Partnerships MATRA for regional cooperation in the Eastern Partnership (EaP). The views and opinions expressed in this article are the author's alone and do not necessarily reflect the views of the Georgian Institute of Politics and the Netherlands Fund for Regional Partnerships MATRA for regional cooperation in the Eastern Partnership (EaP).

#### **HOW TO QUOTE THIS DOCUMENT:**

**Givi Silagadze**, "From Regional Leader to Uncertain Future: Georgia's Corruption Outlook" Policy Memo No. 80, Georgian Institute of Politics, March 2025

© Georgian Institute of Politics, 2025 13 Aleksandr Pushkin St, 0107 Tbilisi, Georgia

Tel: +995 599 99 02 12 Email: <u>info@gip.ge</u>

For more information, please visit

<u>www.gip.ge</u>