



## Hungary Turkey Relations: History, Present and Future Scenarios

**Kutluk Kağan SÜMER \***

\* İstanbul Üniversitesi

E-mail: [kutluk@istanbul.edu.tr](mailto:kutluk@istanbul.edu.tr)

Copyright © 2016 Kutluk Kağan SÜMER. This is an open access article distributed under the Eurasian Academy of Sciences License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

### Abstract

Due to the historical past with the Hungarian, ethnic and cultural structures strengthen trust and friendship ties with Turkey. Therefore, historical ties now must be able to make a strong friend and ally that come Hungary close to the West in terms of Turkey; and this must provide that the countries must perceive Turkey as an important ally in the future, this should be able to build Eurasia 's / region's common future based on common benefit. One of the factors that performs strong and stable relations between the countries are undoubtedly trade relations. The trade volume between Turkey and Hungary is about 2 billion dollars in 2014. Calculating the total commercial capacity of the two countries which is about 620 billion dollars, the lack of trade between both countries have emerged.

In the economic and commercial domains, relations are also developing between the two countries, yet still do not reflect the true potential the two economies have. Bilateral trade volume has reached 1.879 billion USD in 2013. (Turkey's exports reached 652 million USD, while its imports amounted to 1.227 billion USD in 2013).

The study which is aimed at increasing the trade volume between the two countries; for this purpose, a required data about Hungarian economy will be presented, after expressing trade relations with Turkey in the last twenty years, the study will complete with forward-looking the recommendations.

**JEL Classification:** F15, J51

**Keywords:** Turkey, Hungary, economic relations, History, Present and Future Scenarios

### Hungary Turkey Relations: History, Present and Future Scenarios

### ÖZET

Tarihsel geçmişi, etnik ve kültürel yapıları sebebiyle Macaristan ile Türkiye'nin güven ve dostluk bağlarını güçlendirmektedir. Tarihsel bağlar sebebiyle Türkiye açısından Batı ile yakınlaşmada Macaristan güçlü bir dost ve müttefik olabilmektedir. Bu AB açısından da gelecekte önemli bir müttefik



olarak Türkiye'nin algılanmasını da sağlayacaktır. Bu ortaklık karşılıklı yarara dayalı olarak Avrasya bölgesinde ortak bir gelecek inşa edecektir. Ülkelerimiz arasında güçlü ve sağlam ilişkileri gerçekleştiren faktörlerden biri kuşkusuz ticari ilişkilerdir. Türkiye ve Macaristan arasındaki ticaret hacmini 2014'de iki milyar dolar olmuştur. İki ülkenin toplam ticaret kapasitesinin hesaplanması yaklaşık 620 milyon dolarlık bir dış ticaret açığını ortaya çıkarmıştır. Ekonomik ve ticari alanlarda iki ülke arasında gelişmekte olan ilişkiler olsa da yine de bu iki ülke ekonomilerin sahip olduğu gerçek potansiyellerini yansıtmamaktadır. İkili ticaret hacmi 2013 yılında 1.879 milyar ABD dolarına ulaşmıştır (ithalatı 2013 yılında 1.227 milyar ABD doları iken, Türkiye'nin ihracatı, 652 milyon ABD dolarına ulaşmıştır).

Bu çalışmada iki ülke arasındaki ticaret hacminin artırılması hedeflenmektedir. Bu amaçla, Macar ekonomisi hakkında gerekli veriler, son yirmi yıl içinde Türkiye ile ticari ilişkileri ifade edilmeye çalışıldıktan sonra ileriye dönük ekonomik işbirliği önerileri sunulmaya çalışılacaktır.

**ANAHTAR KELİMELEER:** Türkiye, Macaristan, ekonomik ilişkiler, tarih, bugün ve gelecek senaryoları

At the end of the 19th century and at the beginning of 20th century, those balances started to take place in Hungary which began to be independent from Austria. Religious unity started to be not enough for Hungary. Hungarian people had been feeling different from other Europeans whether for language family or racial issues. Their language family is not a member of Latin or Indian-European language families. Besides religious fanaticism, their national movements are also different when compared to Europeans.

In terms of then language and race doctrines, Hungarian people started to search their roots when they understood they were not related to any other European people. The researches led them to the view of they were related to Turan people. After numerous language theory, it was the issue that whether the Hungarian language is a part of Finnish-Ugric Language family or Ural-Altaic language family which was spoken by Turkish people (Oguz 2005). The starter of this issue was well-known Turcologist Armin Vambery with an article he wrote in 1869. The group pioneered by Vambery claimed that Hungarian people were Turks as their language was the very similar to Turkish. On the other hand, Jozsef Budenz and his fellows claimed that Hungarian language had the roots from Finnish-Ugric language family. Between those two groups had such a furious debated that the debate would be named as Ugric-Turkish War afterwards (Dogan, 2007). As a result, at the end of the XIX century, there were no consensus on the debates of language. Though this debate has not come to a conclusion so far, the point of all those is to state that Hungarian people were a part of Turanian public no matter which language family was it. Besides, all those debated just fuels the judgement. So when the Hungarian people came to the lands which is their current homeland Hungary, two Turanian factors shaped them, one is Turkish people and the other one is Ogurs (Manual 1919). As a result, Hungarian people could not be able to identify their belongings via language family debates (Manual 1919) however as a finding of those debates they accepted that their roots went back to steppe people. This steppe was Turan. Accordingly, among all the things, Turan is a geographical naming for them.



According to Hungarian Turanians, Hungarians have relation with all people lived and still living in Turan geographical area. Turan area was the east of Amudarya river at its most general definition (Manual 1919). All people living in this geography were Turan people. Accordingly, steppe cultured people formed the Turan people. In other words, they tried to define through historical and civilization partnership and place and way of living rather than race community.

So in the eyes of Hungarian Turanian people have such a view that Turan geography was a very broad place located tribal community. In this very community, there are Turkish, Hungarian, Bulgarian, Baltic people, Finnish, Chinese, Korean, Japan, Mongol people and etc. included (Oguz 2005). One of the famous Hungarian Turanists, Pal Teleki who was also one of the prime ministers of the country, published a magazine in Hungary called Turan and in 1914 they showed the geographical point of view very clearly. According to him it was certain to start the glorious time of Turan people after German and Slav period and also the role of Hungary was to be the ideologic and financial leader of Turan people in this historic mission. In 1918 Pal Teleki was still thinking in the same way. Again in the same magazine, he stated that Turan was a geographical name and showed Turan map of Hungarian Turanists. Those Hungarian Turanists claimed that Turan empire's boundaries reached from Hungary to Japan, from Black Sea to Siberian Tundra to show Turan approach (Demirkan 2000). Together with this, it is necessary to state that Pal Teleki's views are not just on location driven thoughts. In fact, he has the struggle of not being able to show which family Hungarians' belong among Turan race through language doctrines. Besides that struggle, he is totally sure that Hungarian's mainland is located in East and they have relation with both Finno-Ugric people and Turkish-Tatar people and there is also historical partnership in this relation. (Demirkan 2000).

There are major differences between Hungarian Turan map and Turkish Turan map. Hungarian Turanists' great Turan country do not have any unity on history, language family, religion and culture. As a result, it is not possible to have a similarity with the Pan-Turkic approach of Gaspıralı and Gökalp or Akçuralı's Pan-Turanist approach (Karaçavuş 2013). In reality this definition based on some similarities of some people lived in the same place at a certain time however it is nearly impossible to develop a unity with such loose ties in such a great geography and population. The difference between Pan-Turkic approach and Pan-Turanist approach by Turks is stated by Pal Teleki in 1918 as it follows: Turkish Turanists understand the unity of Turks at first and then aims to have unity in Anatolia, Turan and South Russia Turks. On the other hand, Hungarian Turanists draw a boundary from Hungary to Japan, from Black Sea to Siberian Tundra (Karaçavuş 2013).

Above stated two analyses show that Pan-Turanist ideals of Hungarians mean both political and identity designs. However their Pan-Turanist political vision could not attract enough attention both among Ottoman intelligentsia and also among West. From the perspective of Turks, Hungarians' history which is over a thousand years is not based on friendship and brotherhood. Especially having the understanding of being members of same nationality did not exist in both sides. In the period of Ummah, it is normal to a certain extent. Especially in the time of Ottoman, Hungarian people's brutal response and resistance which could be the strongest one among European countries, to Ottoman Empire resulted in a bitter struggle and this caused deep effects on the formation of identities of those two societies. That is to say it was very difficult to put those two Christian-Muslim conflict parties together with language and race relation since the Hungarians were Christians and Turks were Muslim.



till nations era (Manual 1919). It was also nearly impossible for Hungarians to realize unity ideal as Turks were so unwilling. Turks on the other hand, was evaluating this two identities formed against each other on the basis of a aggressive attitude from Christian Europe to Muslim geographies and had a negative approach towards Hungarians. For this reason, there was not a point of Pan-Turanist movement centered Hungary in the eyes of Europe. Because nearly all Turks and Turkmens were Muslim and as a result Ottoman Empire could be the only leader of Pan-Turanist ideal for them. Consequently there were not a threat from Hungarians who were not able to move for this ideal alone, were Christians and also had sceptical relation with Turan people, to Europeans.

At the end of the First World War, mentioned idea movements changed their directions. Victorious parties of First World War only sustained their colonial empires till the Second World War. Colonial states had been becoming new nations as a result of the nationalist movement. Tsarist Russia was collapsed and Communism took sovereignty in broad geographies instead of Panslavizm and Eurasianism. Panslavizm and Eurasianism left their place to communism and old panslavist East Europe took its steps towards communism. Turkistan, Kazan and Crimean Turkics, Turanists and libertarians slaughtered by Russia.

Republic of Turkey which was born form the ashes of Ottoman after the First World War fight for living and was completing industrial development. At first Turkics and Turanists were in power however communist Russian threat cause a domestic focus.

Again communist Russia was just like a nightmare on Central Asia's Turan geography. New colonial name in the Turan geography was communism. Long standing issues after the First World War and occupied Germany resulted in the shining of Pangermenizm.

After the Second World War Communist Russia nightmare was on Hungarian Turanists. Turanists in Turkey were arrested with nolegal basis just on the Russia's pressure with the claims of being Turkic-Turanist. They suffered different kinds of tortures. Military Court of Appeals' decision of "Being a Turkish nationalist is not a crime but a moral quality" on charges, they were released but Turkic - Turanist concept stayed as bugaboo for a long time. Instead of this, to have a soft approach and being one of the basic principles of Republic stated by Atatürk, nationalism concept takes the place. Both fear of communist Russia and communism curtain over Turan geography as well as developing new ideas in colonial movements in Europe and the current economic and political problems lasted for a long time occupied the agenda of the Republic of Turkey. Turanism has become a subject not spoken in public, except for a group of nationalists. After that the agenda has been directed to a false target. Europe has been started to develop a new economic union: European Union. Because the colonies were lost one by one. Turkey's agenda has been kept busy with the idea of being a part of this new Union. Today, with the advent of new crises that have exploited the disintegration of the EU is almost known by everyone.

During the 1990s with the Soviet Union's and Eastern Block's collapse, both in Hungary in Turkey and in the former USSR Turanism winds began to blow again.



The reflections of this new period was even more interesting in Hungary. Another issue which is as important as the strategic location of the country is that Hungary has a population of ten million and there are five million Hungarians living in Hungary's neighboring countries. The masses living in neighboring countries cause on the implementation of "the ideal of Great Hungary" which flourish in the country. In Turan Congress, held since 2007, the situation of ethnic Hungarians living in the neighboring countries also constitutes an important agenda. After the First World War, like the defeated Ottoman Empire was regarded as state and with Treaty of Trianon, Hungary lost two-thirds of the soil of it and turned into a small central European country. To get some of Vojvodina from Serbia, Transylvania from Romania, northern lands from Poland and Slovakia stands at the center of the Hungarian nationalism .

Especially Jobbik Party which is led by Gabor Vona and increased their votes significantly in the last two elections, continuously states that Hungary will get her old powerful times and realize Turan understanding among Ural-Altaic people (Gökdağ: 2014).

#### Financial Situation and Trade Relations of Hungary

Hungary as a member of Eastern Block, until the end of 1980 has been managed with a center planned economy. In this process, the GNP wherein the average growth rate is 2.05% during the years of 1961-1988 (Handbook of Economic Statistics, 1981: 30); growth in 1989-2010 with the transition to a free market economy in 1989 amounted to 0.78%. In the last four years the growth rates are: 2011 (1.6%), 2012 (-1.7%), 2013 (1.1%), 2014 (2.8%) d.

Hungary in 1 May 2004, with ten countries including such as Poland, Slovakia, Latvia and Estonia became a member of the union with the largest expansion in the history of the EU decision. Hungary, with this membership, aimed at strengthening the economy by taking Europeanization and globalization in one hand (Sener, 2009: 44). The decision to join the Union in 1989 for the country has been one of the most important event after transition to parliamentary democracy after the Cold War The fact that being an open country both geographically and economically, Hungary leads to be in a delicate position in particular energy security, supply routes and the countries in areas such as environmental safety . Being an open economy, in addition to refine the country are the benefits against the impact of international economic processes and crisis.

As it is observed in all member countries of the European Union, a large part of Hungary's foreign trade is with the EU countries. This is demonstrated in the following chart 1 and 2. EU countries' averages of 80% in exports, while imports have a share of 65%. When taken in country basis, it is the case that in the import and export of Germany's biggest trading partner with about 30% share. Unlike the import of the country's exports, some Far Eastern countries, including Russia, China hold a significant share in exports. Necessary preparations for the changeover to the Euro as the common currency of EU continues in Hungary.



Figure 1: Export Partners

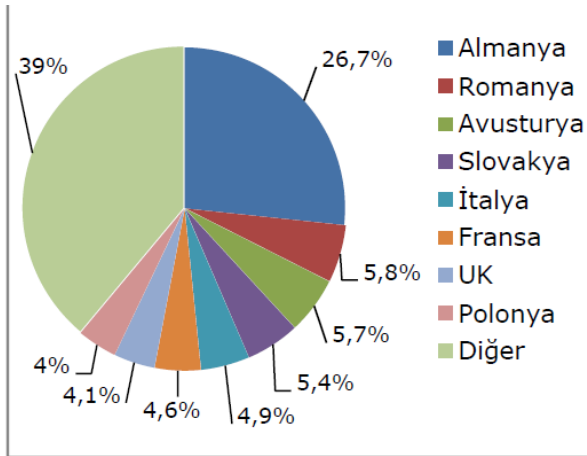
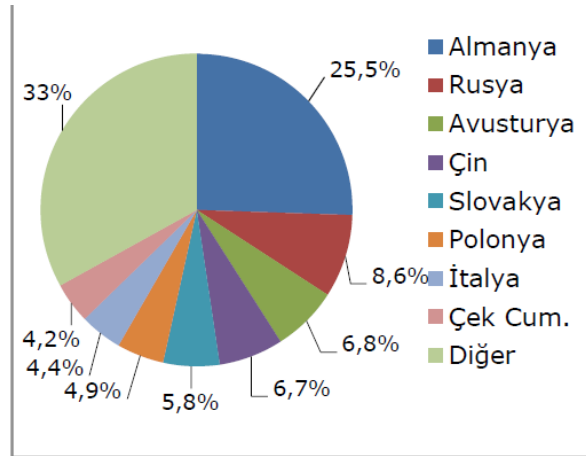


Figure 2: Import Partners



Source: Yalçın 2015

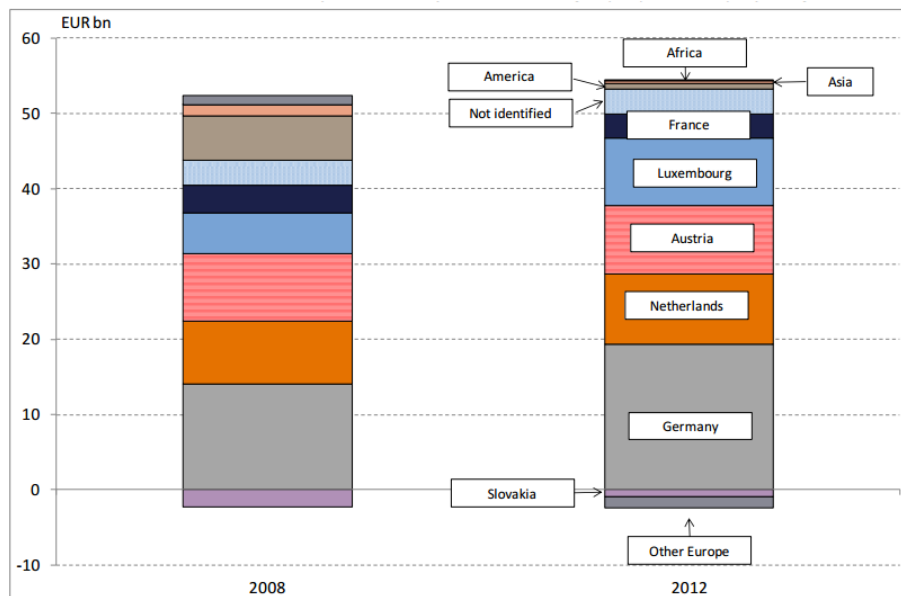
Table 1: Amount of Foreign Investment in Hungary

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
2.7	3.9	2.9	2.1	4.5	7.7	6.8	3.9	6.3	1.9	2.1	5.7	13.4

Source: Hungarian Central Bank <http://english.mnb.hu/>

Free market economy policies implemented after the regime change in 1989 and experienced rapid privatization led Hungary to become an attractive location for foreign capital. Foreign investments between the years 2000 and 2012 Hungary (FDI) is given in Table-1. According to this, before and after the accession of EU, the foreign direct investment (FDI) in Hungary is seen as continuing the entrance. Considering the twelve-year data, it is seen that the amount of FDI entering the country is 70 billion dollars. Hungary with about 7,310 dollars figure, Central and Eastern European Countries (CEEC) in the list of countries attracting the most foreign investment per capita ranks as second country.

Figure-3: Distribution of FDI by Origin

Source: Hungarian Central Bank <http://english.mnb.hu/>



As it could be seen from the amount of foreign capital entering the country, direct foreign investment (FDI) volatility on foreign capital amount in annual basis is experienced in Hungary. This volatility in foreign capital is also effected by privatization programs being implemented in the country. If the distribution of direct foreign capital entering Hungary is examined, approximately 79% of Hungary's foreign direct investment comes from the EU. Majority of FDI entering the country is invested in manufacturing sector first and then communication, banking and infrastructure, etc. sectors. Especially in the manufacturing industry, the automotive sector is very important. 15 production of the 30 largest automotive manufacturers in the world are realizing their manufactures in Hungary. The total number of foreign-owned companies operating in this field are 121. Even the sectors are varied, foreign-owned firms and their investment, trade and modernize is known to be a very important place in the Hungarian economy.

### Trade Relations with Turkey and Hungary

Relations with the Turks and Hungarians are based on history. As it is shown in the linguistic data, near the Ural Mountains, thousands of years before Christ and that the ancestors of the Hungarian mountains with their ancestors have lived in the European part of the Finnish-Ugric tribes (Kafesoğlu, 1966: 315). Hungarian Turcologist Rasonyi uses the following statements explaining the basis of Hungarian origin: "the Turks the Hungarian origin of which look since the most ancient forms Finnish-Ugrics". With more simple words, the Turks are the father of Hungarian, and Finnish-Ugric peoples are the mother "(Namal, 2009: 13). Then to progress into Europe in the fourteenth century by the Ottomans in the Balkans has led to a new relationship between the two peoples. historical starting with the conquest of Hungary by Ottomans in 1550s and cultural look to bring the friendship of the First World War, the Austro-Hungarian Empire and the power allies of the Ottoman Empire in the war continued until taking the same side at the front. In Galicia Front during the First World War, lived and fought shoulder to shoulder in the same suffering, faced with similar economic and humanitarian disasters. Thus, referring to the common history of the two countries, we should not ignore that they are brothers and sisters as Turkey and Hungarian nation.

Table-2: Turkey's Foreign Trade in 2015 in Hungary, by Commodity Group

ISIC	ISIC Name	Export USD	Import USD
A	Agriculture and forestry	17,944,887	65,962,857
C	Mining and quarrying	259,405	29,154
D	Manufacturing industry	693,605,113	1,215,629,122
G	Wholesale and retail trade	29,248	24,098,751
O	Other community, social and personal services		34,266
<b>Total</b>		<b>711,838,653</b>	<b>1,305,754,150</b>

Source: <http://www.tuik.gov.tr/>

Historical and cultural ties rooted back to Turkey prepares friendship and cooperation in today as it is in the past. The history began with the establishment of diplomatic relations between the two countries in 1947 and in 1967. was upgraded to ambassadorial level.





When the foreign trade volume of 2015 stated in 2015, total trade volume has reached to 2 billion dollars between Turkey and Hungary. Major items of exports and imports are concentrated in the manufacturing industry.

If Table 3 will be examined, % share of total exports in 2007 increased to 0.72%. After the crisis of 2008, although this share dropped to 0.40% and in 2015 it has reached 0.49%. In 2006-2007 the share of imports reached out to the level of 0.9% and in 2015 it is 0.63%. The most important factor of those low figures is that Hungary market is very small and majority of trade is realized over other European countries.

Table-3: Exports and Imports to Hungary from Turkey's (2003-2015) Tousand\$

Year	Export			Import		
	Export	Total Export	Total exports of Contents Share%	Import	Total Import	Total imports of Contents Share%
2015	711.538	143.850.376	0,49	1.305.754	207.206.508	0,63
2014	693.582	157.620.427	0,44	1.187.641	242.176.944	0,49
2013	652.242	151.802.637	0,43	1.227.605	251.661.250	0,49
2012	517.874	152.461.737	0,34	1.184.452	236.545.141	0,50
2011	508.648	134.906.869	0,38	1.494.488	240.841.676	0,62
2010	440.766	113.883.219	0,39	1.382.213	185.544.332	0,74
2009	445.669	102.142.613	0,44	987.29	140.928.421	0,70
2008	684.088	132.027.196	0,52	1.286.114	201.963.574	0,64
2007	775.656	107.271.750	0,72	1.423.629	170.062.715	0,84
2006	486.44	85.534.676	0,57	1.286.433	139.576.174	0,92
2005	379.092	73.476.408	0,52	946.238	116.774.151	0,81
2004	349.938	63.167.153	0,55	705.407	97.539.766	0,72
2003	284.647	47.252.836	0,60	416.863	69.339.692	0,60

Source: <http://www.tuik.gov.tr/>

#### Major Export Products

- Monitors and projectors, television receivers
- For road vehicles, components, parts and accessories
- Passenger cars and other motor vehicles manufactured primarily for transportation of people
- Other tubes, pipes and hollow profiles made of iron or steel
- Carpets and fabrics

#### Major Import Products

- Passenger cars and other motor vehicles manufactured primarily for transportation of people
- Other office machines
- Monitors and projectors, television receivers
- Ethylene polymers
- Live cattle





After Hungary's full membership to EU in May 2004, the Customs Union has been established between the two countries. In this context, a large number of issues relating to bilateral trade relations are on the agenda at the EU level have become issues and solutions are tried to be found.

Therefore, there are no structural problems in trade relations between Hungary and Turkey. Usually our companies experience difficulties in terms of incorrect application made by the Hungarian authorities, some of the mistakes they're making to our companies, difficulty in the collection of receivables and on transportation (the lack of migration documents, such as the award crossing document and the height of the fines).

In addition, as the market is small, the importers' demands are also small. This raises the costs. Our exporters are therefore not choose to export to the Hungarian market. So Hungarian importers choose to supply Turkish products from Germany, Austria and such countries.

On the other hand milk and milk products, all kinds of beef, raw poultry meat and table eggs that still can not be made of exports from Turkey to the EU therefore there is no possibility of our country on the export market this product in Hungary. (Yalçın 2015)

As technology in the banking system is advanced, but not as much as that of in Western European countries where the use of technology but still experienced problems has been reported on delays of the payment transfer. Although there is a Turkish bank providing services in Hungary, due to Turkey's Halk Bank, Volksbank Hungary has a stake of around 10% in Rt. Bank said in a Turkish desk.

Table 4: Exports to Hungary from 2014 to 2015, Turkey's Top 5 Products

ISIC	ISIC Names	Exports USD (2014)	%	Exports USD (2015)	%
34	Motor vehicles and trailers	133,494,296	19.25	205,068,223	28.81
17	Textile products	117,330,533	16.92	81,123,565	11.40
28	Metal products (except machinery and equipment)	65,084,277	9.38	75,000,838	10.54
25	Plastic and rubber products	60,412,099	8.71	63,462,560	8.92
29	Machinery and equipment not elsewhere classified	58,548,925	8.44	51,365,408	7.22
<b>Toplam</b>		<b>693,581,753</b>	<b>62.70</b>	<b>711,838,653</b>	<b>66.87</b>



Table-5: Imports to Hungary from 2014 to 2015, Turkey's Top 5 Products

ISIC	ISIC Names	Imports USD (2014)	%	Imports USD (2015)	%
34	Motor vehicles and trailers	348,596,133	29.35	373,458,278	28.60
24	Chemicals and chemical products	198,869,026	16.74	185,005,613	14.17
31	Başka yerde sınıflandırılmamış elektrikli makina ve cihazlar	108,231,838	9.11	135,104,334	10.35
29	Nec electrical machinery and apparatus not elsewhere classified	95,220,418	8.02	125,450,302	9.61
30	Office, accounting and computing machinery	136,831,373	11.52	117,213,221	8.98
<b>Toplam</b>		<b>1,187,641,461</b>	<b>74.75</b>	<b>1,305,754,150</b>	<b>71.70</b>

Overall, 95 percent of our exports of industrial products to Hungary, while 5 percent is composed of agricultural products. The share of industrial products in our exports as well as imports are high.

Considered the last five years of data with an emphasis on industrial products between Turkey and Hungary, agricultural products, motor vehicles-automotive products and textiles sectors are available for such trade sectors.

#### TURKEY-HUNGARY INVESTMENT RELATIONS

Commercial Counsellor in Budapest is a total of 114 Turkish firms in the records, aforementioned companies' distribution is as follows: 40 of them in textile, 16 of them in construction and construction materials, 11 of them in food and 5 of them in automotive sub-industry. The remaining companies operates in various areas such as electrical appliances, services, furniture, jewelry and souvenirs. Companies are companies in the SME scale that is dealing with trade in general.

By the end of 2014, Turkey has 64 companies with Hungarian capital. Hungarian-owned companies are active in sectors such as trade, tourism, energy, chemical products, glass and glass products, and in the food area.

There is only one company engaged in manufacture of food products and beverages Bentley-Merkim which is Süt Analetik Cih.Kim..Ltd.Şti is located in İzmir. (<http://www.investinizmir.com/tr/firma> )

**Major Turkish Companies Operating in Hungary:** Resource: [www.ekonomi.gov.tr](http://www.ekonomi.gov.tr)

- Çelebi Yer Hizmetleri (Havalimanı Yer Hizmetleri)
- Küresel Rulman Ltd. Şti. (Rulman Üretimi)
- Halkbankası (Bankacılık)
- Ege Seramik (Seramik Ticareti)
- Sarar (Hazırgiyim Mağazası)
- Novaplast-Vesbo (Plastik Borular)
- Kayra Tour (Turizm)
- Aunde Tekstil (Otomobil Kılıfı İmalatı)



- Yataş (Yatak ve Ev Tekstili Ticareti)
- Temsa (Otobüs Ticareti)
- Persan (Ev Tekstili Ticareti)
- Çilek Mobilya (Mobilya Ticareti)
- Transemex (Lojistik)

### **Cooperation Opportunities**

It is considered to have trade cooperation opportunities between Turkey and Hungary in below stated sectors:

- Industrial Equipments
- Automotive products and motor vehicles
- Energy and environment technologies
- Textile and leather
- Tourism (health tourism)
- Logistic services
- Technology development projects under EU Framework Programmes

### **RESULT**

Hungary, in terms of its location, has the feature of being a "door" to open whole region which is multifunctional and versatile. This strategic position in the Central European countries, the EU and for our country, with its proximity to the capitals of many European countries can be considered as an important partner in terms of cooperation with third countries.

Hungary's logistics potential to have a "business base" creates opportunities for Turkish export products to have market in Europe. Obstacles in economic relations between the two countries such as highway quota system for the transportation etc. ensuring the resolution of problems in serious logistical problems and industry primarily by preventing the economic losses brought about by it, will be provided the opportunity to develop the potential of trade in agriculture and energy.

Thinking that Hungarians are the only community in the European Union which see Turkish people as relatives, in a today' changing global balances and future's Hungary, there should be common projects to realize taking Hungary as an important partner.

With the recent studies of Hungarian parliament in line with the "Opening to East policy", Turkey is seen as an important ally and evaluated as an irreplaceable partner both for relations with East and West. Turkey is a potential business partner for Hungary and it is a country to give a chance to support outside EU. Between those two countries, relations still go on since Ottoman Empire. Strategic and geographical location of both countries are host to significant cooperation potential in energy supply and security, especially today's world. It is seen that member country Hungary supports Turkey for the accession period for EU.

The small size of the Hungarian market leads the small demand of importers. This raises the costs. Our exporters are therefore not choose to export to the Hungarian market. So Hungarian importers choose to supply Turkish products from Germany, Austria and such countries. Hungarian consumer is a



conscious consumer, while the average income level is below the western standards. Therefore, consumers are turning to high-quality but cheap products. In order to be permanent in Hungarian market, Turkish companies need to follow long term market strategies and be in line with the quality, safety and standards of EU (FERB). There is also the weight of its foreign trade with EU countries and the Russian Far East countries, as seen in the above table. As a result, additional efforts are needed to be performed by Turkish companies for their export products to stay in Hungary market with breaking the traditions of foreign trade. It is necessary to state that financial bottleneck of Hungary in recent years cause negative effects on our exporters.

Taking Hungary into consideration as the only country accepts Turks as relatives among European Union, it is important to take Hungary as primary point to focus for possible new regional integrations in terms of race unity, ideal unity (Turan ideal) and cultural unity. If necessary, Hungary should be evaluated as Turkey's logistic and distribution partner in European Union. It is a fact that increasing trade relations will empower politic relations and in politic terms Hungary will be a sister outpost in EU. In this direction, joint projects should be developed and realized.

## REFERENCES

- • D. 1199 A Manual on the Turanians and Pan-Turanism, Compiled by the Geographical Section of the Naval Intelligence Division, Naval Staff, Admiralty, London, 1919
- • DEMİRKAN, Tarık, Macar Turancılığı, İstanbul 2000.
- • GÖKDAĞ, Bilgehan A. "Turan Kurultayları ve Macaristan Seçimleri", <http://www.21yyte.org/tr/arastirma/macaristan/2014/05/12/7584/turankurultaylari-ve-macaristan-secimleri> (Erişim Tarihi: 07.05.2016)
- • <http://data.worldbank.org/country/hungary>
- • <http://www.ekonomi.gov.tr>
- • <http://www.tuik.gov.tr/>
- • İZTO (İzmir Ticaret Odası), [http://www.izto.org.tr/portals/0/ulke\\_bayraklari/macaristan\\_2013.pdf](http://www.izto.org.tr/portals/0/ulke_bayraklari/macaristan_2013.pdf)
- • KAFESOĞLU, İbrahim (1966), Tarihte Türk Adı, Reşit Rahmeti Arat İçin, TKAE. Yay. Ankara.
- • KARAÇAVUŞ, Ahmet, "XX. Yüzyıl Başlarında Türk ve Yabancı Algısında Pan-Türkist ve/veya Pan-Turanist Coğrafya ve Turanî Halklar", Türk Dünyası İncelemeleri Dergisi/Journal of Turkish World Studies, XIII/2 (Kış 2013), s.265-301.
- • Macar Merkez Bankası <http://english.mnb.hu/>
- • NAMAL, Yücel (2009), Türk Macar İlişkileri, İskenderiye yayını, İstanbul.
- • OĞUZ, Alaattin, The Interplay Between Turkish and Hungarian Nationalism: Ottoman Pan-Turkism and Hungarian Turanism (1890-1918), Ortadoğu Teknik Üniversitesi Sosyal Bilimler Enstitüsü Basılmamış Yüksek Lisans Tezi, Ankara 2005.
- • SÜMER K.K., "Süre Gelen Sömürünün Ekonomisi:Yabancı Sermaye Ve Dış Ticaret Açısından Türk Cumhuriyetlerinin Sektörel Değerlendirilmesi", Türk Dünyası Araştırmaları, vol.104, no.206, pp.363-378, 2013
- • SÜMER K.K., Ekonomik Anlamda Avrupalılık, Avrasyacılık, Türk Birliği ve Turancılık Kavramlarının Gelişimi ve Gelecek Ufukları; Avrasya Çalışmaları Dergisi; Sayı: 2; pp.61-76 Yıl: 2015
- • Türkiye İhracatçılar Meclisi, "Ekonomi ve Dış Ticaret Raporu 2014",[www.tim.org.tr/files/.../tim\\_ekonomi\\_ve\\_dis\\_ticaret\\_raporu\\_2014.pdf](http://www.tim.org.tr/files/.../tim_ekonomi_ve_dis_ticaret_raporu_2014.pdf),
- • YALÇIN Alper, BELEN Tuncay; Macaristan Ekonomisi, Türkiye İle Ekonomik İlişkileri Ve Perspektifi. Uluslararası Balkanlarda Sosyal Bilimler Kongresi; pp.478-492, 2015