



XII Annual Conference on the Global Economy
«Challenges of catch-up: Emerging countries in the
global economy»

Faculty of World Economy
and International Affairs

Moscow
December 6, 2024

The dynamics of world imports and the structure of China's exports in the 21st century

Presented by:

Darya Zharonkina

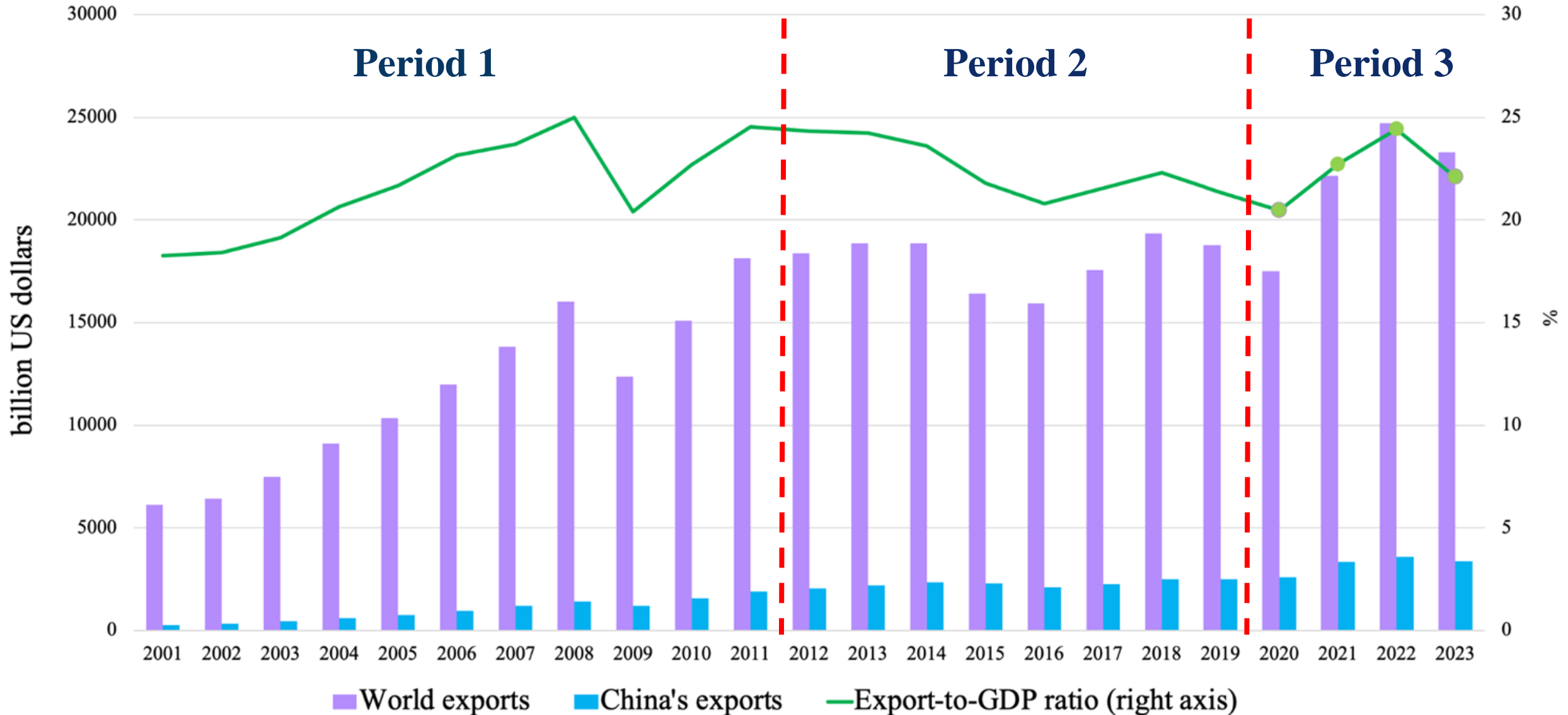
Academic supervisor:

Grigoryev Leonid Markovich

Author's note

- The classification of the largest twenty groups of industrial products based on value added
- The following indicators are calculated for each group : **World “capacity”, China’s exports, the share of Chinese exports in world “capacity”**
- **World (market) “capacity”** = *World imports minus imports by China*
- **The share of Chinese exports in world capacity** = $\text{Chinese exports (abs.value)} / \text{World capacity (abs.value)} * 100 \%$
- **Three periods** have been analyzed:
 - 2001-2011 - “Hyperglobalization” until 2008, Global Financial Crisis, recovery afterwards;
 - 2012-2019 - The slowdown in global trade;
 - + **2020-2023** - The turbulent period, but the revival in global trade.

World exports, exports-to-GDP ratio and China's exports, 2001-2023



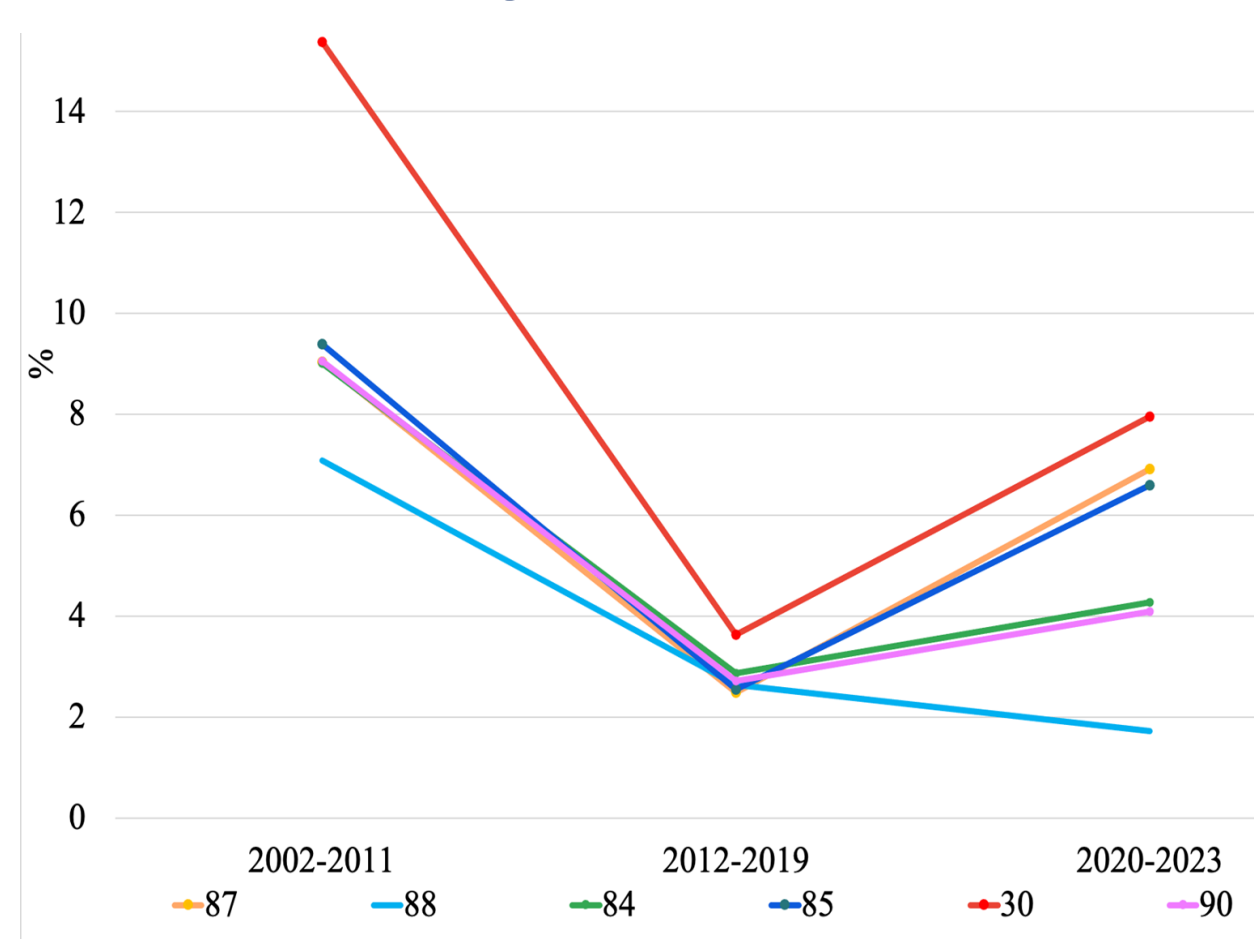
Source: compiled by the author using data from UN International Trade Centre, Trade Map. Extension of the graph (China's exports added) from Makarov I.A. (2022). International trade: from hyperglobalization to slowing down international exchanges. Chapter 5. pp. 117–146.

| HS code | Author's classification of 20 groups of industrial products | Value added |
|---------|---|-------------|
| 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | High |
| 88 | Aircraft, spacecraft, and parts thereof | High |
| 84 | Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof | High |
| 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television | High |
| 90 | Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ... | High |
| 30 | Pharmaceutical products | High |
| 48 | Paper and paperboard; articles of paper pulp, of paper or of paperboard | Medium |
| 76 | Aluminium and articles thereof | Medium |
| 40 | Rubber and articles thereof | Medium |
| 29 | Organic chemicals | Medium |
| 39 | Plastics and articles thereof | Medium |
| 38 | Miscellaneous chemical products | Medium |
| 94 | Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; ... | Medium |
| 73 | Articles of iron or steel | Medium |
| 33 | Essential oils and resinoids; perfumery, cosmetic or toilet preparations | Medium |
| 74 | Copper and articles thereof | Medium |
| 61 | Articles of apparel and clothing accessories, knitted or crocheted | Medium |
| 62 | Articles of apparel and clothing accessories, not knitted or crocheted | Medium |
| 28 | Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, ... | Medium |
| 72 | Iron and steel | Low |



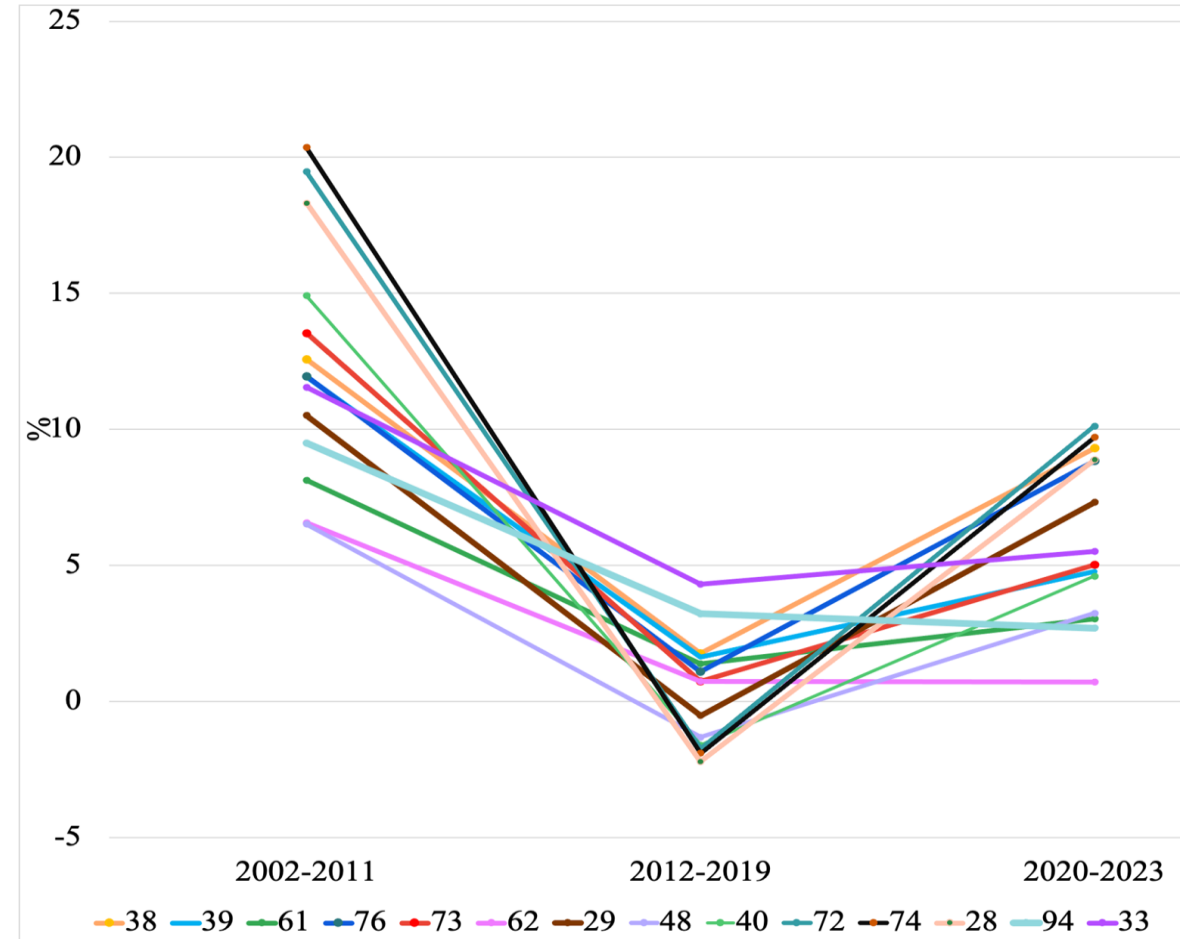
Average growth rates of the world market “capacity” by groups, %

High value added



Source: compiled by the author using data from UN International Trade Centre, Trade Map

Medium / low value added



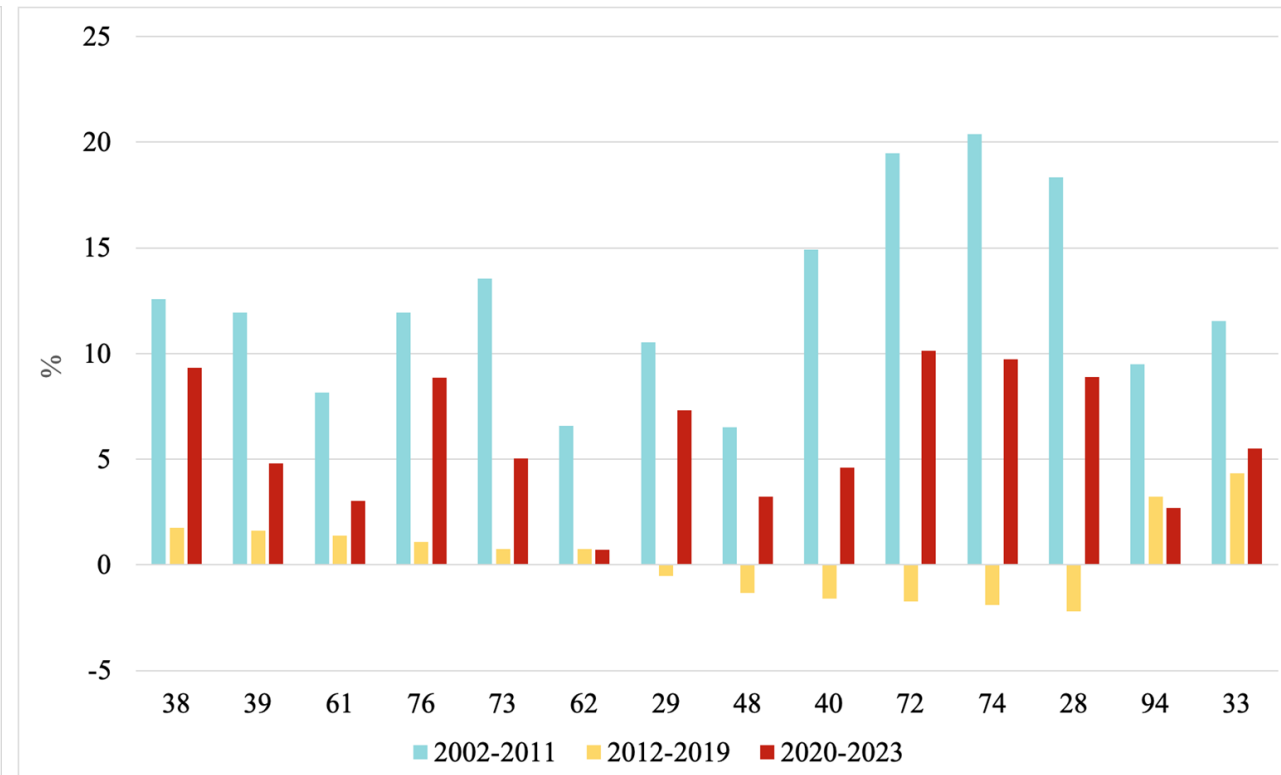
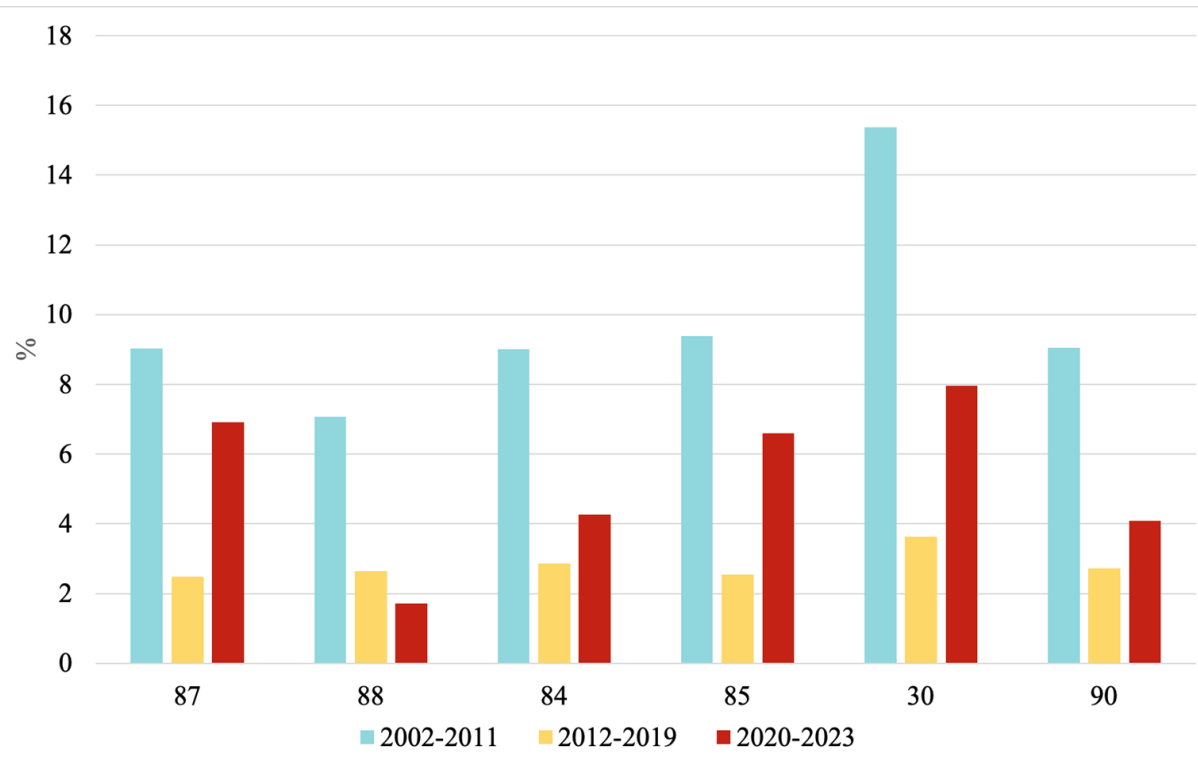
Source: compiled by the author using data from UN International Trade Centre, Trade Map



Average growth rates of the world market “capacity” by groups, %

High value added

Medium / low value added



Source: compiled by the author using data from UN International Trade Centre, Trade Map

Source: compiled by the author using data from UN International Trade Centre, Trade Map



Key findings

2002-2011:

- The average growth rates of the world capacity were **the highest** for *Copper and articles thereof (74)*; *Iron and steel (72)*; *Pharmaceuticals (30)*; *Rubber and articles thereof (40)* ; *Inorganic chemicals (28)*.
- **The lowest** average growth rates: *Articles of apparel and clothing accessories, not knitted or crocheted; 62*, *Articles of apparel and clothing accessories, knitted or crocheted (61)*, *Paper and paperboard (48)*, *Aircraft, spacecraft, and parts thereof (88)*;

2012-2019:

- The slowdown of the average growth rates of world demand for all 20 groups of industrial products.
- For **all groups** of **high value added goods** the growth rates remained positive
- **Negative average growth rates:** *Copper and articles thereof (74)*, *Paper and paperboard (48)*, *Rubber and articles thereof (40)*, *Organic chemicals (29)*, *Iron and steel (72)*, *Inorganic chemicals (28)*.

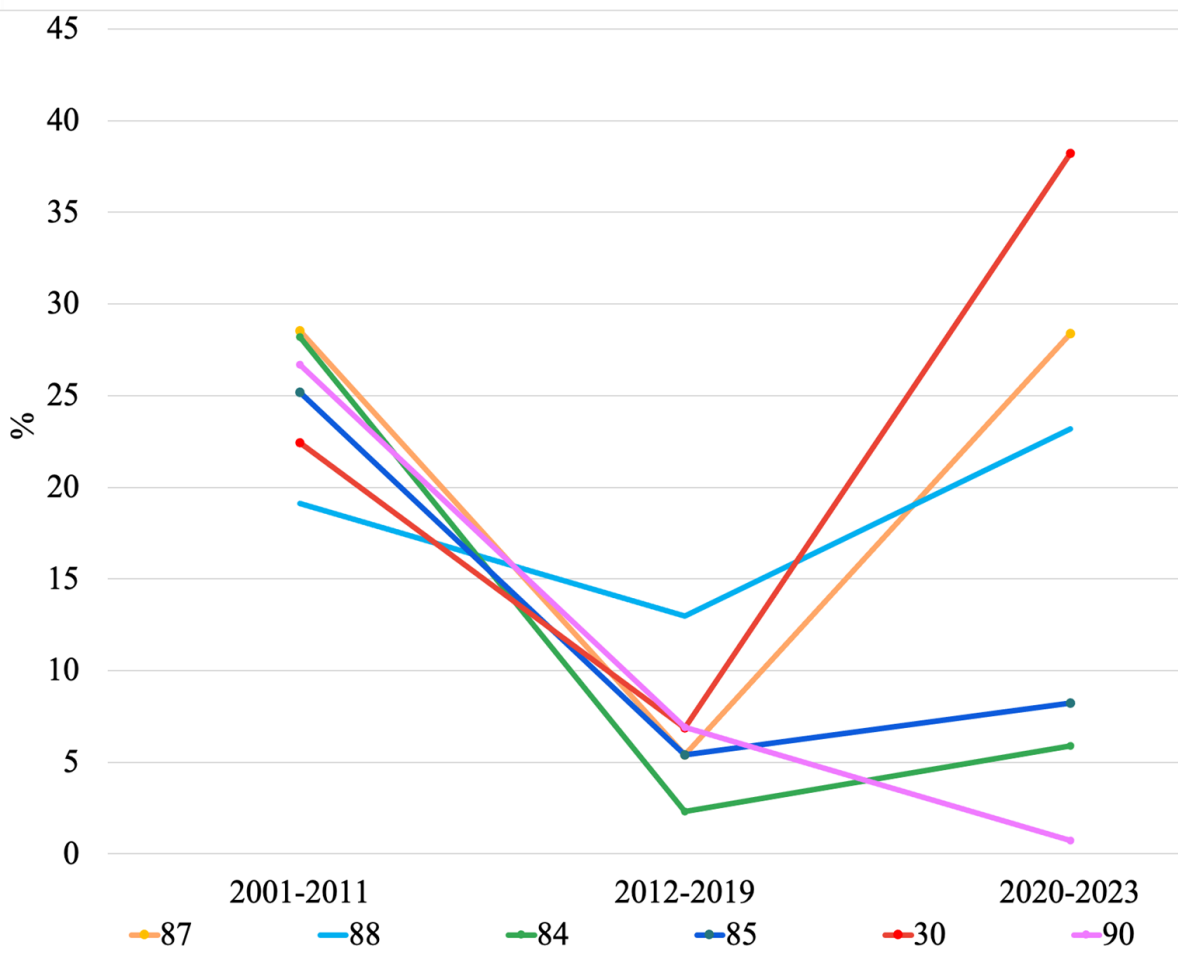
2020-2023:

- **Recovery** in the world capacity for most product groups, **except:**
 - *Aircraft, spacecraft, and parts thereof (88)*;
 - *Furniture (94)*, *Articles of apparel and clothing accessories, not knitted or crocheted (62)*

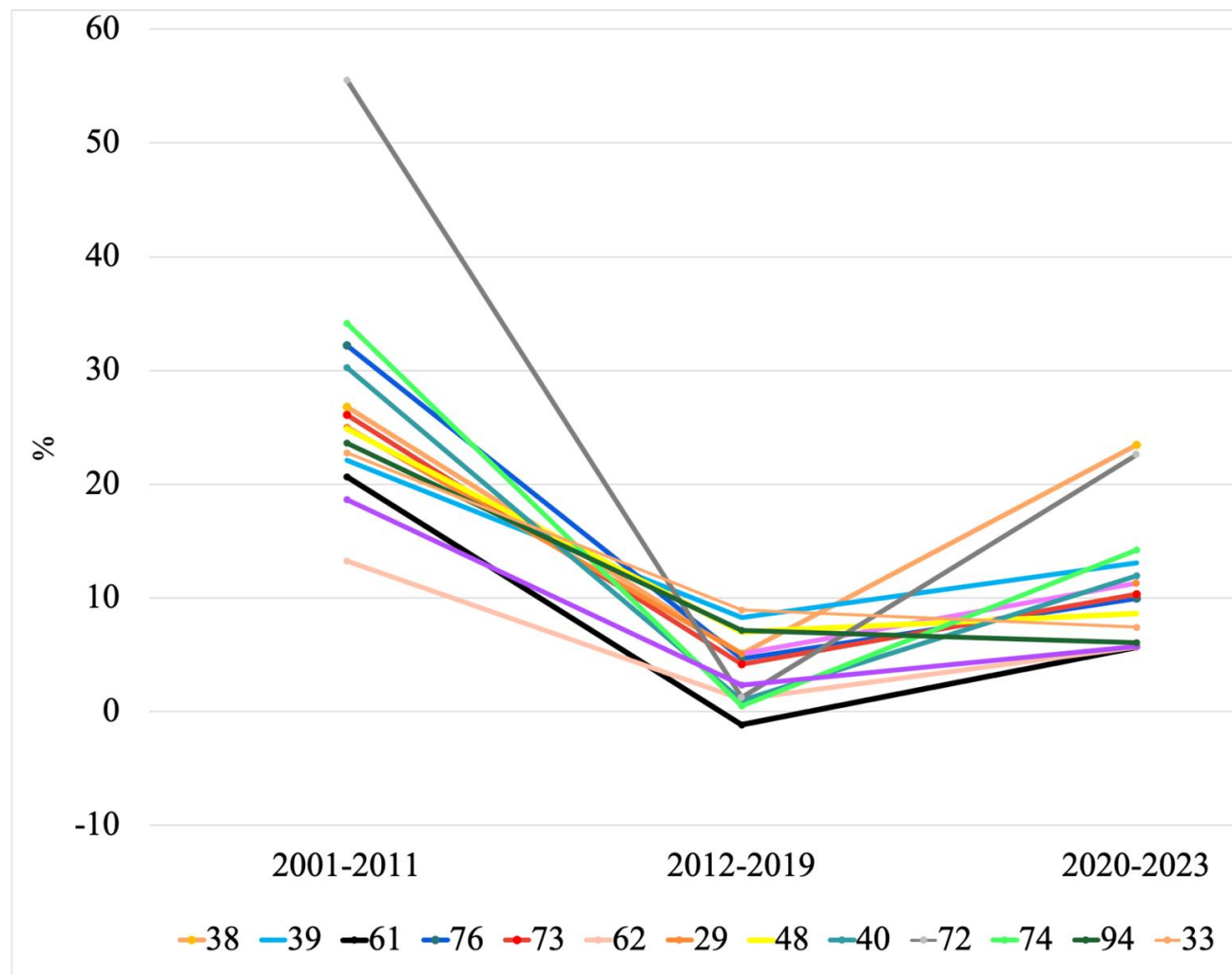


Average growth rates of China's export by groups, %

High value added



Medium / low value added

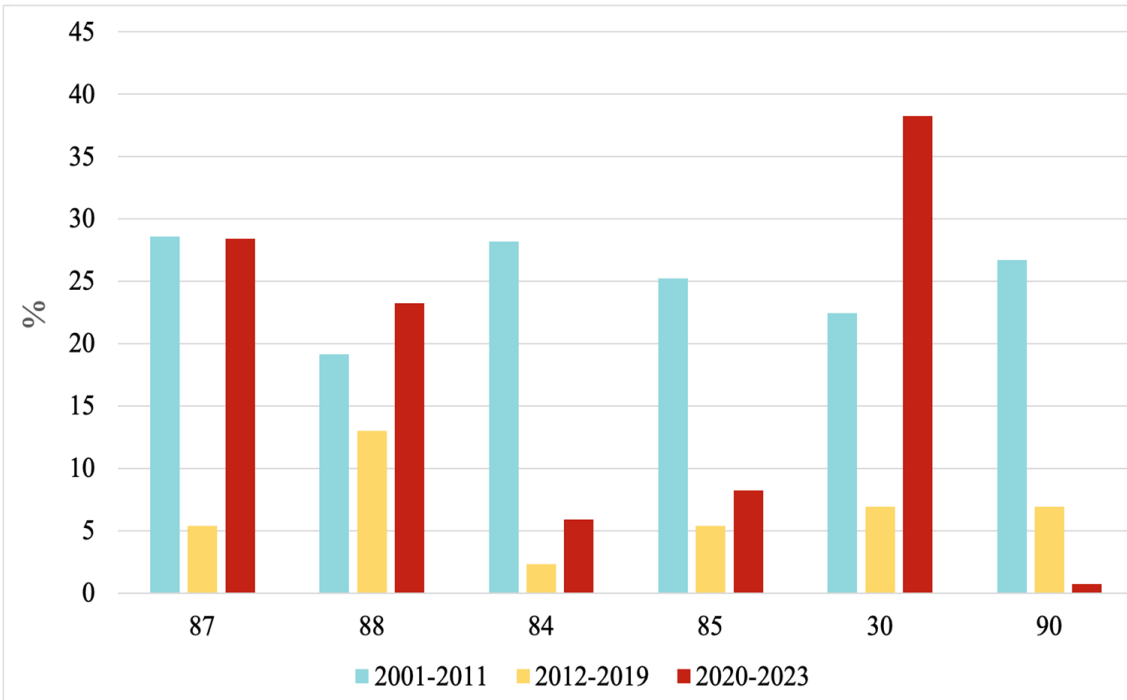


Source: compiled by the author using data from UN International Trade Centre, Trade Map

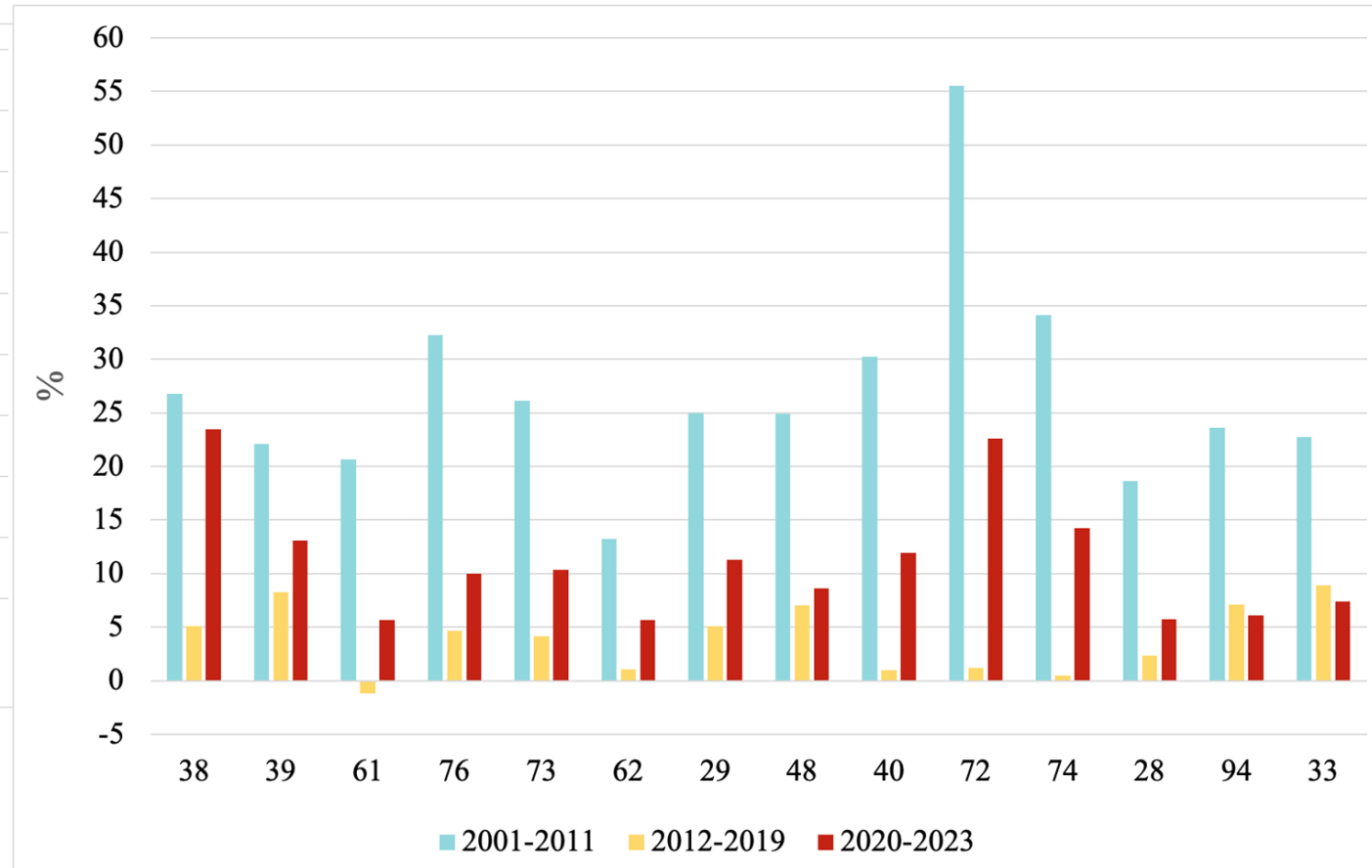
Source: compiled by the author using data from UN International Trade Centre, Trade Map

Average growth rates of China's exports by groups, %

High-value added



Medium / low-value added



Source: compiled by the author using data from UN International Trade Centre, Trade Map

Source: compiled by the author using data from UN International Trade Centre, Trade Map



Key findings

2002-2011:

- The highest average growth rates were observed for China's exports of *Iron and steel (72)*; *Rubber and articles thereof (40)*; *Copper and articles thereof (74)*, *Aluminium and articles thereof (76)*; *Vehicles other than railway or tramway rolling stock (87)*, *Electrical machinery (85)*
- *Aircraft, spacecraft and parts thereof (88)* had the lowest growth rates among Chinese exports of high value added goods.

2012-2019:

- The average growth rates of Chinese exports followed the slowdown of world capacity (imports) and decreased in the second period;
- The only group with negative average growth rates was *Articles of apparel and clothing accessories, knitted or crocheted (61)* .

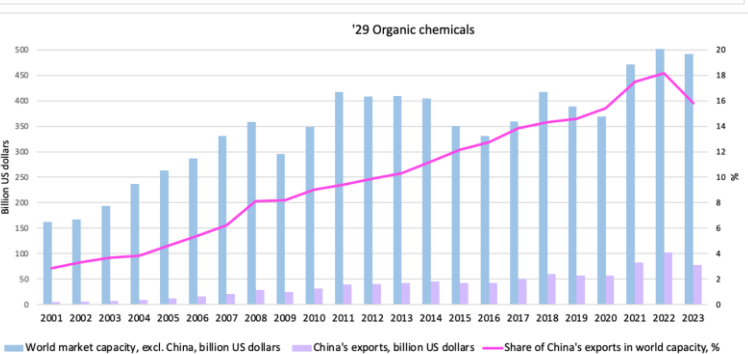
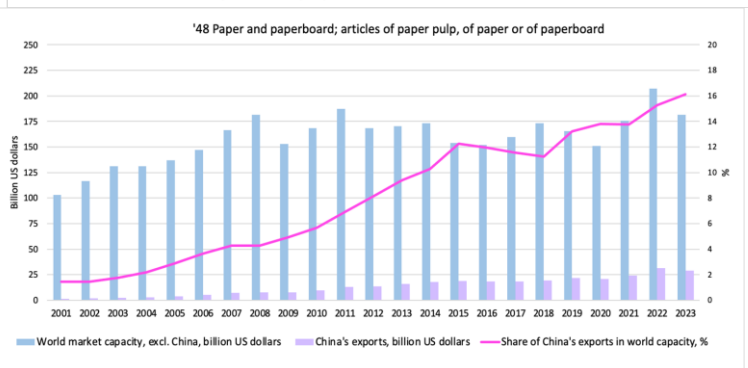
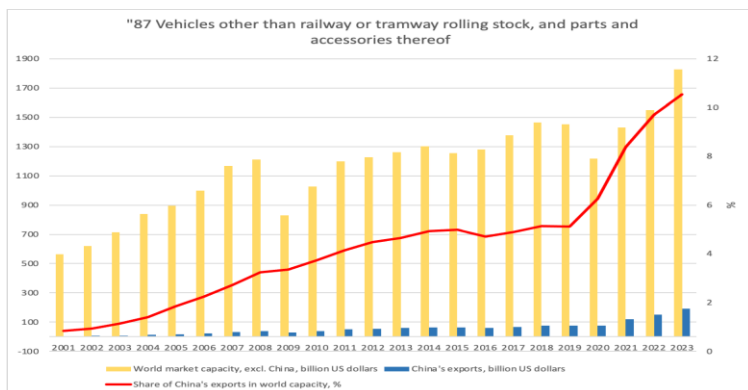
2020-2023:

- The average growth rates of China's exports of *pharmaceuticals (90)*, continued to decline in the third period;
- All other export groups showed an increase in average growth rates in 2020-2023.

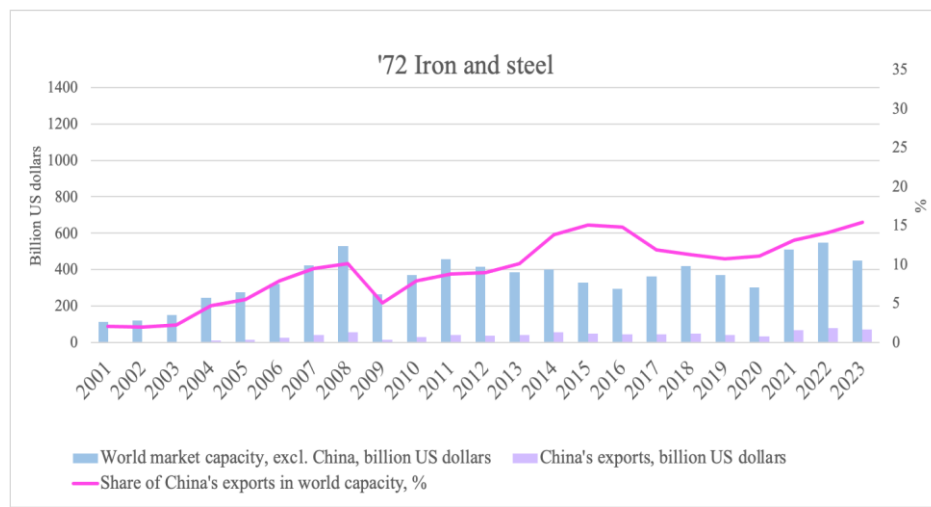
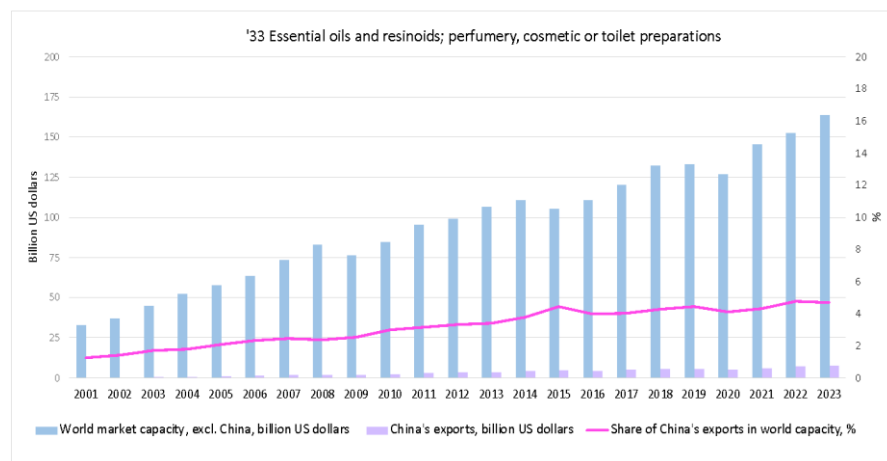


Classification of the groups by the dynamics of the share of China's exports in the world capacity, 2001-2023

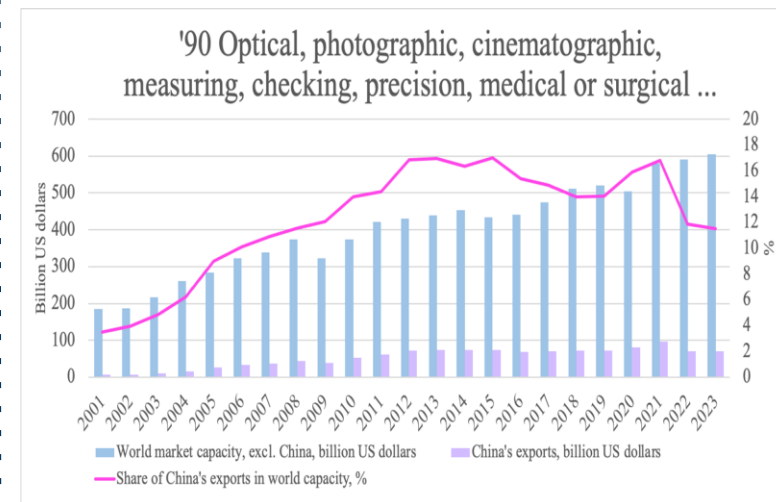
Increasing share



Stable share



Declining share





Classification of the groups by the dynamics of the share of China's exports in the world capacity, 2001-2023

| | | China's share of exports in the world capacity, % | | | | | | |
|-------------|----|---|-------|-------|-------|-------|------------------|---------------|
| Value added | HS | | 2012 | 2015 | 2020 | 2023 | 2023/2011, times | |
| High | 85 | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television | 24,62 | 29,41 | 29,39 | 29,35 | 1,31 | Increase |
| | 84 | Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof | 17,71 | 18,38 | 20,33 | 19,35 | 1,16 | Increase |
| | 90 | Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical equipment | 16,85 | 17,02 | 15,89 | 11,52 | 0,80 | Decline |
| | 87 | Vehicles other than railway or tramway rolling stock, and parts and accessories thereof | 4,49 | 5,00 | 6,26 | 10,54 | 2,55 | Increase |
| | 88 | Aircraft, spacecraft, and parts thereof | 0,77 | 1,62 | 1,63 | 3,24 | 3,60 | Increase |
| | 30 | Pharmaceutical products | 1,28 | 1,38 | 1,94 | 1,35 | 1,17 | Stabilisation |
| Medium | 94 | Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed | 40,57 | 46,72 | 47,77 | 46,79 | 1,47 | Stabilisation |
| | 61 | Articles of apparel and clothing accessories, knitted or crocheted | 47,9 | 44,0 | 33,80 | 36,5 | 0,87 | Decline |
| | 62 | Articles of apparel and clothing accessories, not knitted or crocheted | 32,4 | 40,57 | 33,79 | 33,72 | 1,06 | Stabilisation |
| | 73 | Articles of iron or steel | 18,65 | 21,96 | 26,52 | 27,68 | 1,57 | Increase |
| | 39 | Plastics and articles thereof | 11,03 | 13,31 | 17,79 | 20,37 | 2,28 | Increase |
| | 40 | Rubber and articles thereof | 11,25 | 12,58 | 13,58 | 16,49 | 1,63 | Increase |
| | 48 | Paper and paperboard; articles of paper pulp, of paper or of paperboard | 8,15 | 12,24 | 13,81 | 16,13 | 2,34 | Increase |
| | 76 | Aluminium and articles thereof | 12,6 | 15,6 | 15,8 | 15,9 | 1,39 | Stabilisation |
| | 29 | Organic chemicals | 9,88 | 12,16 | 15,42 | 15,83 | 1,68 | Increase |
| | 38 | Miscellaneous chemical products | 6,41 | 8,08 | 10,15 | 11,91 | 1,76 | Increase |
| | 28 | Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth | 7,21 | 11,13 | 9,44 | 8,58 | 1,36 | Decline |
| Low | 74 | Copper and articles thereof | 5,70 | 5,67 | 5,85 | 6,85 | 1,39 | Stabilisation |
| | 33 | Essential oils and resinoids; perfumery, cosmetic or toilet preparations | 3,32 | 4,45 | 4,09 | 4,65 | 1,17 | Stabilisation |
| | 72 | Iron and steel | 8,92 | 15,06 | 11,03 | 15,4 | 1,76 | Stabilisation |

Strategic industries of China's economy in official documents

“We will establish a mechanism for ensuring funding increases for industries of the future, improve the policy and governance systems for promoting the development of **strategic industries** such as **next-generation information technology, artificial intelligence, aviation and aerospace, new energy, new materials, high-end equipment, biomedicine, and quantum technology...**”

The Resolution adopted at the third plenary session of the 20th Central Committee of the CPC on July 18, 2024



HS groups: 85, 84, 88, 30, 87, 90

“China-specific” tariffs on the key Chinese goods in 2024

Electric vehicles (87034-87038)

USA US : 100 %
 Canada CA: 100 %
 EU EU : 7.8 % - 35.3 %
 Turkey TR: 10 %

Solar cells (854143)

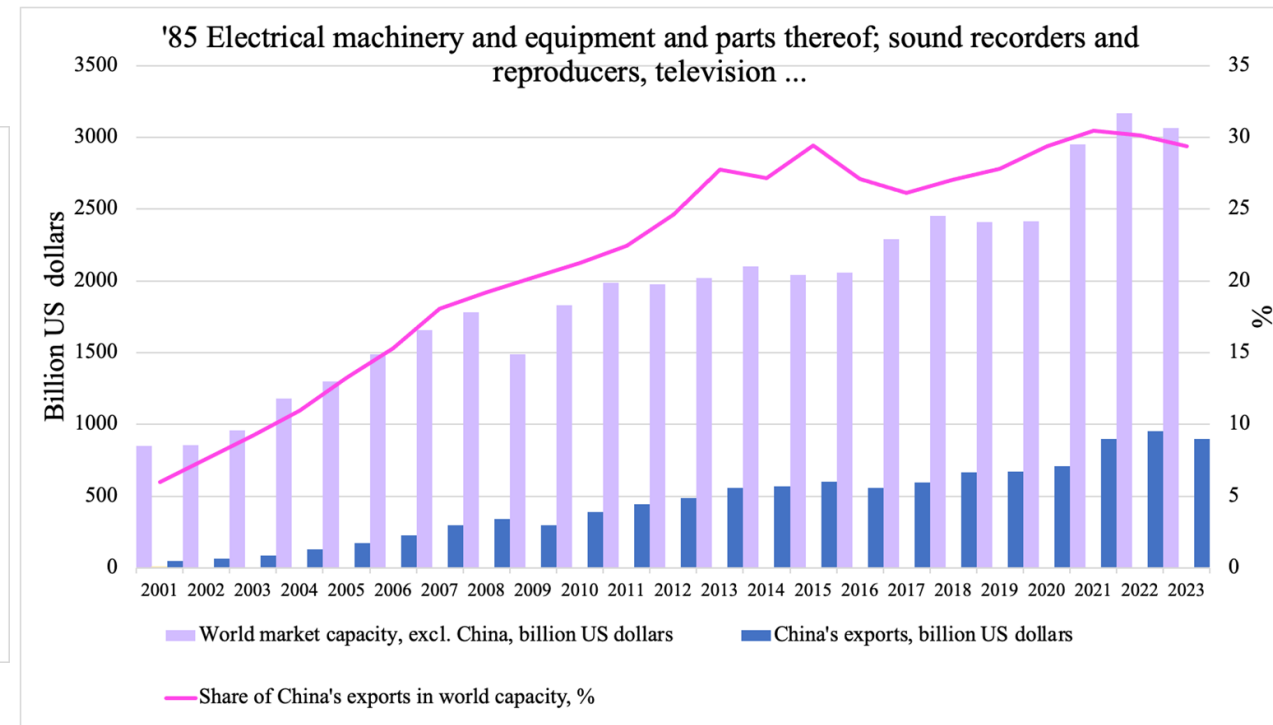
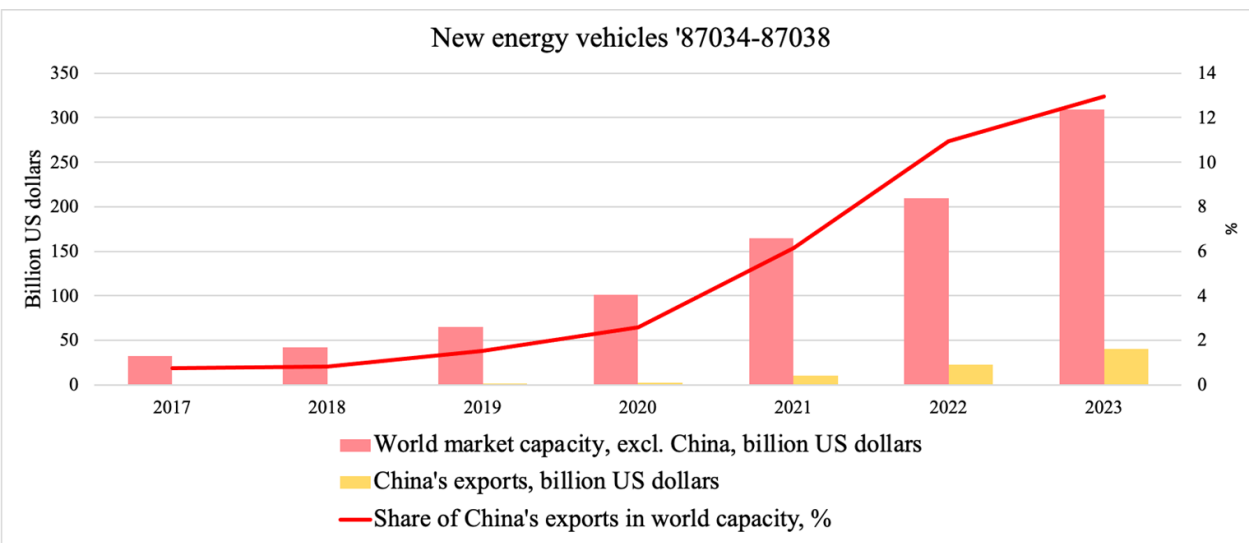
USA us: 50 %

Semiconductors (854159)

USA us: 50 %
 India IN: 20 %

Lithium-ion batteries (850760)

USA us: 25 %



Conclusion

- World exports has **revived** since 2021
- China *is attempting* to increase its export share in world “capacity”, mainly of *high value added goods*
- There are *three types* of dynamics of China’s share of exports: **increasing share, stable share and declining share.**
- The key objectives of **China’s Third Plenum 2024** are the development of **high value added goods** and the expansion of **fast-growing groups**
- “**China-specific**” **tariffs** are imposed primarily on groups of high value added products



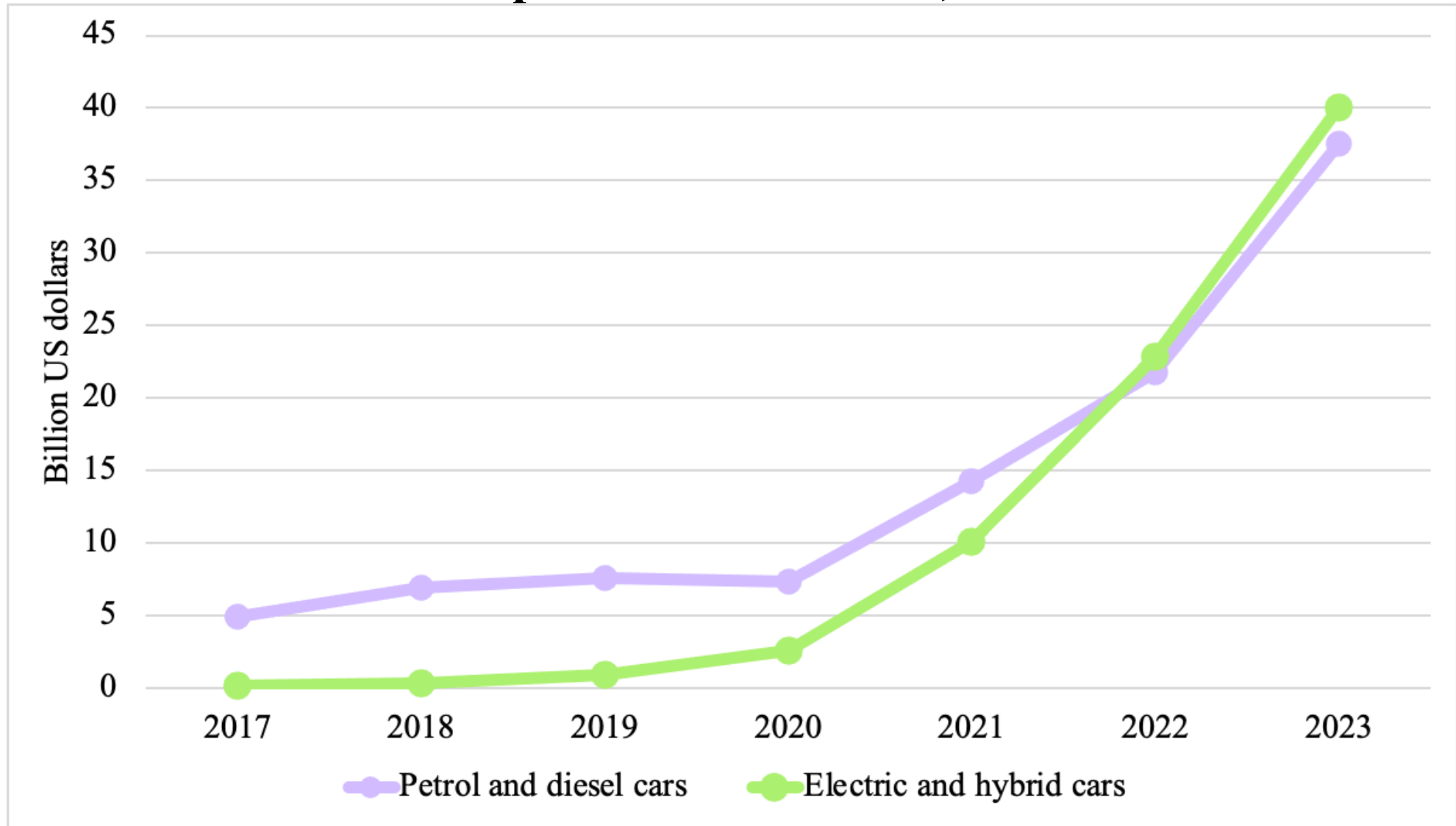
XII Annual Conference on the Global Economy
«Challenges of catch-up: Emerging countries in the
global economy»

Faculty of World Economy
and International Affairs

Moscow
December 6, 2024

Thank you for attention!

China's exports of automobiles, 2017-2023

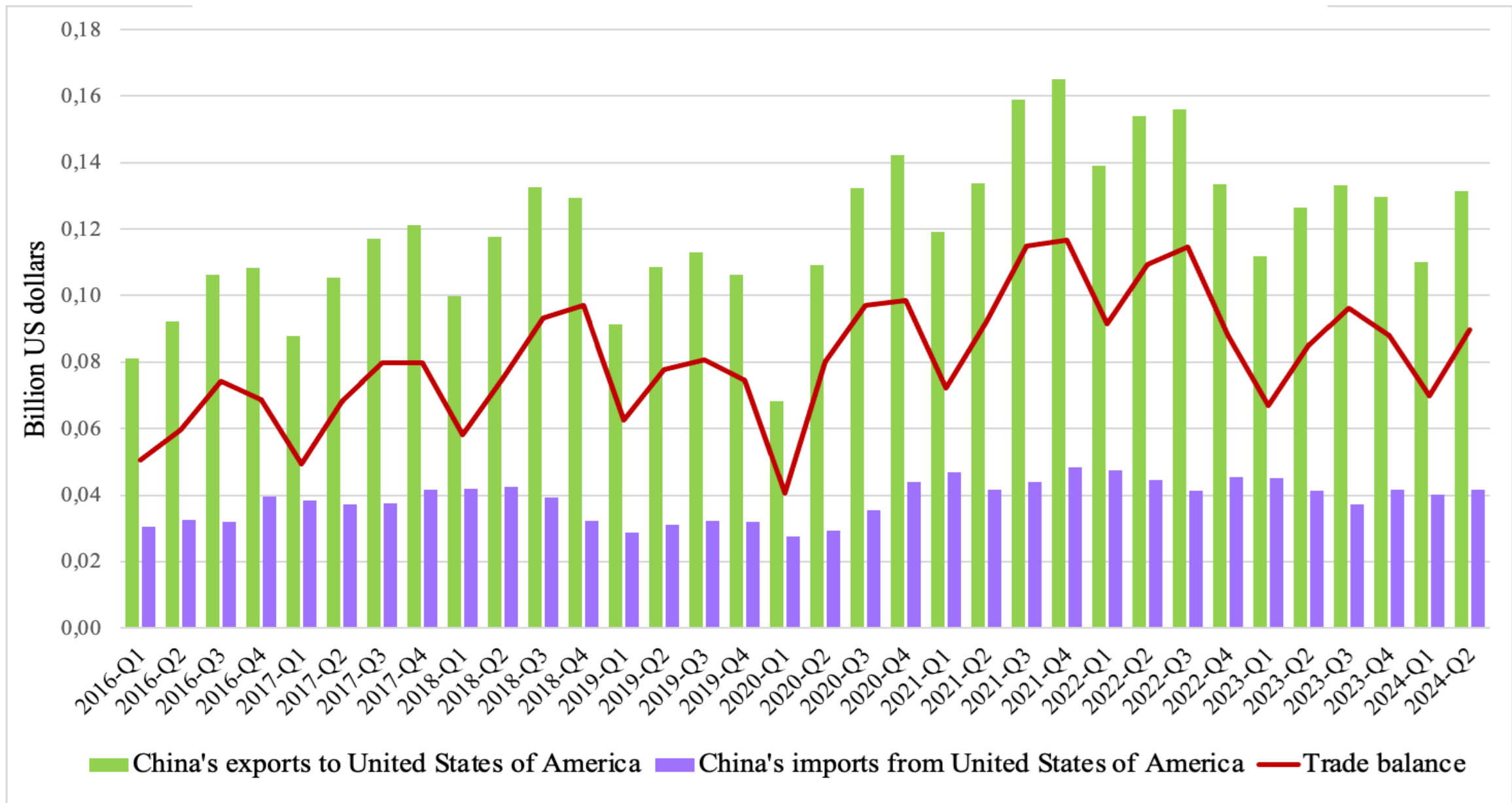


Source: UN International Trade Centre, Trade Map

Note: Petrol and diesel cars refer to selected six-digit lines: 870322,870323,870310,870321,870332,870331,870333,870390;

Electric and Hybrid cars refer to selected six-digit lines: 870340-870380

China-US trade, 2016-2023

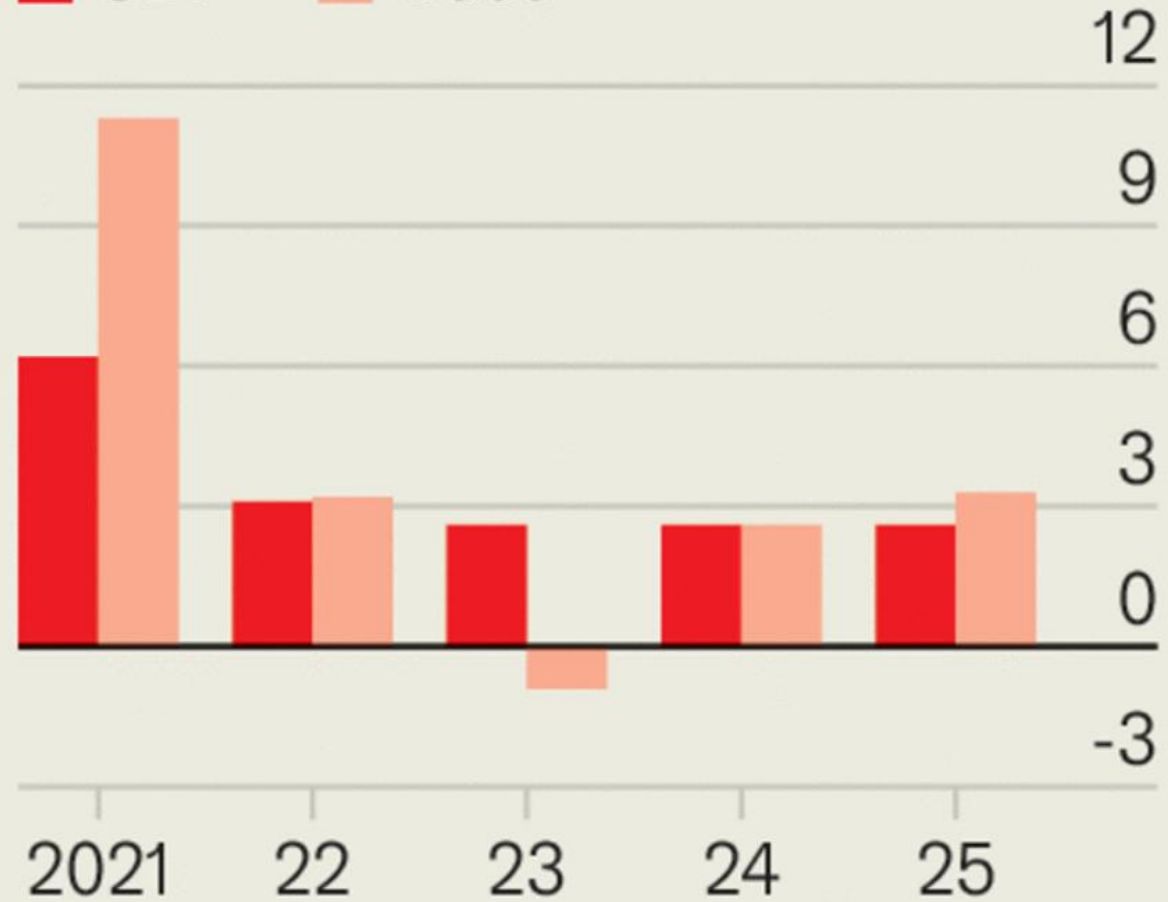


Source: UN International Trade Centre, Trade Map

GDP and trade

World, % change on a year earlier

■ GDP ■ Trade



Source: The Economist