

**Remarks by His Excellency Vazha Lordkipanidze, State Minister of Georgia to the
International Conference on Fighting Corruption and Safeguarding Integrity
Among Justice and Security Officials
(Washington, 24 February 1999)**

Mr. Vice-President,
Ladies and Gentlemen,

I am deeply honoured to participate in this distinguished forum. We have gathered here to discuss issues critical to modern societies, governance, and the traditional clash between personal and public interests, all of which are relevant today as never before. Corruption is an ailment of global proportions. It bedevils all societies regardless of their level of development or form of government. Today, with the growing globalisation, an internationalisation of corruption is also occurring. International co-operation to address this problem has, therefore, become imperative. At the same time, the unique conditions and cultures of each country determine the specific local nature of corruption. Accordingly, national policies for fighting corruption should be developed to address these differences.

Today, Georgia is at an historic stage in its development. Building a new state involves radical transformation within the society. These political and socio-cultural processes are linked with changes of public consciousness - old values have lost their significance, while new ones not fully taken shape. Public attitudes toward the new statehood are in the process of formation. Many old norms and mechanisms which shaped social behaviour have crumbled.

The beginnings of nation building in Georgia have been fraught with turmoil and bloodshed. In a short few years, we have experienced a civil war and the resulting chaos. Nearly 300,000 of our citizens remain internally displaced due to ethnic conflicts, state jurisdiction has not been restored throughout Georgia's entire territory. All this has

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disrupted our society, and state discipline. It has exacerbated the corruption problem to the degree where it affects many spheres of our life - not least of all, our state budget. In fact, it is in the fiscal sphere where this problem is most acutely felt.

Georgia is nevertheless firmly on the way to building democracy and a market economy. In light of accomplishments on this road, today we can say that our course has become irreversible. We will not allow corruption to undermine the achievements we have made through our hard work and perseverance.

President Shevardnadze, representing the will of our government, has declared combating corruption our number one national priority.

This commitment of the President and Government of Georgia, together with the vital assistance from the United States, World Bank, IMF, EU, and other international bodies and friendly nations, assures that we will inevitably prevail. In a short 3-4 years, we have succeeded in curbing rampant crime - racketeering, kidnapping, extortion, assassinations of businessmen, as well as flagrant banditry on our streets, highways and railroads.

At the direction of the President, the law enforcement agencies have given new vigour to the fight against corruption. In 1998 alone, investigations of nearly 1,200 criminal offences involving tax, banking and other financial and economic crimes were launched including 317 grave offence cases. Many of these have already been taken to court. We firmly believe, that concrete fight against concrete criminals must be further intensified. All violators should equally answer before the law. A belief should be engendered in our society that all criminals will be duly punished.

Since corruption is essentially a systemic malaise it is impossible to eradicate it through repressive measures alone. To this end the involvement of the entire political establishment, business community and social institutions of the country becomes absolutely necessary. The anti-corruption policy must be pursued throughout the entire

process of state building. Our priority is to eliminate the causes of corruption - to lessen the part the government plays in managing social processes and thus increase responsibility of the society for the actual state of the nation.

Georgia's authorities understand that the economic basis for corruption will not be eliminated unless a viable market economy is established. Conceptual and organisational reform of economic relations and the existing practices of state regulation is underway. Privatisation, state property management, and deregulation, involving separation of the political and economic functions have already begun. Establishing an ongoing dialogue between the business community and the government is critical.

With the help of technical assistance from the West, we have created a strategy for the public administration reform [whose aim is to ensure order in this field. We have begun to streamline the functions and structures of government, and to reduce the size of the bureaucracy. It is a priority for us to form a professional civil service, to develop a legal basis for developing ethical norms for public officials and strengthen mechanisms for their enforcement.]

We attach great importance to promoting civic control of administration in order to assure transparency. We value the broad involvement of non-governmental organizations in the state building process, the development of a free media, and their efforts aimed at the independent investigation of corruption.

It is important to co-ordinate all branches of government in the combat against corruption. The Parliament and the executive branch of the government have collaborated on the Law on Conflict of Interests in Civil Service and Corruption, Administrative Offences Code, the Law on State Procurements. These laws have already been adopted. Currently the Public Information Code is being drafted, which defines the concrete mechanisms of obtaining, unhindered, information from public institutions. [

Corruption cannot be fully eliminated in any single country. Therefore an effective anti-corruption policy must include the component of co-ordinated regional co-operation. For Georgia, this is especially significant because of the strategic importance which the Euro-Asian transport corridor has acquired. In this context, the elimination of the practice of "informal relations" on the borders within this region is imperative. Special political efforts, non-standard approaches and international commitment is needed to resolve this problem. The common interest represented by the new partnership between the post-Soviet countries and the developed world necessitates a joint effort to crush the terrible plague of corruption which breeds on the Soviet legacy. We must identify and address the deep rooted social and cultural causes of this problem.

We want to take this opportunity to propose a special high-level forum dedicated to studying and addressing corruption issues involving regional relationships. The involvement of the United States, World Bank, and other international organisations in arranging such a conference would assure its effective realisation. Georgia's government stands ready to host this forum. We also think that it would be appropriate for our Conference to make a proposal on establishing a permanent international centre for developing strategies for combating corruption. The centre could be instrumental in making recommendations based on modern experience and the combined resources of the international community for increasing the effectiveness of the fight against corruption in this region. Georgia stands ready to be home of this centre as well.

We welcome active bilateral and multilateral collaboration on these issues. In the near future, Georgia will discuss the issue of becoming a party to the OECD's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Ladies and Gentlemen

The Georgian sovereign state has not been designed to secure Georgia's physical survival alone. Our efforts to build this state incorporate the loftiest spiritual and ethical aspirations of the Georgian people. Ultimately the Georgian state must develop into an

embodiment of the moral imperatives of the Georgian people. For this to happen,
however, our cherished values should pervade our business and political communities.

Georgia will not allow corruption – this malignancy of modern times - to damage the spirit
of our nation, its institutions, or destroy our future.

Thank you for your attention.