

**REORGANIZING OF HUNGARIAN MANUFACTURING SECTOR: IMPACTS OF EU ACCESSION AND GLOBAL CRISIS**

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**ABSTRACT**

In the last two and a half decades, mainly following the accession to the European Union in 2004, the Hungarian economy became integrated into the global economy. The integration took place spectacularly in the case of manufacturing among others, foreign direct investment appeared and exports became increasingly significant. This process was interrupted by the crisis of 2008, which slowed down manufacturing production in Hungary as well. Our study examines how the crisis of 2008 affected manufacturing and its particular sub-sections in Hungary. We analyze the period after the 2004 accession to the European Union based on the data of the Gross Value Added (GVA), the number of employed persons and sales (export, domestic). The data indicates that export-oriented foreign direct investment has a significant role in the Hungarian manufacturing; outsourcing is observed mainly in mechanical engineering.

Keywords: *Hungarian Manufacturing, Global Crisis, Foreign Direct Investment*