

# CGSS Interactive Series

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Pakistan – Hungary: Historical Perspective and Present Situation



Center for Global & Strategic Studies, Islamabad

**Major General Syed Khalid Amir Jaffery HI (M), (Retd) - President Center for Global & Strategic Studies, Islamabad**

Major General Syed Khalid Amir Jaffery HI(M), (Retd), commenced the third session of the “Interactive Series” by thanking the Hungarian Ambassador István Szabó and other participants of the Roundtable for attending the discussion on “Pakistan-Hungary: Historical Perspective and Present Situation”. General Jaffery (Retd), acknowledged that Pakistan-Hungary relations have blossomed steadily ever since independence and are laid on a firm, emotional, intellectual and practical foundation.



The Ambassador of Hungary has always played a vital role in further strengthening the relations. Pakistan highly values friendly relations with Hungary, and is committed to strengthening ties and enhancing long-lasting cooperation between the two countries. Adding further, Hungary looks towards Pakistan as an essential power to safeguard peace and security in a highly important part of the world.

Ambassador István Szabó has been representing the Hungarian people in Pakistan since 2012 and during that time he has worked day and night to maintain the relations between the two countries on the basis of trust and mutual respect.

Notably, Ambassador Szabo is responsible for the growing trade relations between the two countries and although the volume of this trade fluctuates from time to time, the Ambassador always ensures that they remain on track. It is not an easy thing to do, but it is certain that no one can replace his efforts or be more suitable for the task than the Ambassador himself.

**Ambassador István Szabó**

Ambassador István Szabó thanked General Jaffery (Retd), for inviting him to this forum where he could share his country’s culture, values and historical perspective with the fellow participants. He further expressed his views that he has been serving in Pakistan for the past 5 and half years and it has been an





honor and privilege to interact with the people of Pakistan and to know about their prestigious cultural values.

The official bilateral diplomatic ties between two countries started back in 1965, however, Hungary gave official recognition to Pakistan soon after its independence. During the Cold War, both states could not develop strong ties because Pakistan was in capitalist camp and Hungary was in communist camp. Adding further, he presented the brief territorial and economic comparison of two countries. Pakistan is a much larger country than Hungary in terms of territory and population. The Hungarian economy is predominantly based on its services sector and the industry (machinery, IT, pharmaceuticals). Connecting the dots further, he also presented an extensive historical evolution of Hungarian state and its social and political developments starting from the period of Stephen the First, the founding father of nation, mentioning landmarks such as the Mongol invasions, the Ottoman rule, the World Wars and the Trianon Treaty, shortening the area of the country by 70%.

He also enlightened the audience with Habsburg rule and the era in which Hungary remained under dual monarchic system from 1867 to 1918. He further stated that Austro-Hungarian Compromise of 1867 partially re-established the sovereignty of the Hungarian Kingdom. There was considerable economic progress in many fields. While agriculture remained the mainstay of the economy.

However, after the World War I, Austro-Hungarian Monarchy disintegrated and it was forced to divide into natural states. Therefore, Hungary gained independence at the conclusion of war, but lost possession of significant Hungarian population inside Transylvania, which was awarded to Romania by the Allies. During the World War II, Hungary was in alliance with Germany and it was on the losing side, which resulted into catastrophic socio-economic consequences for Hungary. After the revolution of 1956, Hungary inclined towards

communist camp. During the 1980 Hungary did economic and political reforms to improve its socio-economic condition, and limited political liberalization also took place. As a result of the change of system in 1990 and the subsequent efforts to rejoin Western Europe, Hungary acceded NATO and EU in 1999 and 2004 respectively.

As far as the Pak-Hungarian relations are concerned, the bilateral ties goes back to the first official Hungarian representation, a trade office in Karachi was established in 1949. The following years saw various initiatives of bilateral trade, development cooperation and provided humanitarian assistance in the wake of natural calamities. Furthermore, the developing relations between two countries naturally led to the mutual wish to formalize interactions by elevating them to the level of official diplomatic relationship in 1965.

While elaborating the historical contours, he stated that although Pakistan and Hungary are set apart by thousands of miles, yet, the pull of the mystic East brought many outstanding Hungarians, travelers, linguists, archeologists, orientalists, and anthropologists to the land of the Indus in the course of the past centuries. They engrossed in the remarkably rich culture and history, studied the diverse languages, conducted archeological and anthropological research, helped to develop famous local institutes of higher education and made a valuable contribution in introducing the Subcontinent to the European public.

Evidently, he illustrated a number of individuals who came to this region and put splendid contributions.



- **Alexander Csoma de Koros**, an orientalist and linguist visited Peshawar and Lahore at the beginning of the 19th century. He is the author of the first Tibetan-English dictionary.
- **Aurel Stein**, a Hungarian-British archaeologist-explorer uncovered the long forgotten ruins of the Silk Road. He was the second principal of the Oriental College in Lahore.
- **Dr. Gottlieb Wilhelm Leitner** a Hungarian linguist and a lecturer became the founding Principal of the Government College University of Lahore in 1864 and who was instrumental in the foundation of the University of the Punjab.
- **August Schoefft**, an artist and a painter worked in the Court of Maharaja Sher Singh in Lahore. Some of his paintings are preserved as the famous Princess Bamba collection in the Lahore Fort.
- **Ervin Baktay**, an art historian and a great lover of Kashmir.
- **Amrita Sher-Gil**, a painter who was the daughter of a Sikh aristocrat and a Hungarian opera singer. She also lived and worked in Lahore for a short while.

While explaining further about the bilateral ties, he expressed his views that he feels proud of the achievements and the perspectives opened in the bilateral relationship. Hungary and Pakistan prospered in building a growing and enduring relationship that blossoms on the basis of trust, confidence and mutual respect. It has been a period in





which we have come to know one another, understand and respect each other's aspirations and stand ready to provide support and assistance in times of need.

This was the case in 2006, after the devastating earthquake in Pakistan; Hungary sent medical and food assistance for the rehabilitation purpose. In addition, MOL, a Hungarian oil and gas company operating in Pakistan immediately offered an aid of \$500 for the victims of the catastrophe.

Furthermore, Hungary considers Pakistan as a significant power to safeguard peace and security in a highly important but inherently volatile part of our world. Pakistan contributes effectively in the global efforts to fight the scourge of terrorism. He also assured that the Hungarian government highly appreciates and supports the efforts of the Government of Pakistan to strengthen regional peace and security and to suppress terrorist activities.

As far as the areas of cooperation are concerned, Pakistan and Hungary can further increase cooperation with each other in different sectors. Currently, the bilateral trade between the two countries is approximately 46 \$ million and there is still enough space to increase the trade and cooperation.

- a. In the agricultural industry, Hungary can provide Pakistan with modern agricultural equipment for milk and dairy farming and processing, breeding, meat processing, fruit and vegetable cultivation.
- b. In the food industry, the machines and accessories for processing, canning, transportation, packing and cooling)

- c. Machine industry (agricultural machinery, light and heavy industrial machinery, automation, turnkey machine tool projects, automotive industry) is another attractive field.
- d. Potential in collaboration in the environmental and energy industry (hydro power plants, microhydel, biomass, biodiesel, solar, wind, dry cooling of power plants, transmission technology,)
- e. Water and sanitation which includes water management, flood control, irrigation, water purification, communal and industrial wastewater treatment is another area.
- f. Construction (energy efficient design and materials, earth-quake resistant buildings, industrial and commercial design and development, prefabricated housing, civil engineering, HV AC)
- g. Health care industry, and medical technologies can be cross-exchanged (pharmaceuticals and ingredients, medical and lab equipment)
- h. Hungarian Information Technology specialists are actively providing their expertise in the USA IT industry and it can also provide with their professional skillful expertise in Pakistan as well.
- i. Pakistan is also exporting sports goods, power generating machinery and leather accessories to the Hungary.

As far as the educational sector is concerned, Hungarian government is keenly willing to improve the educational rate and standard of Pakistan. In 2016, Hungary provided Pakistan with 80 student scholarships and this year it will increase to 200 scholarships. Those scholarships are offered in all educational disciplines and they are free of cost. While concluding his address, he emphasize the bilateral cooperation in socio-economic and defense sector. The increasing economic relations will open up joint ventures for the both country. The persistence of cultural exchange program and people to people contact can enhance the scope of bilateral relations among two states.

## Question and Answer Session

**Question # 1:** The per capita of gold medals received by Hungary is second after Finland. It is a marvelous achievement. Had there been a formal request by Pakistani authorities regarding sports activities and cooperation between Hungary and Pakistan? (Brigadier Aslam (Retd))



**Answer:** We already had discussions with Pakistani universities especially NUST which required Hungarian trainers. One of the university rectors had a background and knew about Hungarian football. There were some negotiations between the Hungarian University of Physical Education. However, due to some financial problems, the project couldn't materialize. Health and physical activities are very important and we are open to any collaboration with Pakistani counterparts in future.

**Question # 2:** You have discussed the agricultural cooperation. Pakistan is also an agro-based country, therefore, can Hungary invest in agriculture and possibly in tourism sector of Pakistan? (Humayun Iqbal Shami)



**Answer:** Regarding the agricultural cooperation, we have attended the Karachi Food and Agricultural Expo which was a good experience. Hungary has good agro-based machinery and there is a possibility for cooperation in this field.

In tourism sector, I have observed that in recent years the Pakistani domestic tourism has improved. Pakistan has immense natural resources but there is a need for improvement in developmental infrastructure such as roads and hoteling sector. However, I want to emphasize that the Pakistani leadership has to establish the basic infrastructure as they are the ones who can change the situation towards a better future. Hungary may be interested in investing inside its own country rather than investing in Pakistan.

**Question # 3:** Tell us more about Hungarian scholarship for aspiring students from Pakistan? (Abdullah Razzaq)

**Answer:** We offer scholarship through the Higher Education Commission (HEC) of Pakistan. They are the main selecting body in Pakistan. We receive a list from HEC and then we verify it. We only have one condition that all provinces of Pakistan must be accommodated based on their population.



**Question # 4:** How Hungary combats Human trafficking to central Europe? (Ateeq Javed)

Answer: Hungary is the gateway to central Europe. Human trafficking is the biggest challenge along with illegal migration. The illegal migration peaked in 2015 which was shocking for Hungarians. To counter this problem, Hungary started fencing the southern border and only legal border crossings were allowed to operate. On these crossings the real refugees have to prove their real identity and prove that their life is endangered. The solution to illegal migration and human trafficking cannot be solved when they are in Europe but rather needs to be solved from where it emanates.



**Question # 5:** As, Pakistan has high potential in renewable energies particularly solar energy while Hungary has experience in in this sector. There is a huge potential in biogas and high pressure boilers. Would Hungarian companies be willing to transfer technology to Pakistan? (Dr. Basharat Hassan)



**Answer:** Pakistan like other countries utilizes Chinese technology and equipment which is much cheaper than Hungarian and other western countries' products. It is very hard to compete with China in terms of prices. Furthermore, Chinese companies enjoy favorable conditions for doing business in Pakistan. Hungarian products on the other hand represent an

outstanding quality, which more and more Pakistani businesses have started to realize and prefer.

**Question # 6:** What was the impact of Hungary's transition from Warsaw Pact to NATO? How the political spectrum responded and how the people were convinced? And what is your stance on Kashmir? (Brigadier Said Nazir (Retd))



**Answer:** I was deputy government representative of Hungary in negotiations with NATO, so I have experienced the process throughout. The most lasting effect was on the Hungarian way of thinking due to the trauma suffered after the World War 1, in the aftermath of which Hungary lost 2/3<sup>rd</sup> of its territory and 1/3<sup>rd</sup> of its ethnic population due to the disintegration of Austro-Hungarian monarchy. The Serbians used to intrude in the Hungarian airspace and provoke Hungary. Hungary sought help from the NATO but they refused to help as Hungary was not in alliance with NATO. Therefore, Hungary decided to become a part of NATO. Subsequently, Hungary played an important role as member of NATO in the civil war by bombing Milosevic era Serbia through its bases. However, now Hungary and Serbia enjoys good relations.

The issue of Kashmir is viewed by diplomats as the most difficult problem due to its complexity. The official stance of Hungary in this matter is that "this issue can only be solved bilaterally through peaceful negotiations".

**Questions # 7:** Given the long lasting experience of Hungary in the field of water management, water resources and calamities such as floods, how can Pakistan's Youth Parliament for Water (PYWP) and Hungarian Embassy in Pakistan join hands in order to initiate a Young Water Diplomacy Program to capacitate the youth of Pakistan in water and climate change? (Wasif Bashir)



**Answer:** We have established contacts between Pakistan's WAPDA and Hungary's Budapest Water Works. Furthermore, clean water management is also discussed.

**Question #8:** Karak is an underdeveloped district of Khyber Pukhtunkhwa which is literally living in a “stone age” with poor water availability mechanism. MOL is an oil and gas exploration company working in Karak district to extract vast reserves of gas. Can you personally take interest by emphasizing the need for corporate social responsibility and uplifting the district with water availability? (Dr. Amir Habib Khattak)



**Answer:** I know about MOL exploratory work in oil and gas. I will personally take interest and look into the matter.

**Concluding Remarks by Major General Syed Khalid Amir Jaffery HI (M), (Retd) – President  
Center for Global & Strategic Studies**

Thank you ladies and gentlemen for making this event such a success. I am sure we are all going to leave this room enlightened. I would like to thank the esteemed Ambassador and his wife for their time and for answering all of the questions with such command. There is no doubt that with the capabilities of the Ambassador, Pakistan’s relations with Hungary will prosper exponentially. With that, we close this session and I would like to invite all of you to join us for dinner.

