

DECOLONISING GLOBAL TRADE TARIFFS: INDONESIA'S STRATEGY IN RESPONSE TO THE WTO'S 1.8% PROJECTION FOR 2026

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Abstract

This article discusses the decolonisation of global trade tariffs as a conceptual and practical strategy for Indonesia in response to the WTO's projection of a 1.8% slowdown in global trade by 2026. This study highlights that the global tariff system is not entirely neutral, but rather still reflects historical inequalities that favour developed nations and place developing nations in a subordinate position within the international value chain. Using a literature review approach, this article outlines two main focuses: the deconstruction of tariff inequalities in the global economy and Indonesia's response strategies through export market diversification, industrial downstreaming, domestic market protection, and economic diplomacy. The findings indicate that tariff decolonisation is not merely a normative agenda, but also a strategic instrument for strengthening economic sovereignty, enhancing national competitiveness, and expanding Indonesia's development policy space amidst global trade uncertainty.

Keywords: tariff decolonisation; global trade; WTO 2026; economic inequality; Indonesia's strategy.

Introduction

Global trade in 2026 is projected to face a significant slowdown, and the WTO's growth forecast of 1.8% indicates that the international trading system is currently in a fragile phase. In such a situation, trade tariffs are no longer merely fiscal instruments, but have become political-economic tools that determine who benefits most from the global trade architecture. For developing countries such as Indonesia, this situation demands a re-evaluation of the old logic of free trade, which has long been assumed to be neutral, yet in practice often perpetuates unequal relations between the centre and the periphery. Consequently, the issue of decolonising global trade tariffs is crucial to address as part of efforts to build a trade system that is fairer, more sovereign, and better adapted to global turbulence. (UNCTAD, 2024)

Historically, the modern international trading system was shaped by a colonial legacy that positioned countries of the Global South as suppliers of raw materials and markets for the manufactured goods of developed nations. This pattern was subsequently institutionalised in various trade mechanisms, including tariff arrangements, market access, and rules of origin that often favoured the economies of major industrialised nations. In this context, colonialism is present not only in the form of territorial control, but also in the form of control over value structures, the flow of goods, and the direction