

## **Hungary bringing up the rear of the region in Transparency International's most recent world corruption ranking**

*Hungary has stabilised its position at the tail-end in both the European Union and in Central and Eastern Europe, as revealed by the most recent corruption ranking of Transparency International (TI). With its score of 46 points, Hungary ranks 64<sup>th</sup> globally, having only climbed two places in the global ranking and one place among EU Member States. Even though state institutions in Hungary, due to the country's poor rule of law and democracy performance are unable to effectively curb corruption, because of the favourable macroeconomic indicators and other cyclical factors market players have resigned themselves to the situation and have "put a price" on corruption.*

Last year the secretariat of Transparency International in Berlin compiled for the 24<sup>th</sup> time the Corruption Perceptions Index (CPI), ranking the countries of the world based on the corruption exposure of the public sector. In 2018 Hungary scored 46 on a scale ranging from 0 (most corrupt country) to 100 (least corrupt country), and ended up 64<sup>th</sup> in the survey covering 180 countries. Relative to the previous year's index, Hungary was able to improve its resistance to corruption by only two places and a single point, as indicated by the assessment of businesspeople and experts. While Hungary is in the mid-range internationally, it is among the most corrupt Member States of the European Union: last year only Greece and Bulgaria ranked below Hungary in terms of corruption. Hungary brought up the rear both among the V4 and in the group of countries that joined the EU in the 2004 enlargement round.

This result is particularly disappointing in comparison to other Central and Eastern European countries. In that group, Bulgaria was the only country to achieve a weaker score, while Hungary was left standing by its regional competitors: it was the only Visegrad country with its corruption perception worsening since 2012. The Czech Republic, which started from a lower score, improved by 10 points during that period, and in 2018 it was ranked 38<sup>th</sup>, 26 places ahead of Hungary.

### ***Anticorruption efforts have stalled globally, with some outliers***

According to Transparency International's Secretariat in Berlin, the efforts of most governments to control corruption have generally yielded modest results in 2018. Exemplifying this trend, the CPI scores for Hungary and Turkey decreased by eight and nine points, respectively, over the last six years. The report also highlights that Hungary registered its lowest score on political rights since the fall of communism in 1989. These ratings reflect the deterioration of rule of law and democratic institutions.

"Our research makes a clear link between having a healthy democracy and successfully fighting public sector corruption," said Delia Ferreira Rubio, Chair of Transparency International. "Corruption is much more likely to flourish where democratic foundations are weak and, as we have seen in many countries, where undemocratic and populist politicians can use it to their advantage."

***Growing but still low GDP, high corruption***

The slight improvement of Hungary's score in the 2018 survey of Transparency International is, to a large extent, attributable to the economic indicators. Even though state institutions continue to perform poorly, the positive macroeconomic indicators and the short-term growth potential nudged Hungary slightly ahead in the global competitiveness rankings. On the other hand, the country's rule of law performance, the incidence of corruption, the freedom of the press and the quality of democracy continue to show disconcerting trends.

“Apparently, by now market actors have resigned themselves to the situation and put a price on corruption, but its persistence keeps Hungary on a course of low GDP and high corruption exposure, undermining the sustainability of economic growth,” emphasised Miklós Ligeti, Legal Director of Transparency International Hungary, at the press conference of the organisation held in Budapest.

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***About the Corruption Perceptions Index***

*The Corruption Perceptions Index (CPI) is prepared by the centre (Secretariat) of Transparency International (TI) in Berlin based on 13 surveys and analyses performed by 12 organisations. They measure corruption in the public sector by surveying the opinion of experts and businessmen on the corruption infestation of the public institutional system, the economy and society. Corresponding data was available on 180 countries in 2018, and Hungary was assessed based on 10 different sub-factors. TI defines the scores of the sub-factors on a scale from 0 to 100, where 0 marks highly corrupt countries and 100 those least affected. The secretariat of TI in Berlin calculates the index by weighting the average of the scores.*

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***Transparency International's report on the Corruption Perceptions Index and the characteristics of corruption in Hungary is accessible [here](#) in Hungarian.***