World Import Spending Accelerates: What the China Shock 2.0 Narrative Misses

Simon J. Evenett, 8 September 2026

Spending on goods imports has risen across the world since the COVID-19 pandemic, and its growth has accelerated in recent years. The growth of Chinese exports is one part of this global rise in sourcing from abroad. This briefing uses import records for over 100 economies to show how additional import spending was divided between goods bought from China and from other suppliers. Spending allocation differs markedly across China's trading partners, casting doubt on sweeping claims that a China-specific export flood is a system-wide phenomenon.

1. The narrative

A number of observers argue that a second China Shock is reshaping world goods markets. Tordoir and Setser (2026) describe a rise in Chinese manufacturing supply that is said to be displacing producers in Germany. A *Financial Times* report describes it as "the flood of high-tech goods that will change the world" (McMorrow and others, 2026). The European Union has set an October deadline for a reduction in its €360 billion goods deficit with China (Bounds and Leahy, 2026). The former European trade commissioner Karel De Gucht has said the Union should "increasingly shut Chinese goods out of its market" (Bounds, 2026). Proposed measures include tariffs after import surges (Keynes, 2026) and a European version of the United States' Section 301 instrument (Tordoir and Setser, 2026). Almost all of this narrative is about export supply. Typically, it focuses on how fast Chinese exports have grown and contends such exports have harmed producers elsewhere. Very little is written about spending on imports.

When such narratives gain traction, an important role of independent analysts is to examine how firmly they are rooted in the evidence. To put Chinese export growth in perspective, this briefing asks two questions about demand. How much has spending on goods imports risen across the world? And how has any rise been divided between goods bought from China and goods bought from other suppliers? The second question needs bilateral import data and to that end evidence from over 100 economies was assembled (as explained in Box A).

2. Chinese export volumes have accelerated

Data on export volumes support one central claim of the China Shock 2.0 narrative. Data from the Netherlands Bureau for Economic Policy Analysis (CPB, 2026) show that Chinese export volumes grew at 3.4 per cent a year from 2011 to 2019. They grew at 7.0 per cent a year from 2021 to May 2026. That is more than twice the earlier rate. World import volumes grew at 2.2 per cent a year over the post-pandemic period, a shade above the growth rate before the pandemic. Chinese export volumes therefore grew more than three times as fast as world trade after the pandemic.

Export price indices point the other way. The price of Chinese exports fell at 3.3 per cent a year from 2021 to May 2026. Meanwhile, the price of world imports rose at 1.2 per cent a year over the same period. These two price indices moved apart by more than four percentage points a year. Rising volumes and falling prices together put a dampener on the growth of total China export value. Box B sets out the difference between value and volume.

3. Spending on imports has risen, and the rise is recent

The export volume figures reported in Section 2 place the pickup in world trade in the most recent years. Data on total spending on imports confirms

this finding. A proxy was calculated for the growth of world import spending on goods supplied from foreign sources other than China over the most recent twelve, twenty-four, thirty-six and forty-eight months, all ending in May 2026.[1] These findings are based on reported spending of 109 importing economies which have a complete set of trade records from January 2021 until May 2026 (see Box C). China is excluded both as an importer and as a source of imports in the construction of this benchmark, preventing its trade from mechanically driving subsequent comparisons.

Global spending on imports is growing faster over more recent time horizons. Growth over the last four years has been modest, while over the last two years annualised growth rates have risen into the mid-single digits or higher, reaching double digits in many cases. With a single exception, growth rates over the latest twelve months are higher still (see "Other" columns in Table 1). Most importantly, at every end-month from January to May 2026, annualised growth over the latest twelve months exceeds that over the preceding forty-eight months. This is what an acceleration looks like.

Crucially, the acceleration applies to both spending on goods from China and from other sources. Over the latest twelve months for the period ending May 2026, imports from other sources grew at 14.7 per cent a year and imports from China at 16.1 per cent. Imports from China grew somewhat faster over most horizons, but invariably the two growth rates are quite close. The pattern in Table 1 is not one of spending on Chinese goods rising fast while outlays on other suppliers stand still or fall. It reflects a broad rise in spending on imported goods, in which China is one source among several.

Table 1 reports the growth rates for four intervals and for each end-month from January to May 2026. The acceleration holds at every end-month: growth over the latest twelve months is above growth over the latest forty-eight months throughout. Imports from China grow faster than imports from other sources in most cells, but not in all. Evidently, the choice of end month in 2026 is not driving the finding that growth of spending on imports accelerated in recent years.

End-month 2026	Prior 12 months		Prior 24 months		Prior 36 months		Prior 48 months	
Source of imports	Other	China	Other	China	Other	China	Other	China
January	6.71	9.00	6.42	9.76	2.58	5.60	3.27	0.94
February	9.93	12.27	7.19	11.63	4.56	7.67	3.32	1.73
March	11.86	14.90	12.20	14.15	5.33	8.59	2.73	2.58
April	15.50	14.65	11.24	13.54	9.68	10.61	4.77	5.13
May	14.75	16.09	10.58	11.33	6.40	7.95	3.20	4.13

Table 1. Annualised growth rate of import expenditures for the 109-economy panel, by horizon and 2026 end-month. Growth rates in the "other" columns refer to the import spending on goods sourced outside of China, the proxy here for overall global import demand growth. Each As mentioned in the main text, import expenditures by (not from) China are excluded from these calculations.

[1] To the extent the rising Chinese exports are displacing foreign suppliers this proxy will understate the total growth of world spending on imports.

4. Where the extra import spending went

To give some idea of the rise in global spending on imports (ex-China), for the 109-economy panel referred to in the last section total imports during January-May 2026 stood nearly $2.5 trillion higher than during the same period 5 years earlier. **The central question is how was that extra import spending split between purchases from China and purchases from elsewhere.** Bilateral import records allow for these two outcomes to be distinguished. As will become evident, there is no common pattern across importing economies and regions. Again, in what follows, time series on monthly import spending run to May 2026, the last month with comprehensive coverage in the Trade Data Monitor database.

For the world as a whole, spending on imports from China and from all other suppliers both rose well above the paths implied by their pre-2020 trends (Figure 1). The post-pandemic increase was larger for imports from sources other than China, indicating that the recent expansion in Chinese sales occurred alongside an even larger rise in spending on other foreign goods. At the aggregate level, therefore, the post-pandemic pattern looks more like a broad import-spending boom than a simple shift of expenditure towards China.

Confirmation of the latter finding is found by examining China's share of world import spending. China's share of world import spending rose from about 13 per cent in 2011 to 16 per cent by 2015, briefly exceeded 17 per cent in 2020–21, and has since returned to about 16 per cent (Figure 2). Still, that apparent stability masks considerable geographic divergence. In the non-West, China's share rose from about 17 per cent in 2011 to more than 23 per cent in 2026. In the United States, by contrast, China's share rose above 21 per cent in the middle of the last decade but has since fallen sharply, to about 7 per cent in 2026. Elsewhere in the West the changes have been much smaller: China's share increased from about 10 to 13 per cent in the West excluding the United States, and from about 8 to 11 per cent in the European Union. The stability of China's global import share therefore does not reflect uniform sourcing patterns. It combines a rising share in the non-West, a dramatic retreat in the United States, and comparatively modest changes across the rest of the West.

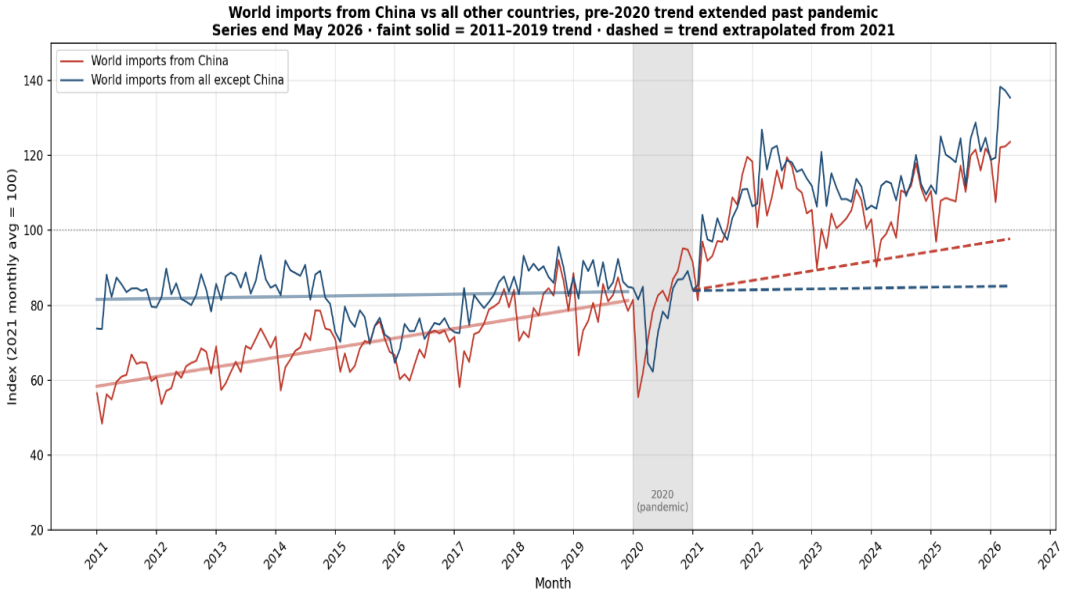

Figure 1. *World imports from China and from all other sources, monthly, indexed to the 2021 monthly average=100. Faint line: 2011 to 2019 trend; dashed line: that trend extended from 2021.*

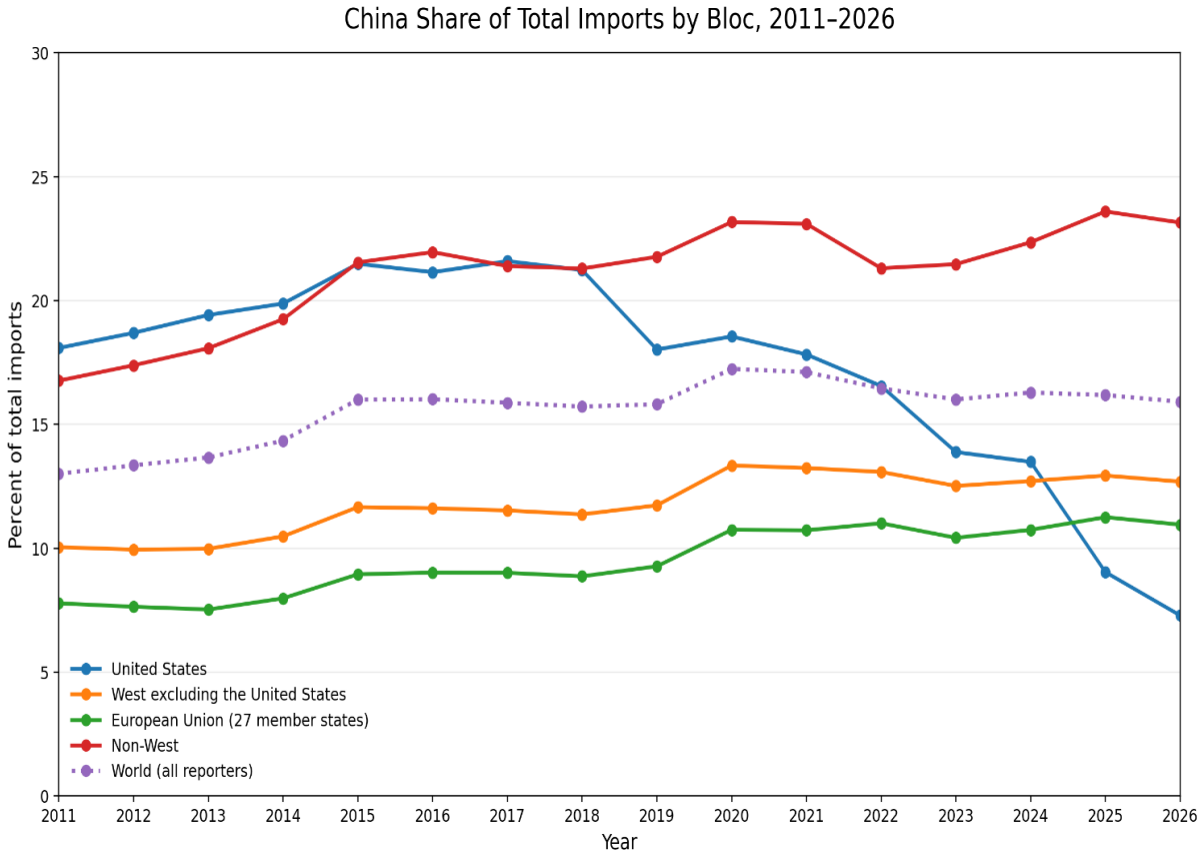

Figure 2. *Imports from China as a percentage of the total value of imports, by grouping, 2011 to 2026 (January to May 2026).*

Attention now turns to whether the pattern in Figure 1 is replicated across different economies and regions. The Western economies split into two cases. For the West as a whole, spending on imports from China grew 2.3 per cent a year before the pandemic, surged temporarily in 2022, and is back growing around the pre-pandemic rate (Figure 3). This decline is overwhelmingly a United States phenomenon. United States imports from China fell at 11.9 per cent a year from 2021 to 2026, while its imports from other sources rose at 6.3[2] per cent a year.[3]

[2] Trend growth rates were estimated by regressing the log of monthly imports on a linear time trend and month-of-year indicators, then converting the estimated trend coefficient into an annual growth rate.

[3] Total United States spending on imports has risen since 2021 implying that extra spending was directed away from China.

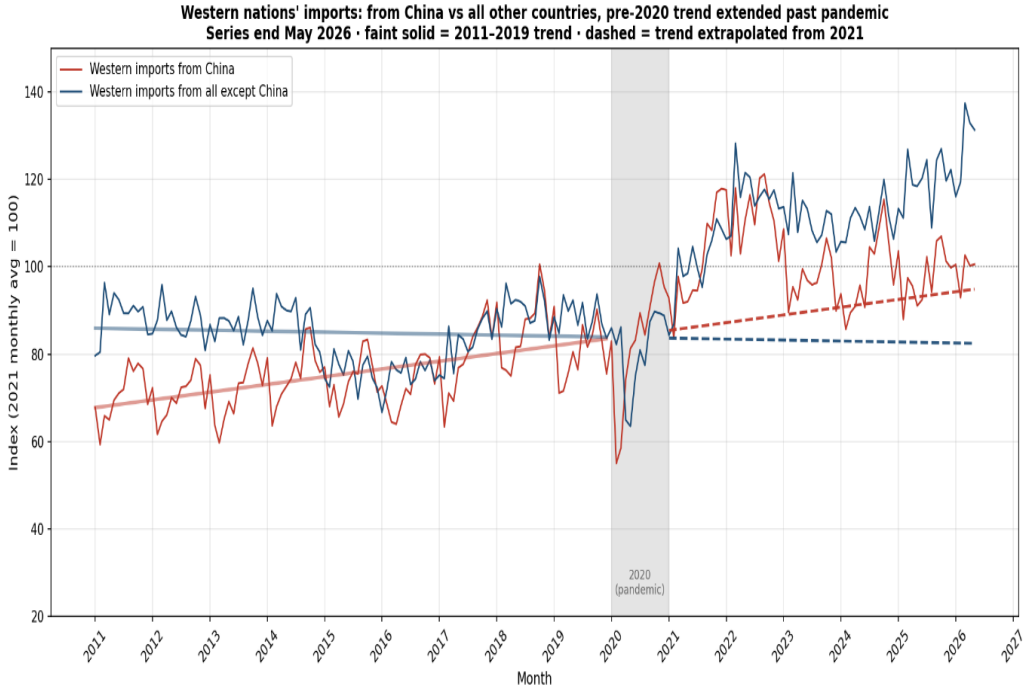

Figure 3. *Western economies: imports from China and from all other sources, monthly index (2021 average = 100), with the 2011 to 2019 trend extended.*

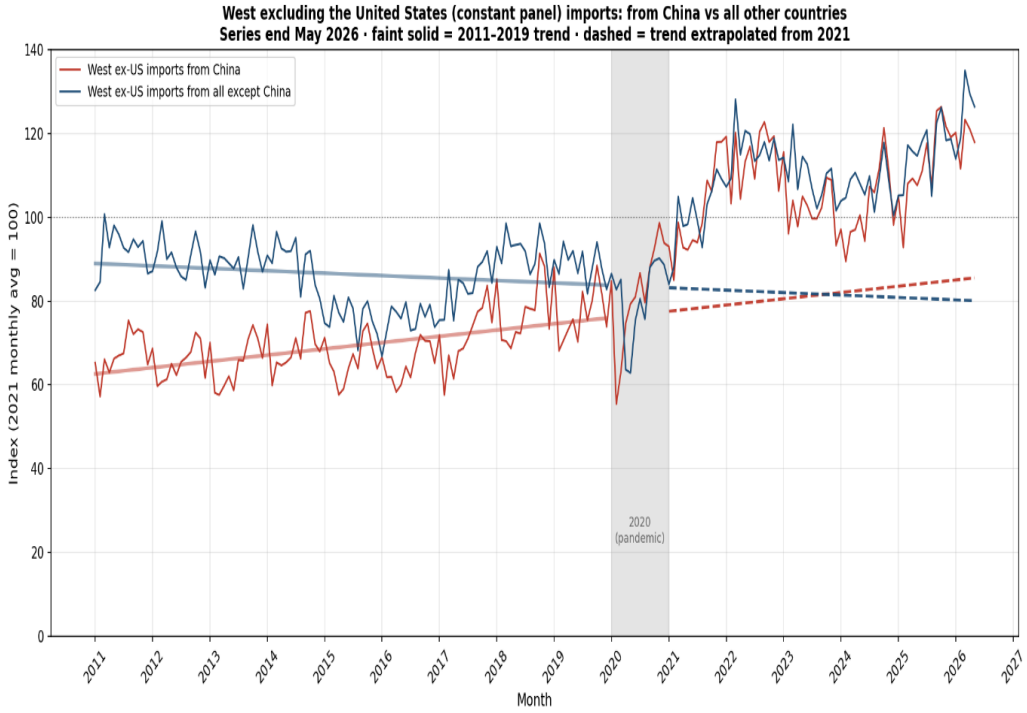

Figure 4. *Western economies excluding the United States (balanced panel): imports from China and from all other sources.*

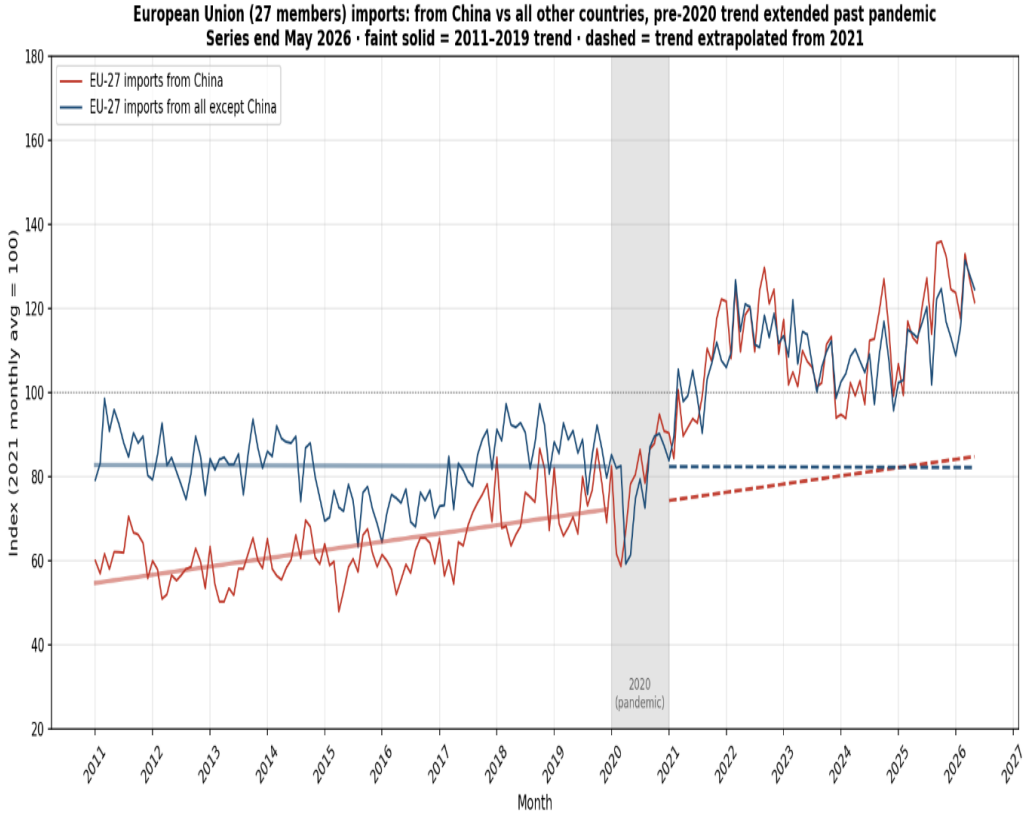

Figure 5. *European Union (27 members): imports from China and from all other sources, monthly index (2021 average = 100).*

Take the United States out, and the Western pattern changes. The total value of imports from China by the West excluding the United States grew at 2.0 per cent a year before the pandemic and 2.3 per cent a year from January 2021 to May 2026 (Figure 4). Over the same post-pandemic period, its imports from other sources grew at 2.8 per cent a year. The European Union shows a similar pattern: imports from China grew at 2.9 per cent a year before 2020 and 3.4 per cent a year from January 2021 to May 2026, compared with 2.3 per cent a year for imports from other sources (Figure 5). More importantly, once the United States is omitted, the rest of the West saw import spending on Chinese goods rise broadly in line with spending on goods from other suppliers.

These findings for the Western nations do not carry over to every group of non-Western economies (Figure 6). For four groups of non-Western nations post-pandemic spending on imports from China and imports from other sources rose together but imports from China rose much faster in recent years. In Sub-Saharan Africa, imports from China rose above imports from other sources and reached their highest level in 2025 and early 2026 (Figure 7). The former-Soviet group shows the largest rise, but part of it is trade routed through Armenia, Georgia and Kazakhstan after 2022, and Russia is absent because it stopped reporting after 2024 (Figure 8). In the Middle East and North Africa, imports from China rose to about twice their 2021 monthly average by 2025 (Figure 9). Meanwhile, for the Association of Southeast Asian Nations imports from China accelerate from 2025 on when compared with imports from other sources (Figure 10).

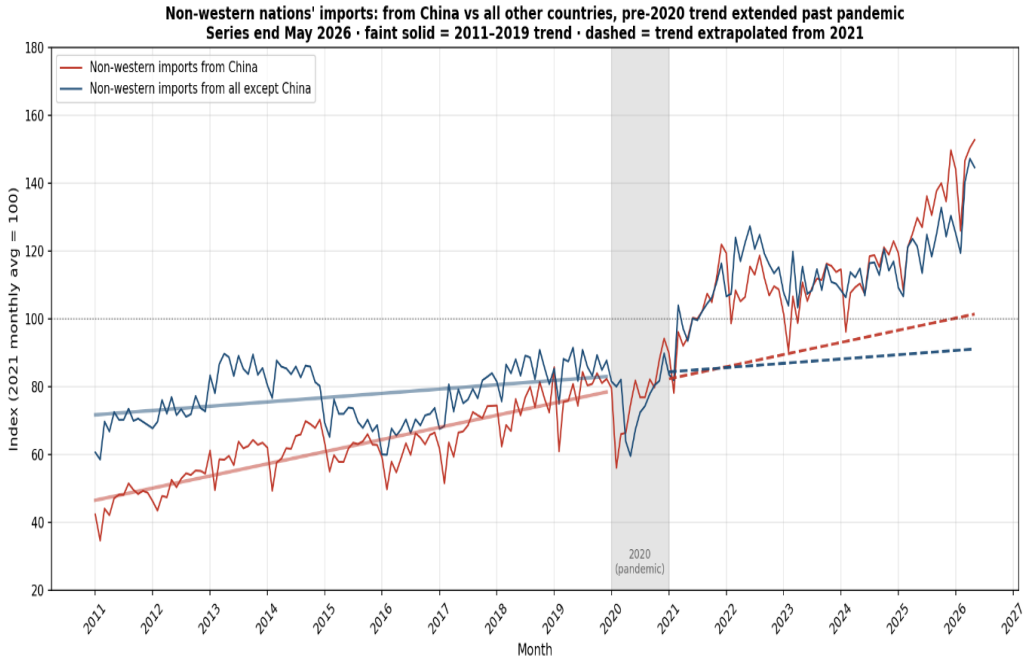

Figure 6. *Non-Western economies: imports from China and from all other sources, monthly index (2021 average = 100), with the 2011 to 2019 trend extended.*

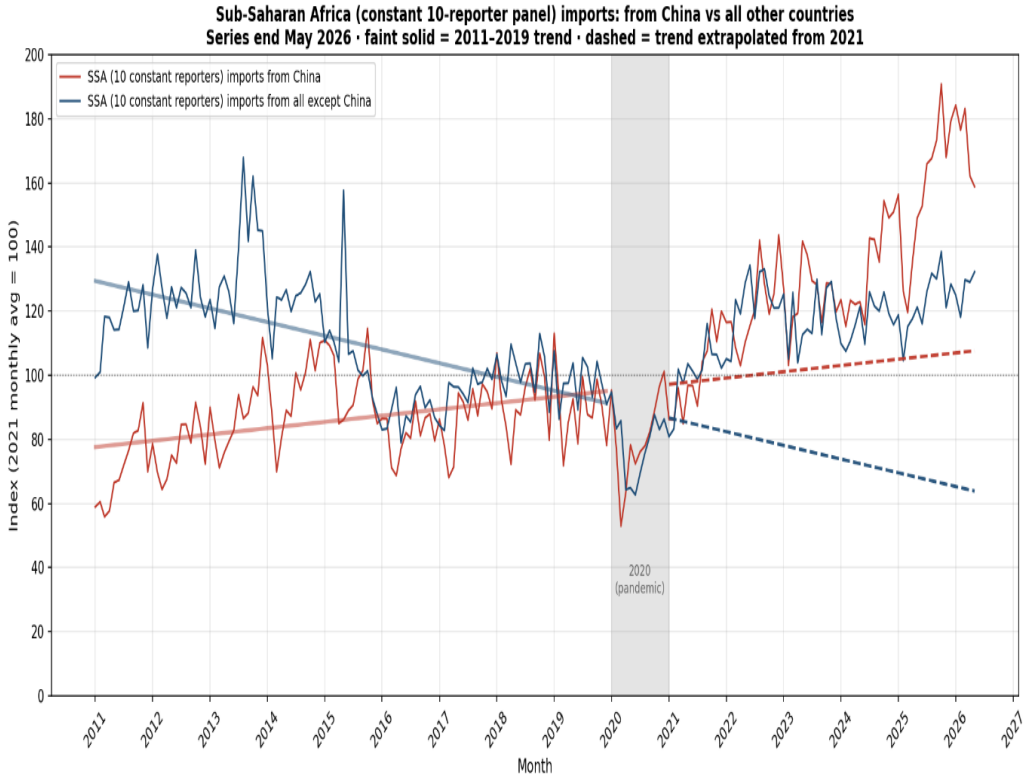

Figure 7. *Sub-Saharan Africa (balanced panel): imports from China and from all other sources, monthly index (2021 average = 100).*

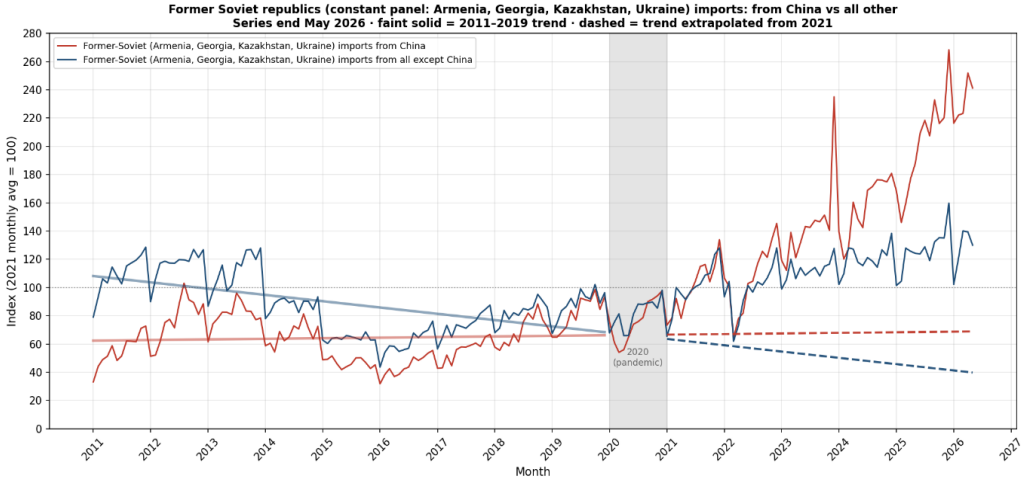

Figure 8. *Former Soviet republics (balanced panel: Armenia, Georgia, Kazakhstan, Ukraine; Russia absent after 2024): imports from China and from all other sources.*

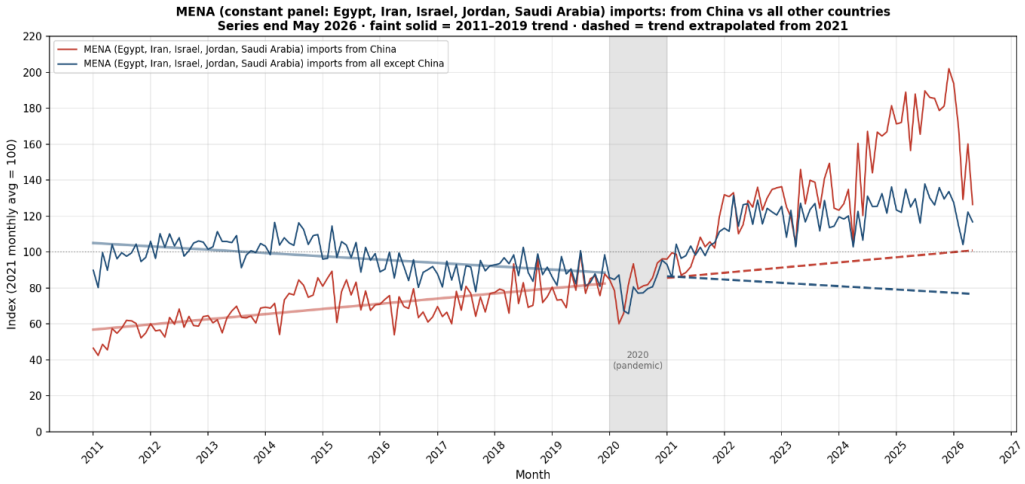

Figure 9. *Middle East and North Africa (balanced panel): imports from China and from all other sources, monthly index (2021 average = 100).*

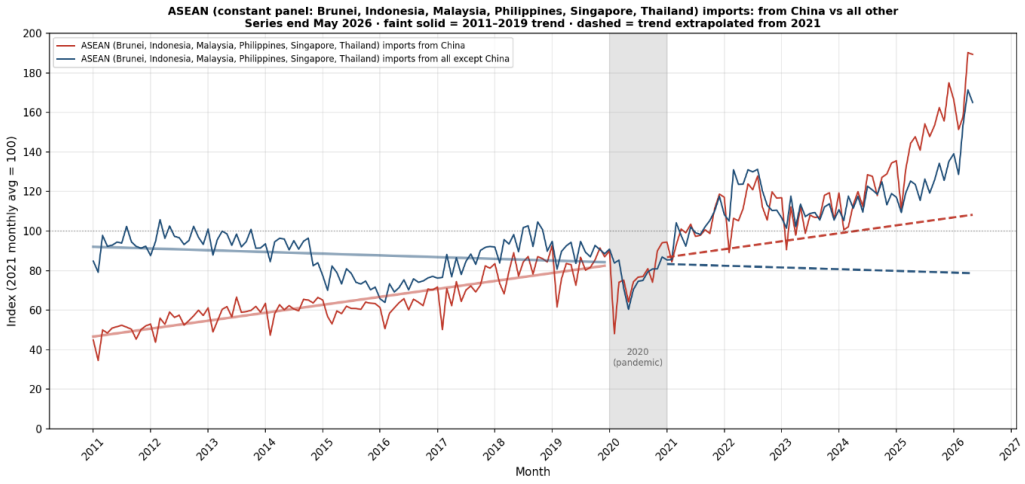

Figure 10. *Association of Southeast Asian Nations (balanced panel): imports from China and from all other sources.*

The other two non-Western groups show imports from China and from other sources rising together: South Asia (Figure 11) and Latin America and the Caribbean (Figure 12). In both groups, spending growth on goods sourced from China and from elsewhere grew roughly in line with one another, as it did for the Western economies once the United States is removed from the sample (Figure 4).

Put differently, in much of the world spending growth on Chinese imports since the pandemic has been unexceptional. That is, outside of the United States for the West and for the four significant groups of emerging markets mentioned in the penultimate paragraph, spending growth on Chinese imports has been broadly in line with spending on imports from other parts of the world.

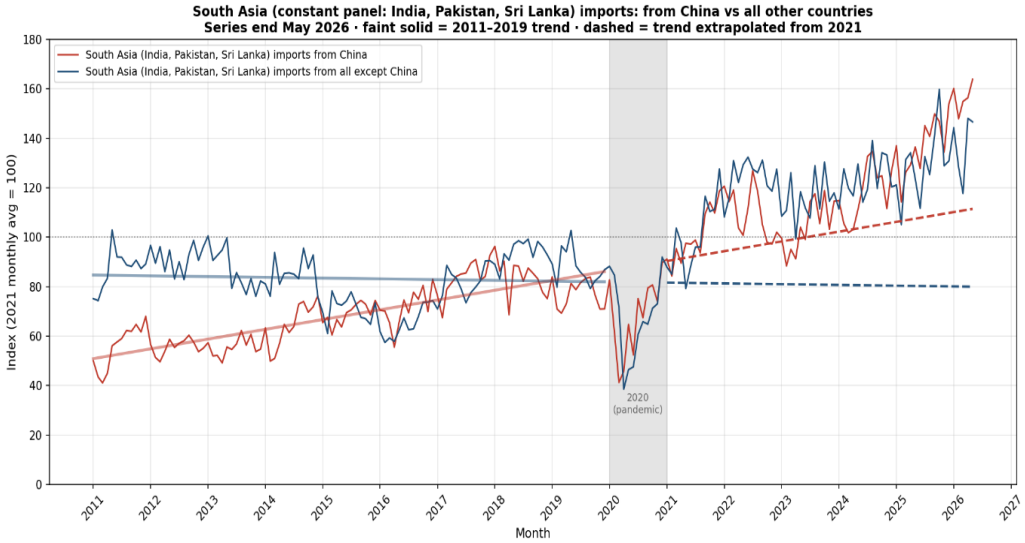

Figure 11. *South Asia (balanced panel: India, Pakistan, Sri Lanka): imports from China and from all other sources.*

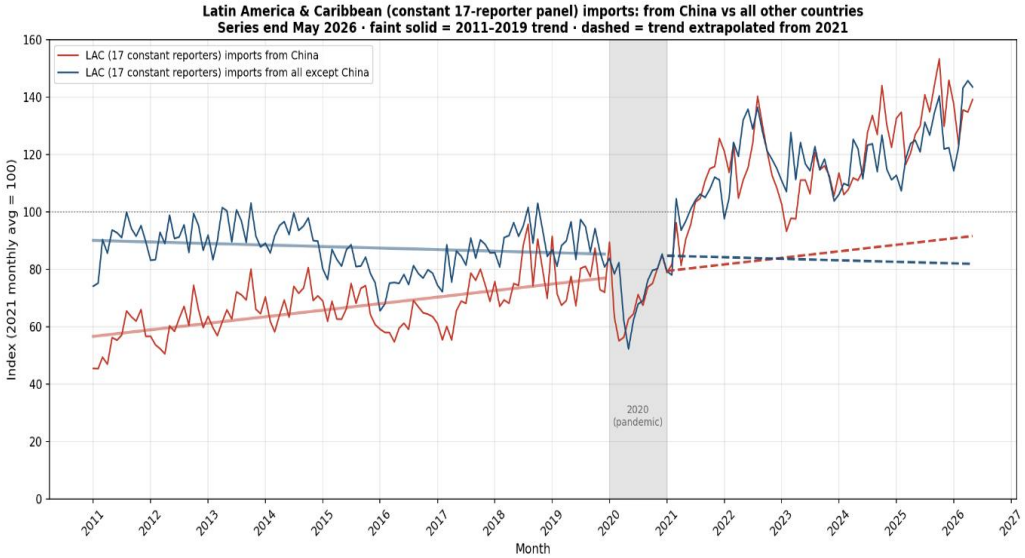

Figure 12. *Latin America and the Caribbean (balanced panel): imports from China and from all other sources.*

5. Reassessing the China Shock 2.0 narrative

Taking account of the growing demand for imported goods in general casts the so-called China Shock in a different light. Recall, this is a narrative that does not allow for much regional colour or granularity. To fix ideas, let's focus on the following claims associated with China Shock 2.0. The first is that buying from China sped up in recent years. The second is that it sped up faster than buying from other suppliers, so that China gained ground at their expense. With the import spending data assembled here, these two propositions can be assessed for different groups of economies.

Figure 13 plots each importing geography on one chart, and it is worth explaining what the chart is for before interpreting the results. The horizontal axis measures how much the growth of buying from China changed after the pandemic, comparing 2011 to 2019 with 2021 to 2026. The vertical axis measures the post-pandemic growth rate differential between sourcing from China and sourcing from other foreign suppliers. Of particular interest is the upper red-shaded quadrant, where buying from China sped up and also outpaced buying from other suppliers.

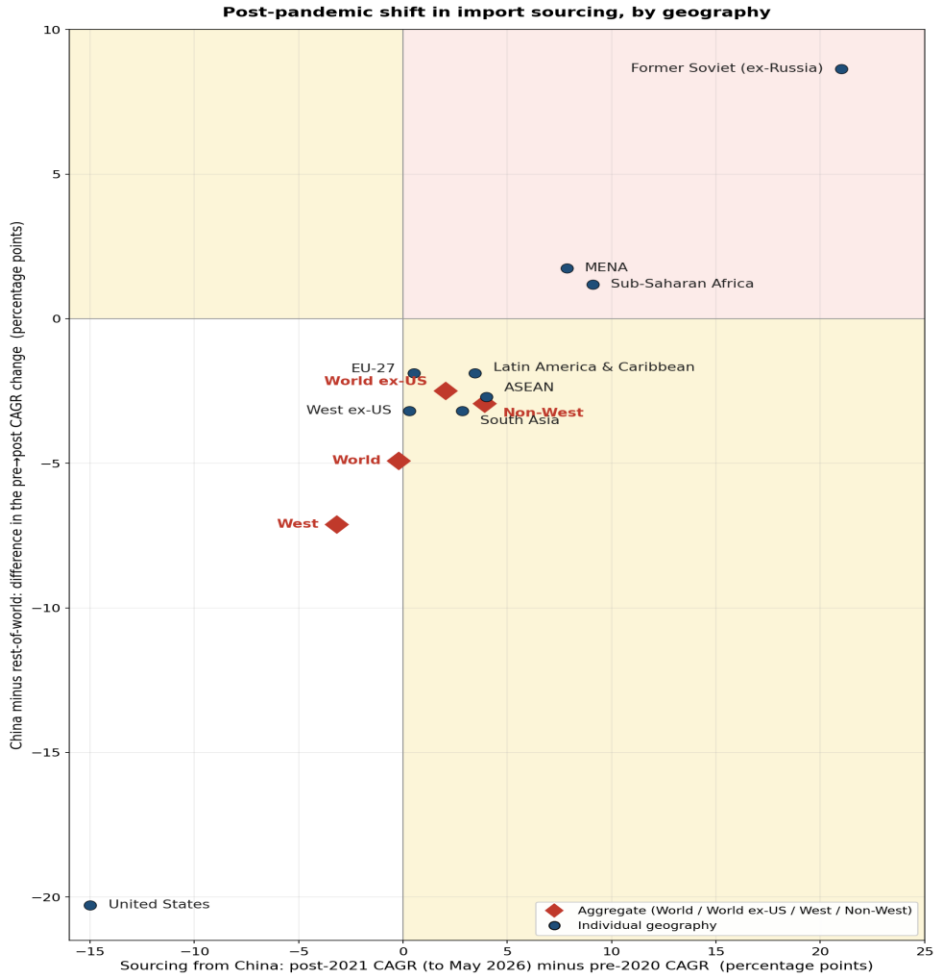

Figure 13. *Change in the sourcing of imports, by geography. Horizontal axis: the change in the annual growth of imports from China between 2011 to 2019 and 2021 to 2026, in percentage points. Vertical axis: post-pandemic difference in growth rates in sourcing from imports from China and the rest of the world. The regions with markers in the red-shaded quadrant are ones where the total value of Chinese exports grew faster along both dimensions: imports from China sped up and outpaced other suppliers.*

The groups of economies considered earlier fall into three quadrants, immediately highlighting the perils of making generalisations about exposure to China Shock 2.0. Three developing groups sit in the red quadrant: Sub-Saharan Africa, the Middle East and North Africa, and the former-Soviet group. In these groups buying from China sped up and outpaced other suppliers, consistent with a fair-minded reading of the China Shock 2.0 narrative.

The United States sits on its own in the opposite quadrant, at the lower left, where buying from China slowed and buying from other suppliers grew faster. The European Union, the rest of the West, and most other groups sit in the band just below the horizontal line. The marker for the world sits close to the centre of the chart, like that of the European Union. For much of the world economy, since the pandemic the rise in buying from China happened alongside a comparable rise in overall import spending.

For policymaking purposes, it matters how much of the rise in foreign spending on Chinese goods reflects demand-side and supply-side factors. **How much of the observed increase in imports from China is genuinely China-specific rather than a manifestation of rising global import expenditures?** It is a first-order error to infer a China-specific supply shock merely from rapidly rising imports from China when spending on imports from other suppliers is accelerating at almost the same rate. That is not to deny that supply-side factors may also be important.

To see what is at stake, suppose an importing government mistakes a rise in imports from China as due to supply-side factors in that exporting country, a possibility one cannot discount given the parallel narrative concerning "non-market practices." If, in fact, the rise in imports from China reflects a broad-based switch in spending by domestic buyers towards foreign goods, then a tariff on Chinese goods reshuffles that demand to other suppliers, foreign and (should competitive suppliers exist) domestic. A domestic buyer may still import, now from Vietnam, Mexico or India, perhaps at a higher price, and domestic producers may benefit less than local policymakers expect.

A rising propensity to import also reinforces domestic commercial interest in continued access to international sourcing. Importers, retailers, firms using imported inputs and consumers all gain from a wider supply of goods, from China or elsewhere. This constituency may rub up against the interests of producers who compete with imports. What matters here is that, with the acceleration in import spending in recent years, the former constituency has grown. Whether they can translate that growth into political clout remains to be seen.

As to the China Shock 2.0 narrative, its proponents need to raise their game. That market outcomes are driven by both demand- and supply-side considerations is hardly a novel insight. Yet the China Shock 2.0 narrative has emphasised supply-side factors and, in particular, those arising in one economy—China—as if other economies do not matter. One important blind spot in the China Shock 2.0 narrative is the supply-side deficiencies of importing economies with unsatisfactory rates of economic growth.

On top of this, broad-brushed claims about the global reach of apparently exceptional Chinese export behaviour have been made in the telling of the China Shock 2.0. The findings reported here point to significant heterogeneity across China's trading partners some of which may welcome increasingly affordable imports, thereby enjoying the associated terms of trade improvements. If the proponents of the China Shock 2.0 narrative do not raise their game, then they should not be surprised if numerous governments resist entreaties to erect across-the-board import restrictions on Chinese goods.

Research on post-pandemic global trade flows can help identify and assess any exceptional features of Chinese trade. As noted earlier, one important gap in our understanding is how much of the recent increase in spending on imports from China reflects higher demand for imports overall.

With that in mind, a companion paper, to be released shortly, estimates the contribution of rising demand for manufactured imports to sourcing from China in the years since the COVID-19 pandemic (Evenett 2026). That analysis also controls for trade-policy and supply-side developments.[4]

Moreover, if post-pandemic spending growth on Chinese exports turns out to be unexceptional, then explaining the recent increase in China's trade surplus requires closer examination of the import side—in particular, whether Chinese import growth has been unusually weak. There remains considerable scope for further disaggregated empirical analysis of what is becoming one of the defining trade policy questions of the year. How much of the China Shock 2.0 narrative survives such scrutiny remains to be seen (Sandbu, 2026).

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Box A. Data and method

Source, coverage and estimation

Trade values come from Trade Data Monitor (2026), which collects monthly customs and statistical-office data on trade by importing economy, source economy, product and month. Here import records, which measure buying from the point of view of the destination market, were used. This lets imports from China and imports from other sources be built from one data source. The sample assembled covered 129 reporting economies. To purge Chinese influence on the results, China as an importer is excluded. This leaves 128 reporting economies.

For each economy and month, observations on imports from China and imports from the world are available. Imports from other sources are the difference. Imports from other sources therefore include trade within an economy's own region, such as trade within the European Union. Values are in current United States dollars, so their growth combines quantity and price (Box B separates the two using CPB data.) The series end in May 2026, because coverage falls after that month: 111 economies report both series in May, 98 in June and 44 in July. No import values are imputed here.

Country groups are formed from a balanced panel, meaning the economies that report in every month from 2011 on. This keeps the set of reporters fixed, so that a group's movement reflects changing trade rather than changing coverage. This step matters for the groups formed of developing countries, where reporters enter and leave the data, and for the former-Soviet group, from which Russia is excluded because it stops reporting after 2024. For the Western groups the reporters are present throughout, so this step changes nothing.

Growth rates are estimated by regression. For each series the following regression specifically was deployed: the natural logarithm of the monthly index is run on a linear time trend and a set of month indicators, which remove the regular monthly pattern. Regressions were run separately from 2011 to 2019 and from January 2021 to May 2026. We omit 2020 so that the pandemic year does not distort either period. The trend coefficient is converted to an annual growth rate. The figures in the briefing report these growth rates and the underlying monthly series; they do not rest on any further econometric modifications.

Group definitions. The West is the 27 members of the European Union together with Norway, Switzerland, the United Kingdom, Iceland, the United States, Canada, Japan, South Korea, Australia and New Zealand. The non-West is all other reporting economies. The six non-Western groups are Sub-Saharan Africa, the Middle East and North Africa, South Asia, the Association of Southeast Asian Nations, Latin America and the Caribbean, and the former Soviet republics.

[4] In fact, this is one of a series of papers on the China Shock 2.0 that I am preparing. A third paper examines at the sectoral level how far the China Shock 2.0 has penetrated European Union trade. There one question of interest is whether rapid increases in Chinese export volumes in a particular product (e.g. electric vehicles) or sector are themselves exceptional or representative of broader changes in trade patterns. Surely it is a mistake to extrapolate from salient examples to aggregate trade flows if the evidence belies such claims.

Box B. Value, volume and price

The three measures of imports

Import value is the total amount spent on goods purchased abroad. Import price is the value of a unit of imported goods (sometimes referred to as unit value). Import volume is the quantity of goods, found by deflating import value by import price. The three are linked: as a first approximation, the growth of value in percentage terms equals the growth of volume plus the growth of price.

The volume and price figures in Section 2 come from the CPB World Trade Monitor (CPB, 2026), which reports quantity and price separately and adjusts for the season. For the world, import volume grew at 1.9 per cent a year from 2011 to 2019 and 2.2 per cent a year from 2021 to May 2026. The two rates are close. For China, export volume grew at 3.4 and 7.0 per cent a year over the same periods, and export price fell at 0.5 and 3.3 per cent a year. Depending on geography, price and quantity changes need not have had the same effects on total import spending after the COVID-19 pandemic.

Box C. The 109-economy panel used in Section 3

Selection, coverage and the horizon calculation

Section 3 uses a fixed set of 109 importing economies. Calculations in that and subsequent sections relate to all imported goods (a separate analysis of manufacturing goods imports is available in a companion paper.) These are the economies that report imports in every month from January to May 2026, so that the same set is present at each 2026 end-month. China is not among them, because China is excluded as an importer throughout this briefing. The 109 economies account for 88.5 per cent of all reported imports over January 2021 to May 2026. The exclusion of China from the set of 109 importing countries accounts for almost all of the remaining recorded spending on imports. For each end-month the growth rate over a horizon is the annualised change from the matching months one, two, three or four years earlier to the end-month, in current United States dollars.

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