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No. 057/2023 dated 11 August 2023

## Is Indonesia about to Join BRICS?

*Jefferson Ng and Utaryo Santiko*

### SYNOPSIS

*Indonesia, fresh from its successful chairmanship of the G20 last year, may be planning to join BRICS – the grouping comprising Brazil, Russia, India, China, and South Africa. As Indonesia heads towards elections next year, **JEFFERSON NG** and **UTARYO SANTIKO** argue that economic pragmatism and the desire to expand its strategic options could motivate Indonesia to join BRICS.*

### COMMENTARY

Speculation that Indonesia is about to join BRICS, the grouping comprising Brazil, Russia, India, China, and South Africa, has gained traction in recent weeks. For one, Indonesia has been invited to multiple BRICS meetings under the chairmanship of South Africa this year, the most recent one involving Minister of Foreign Affairs Retno Marsudi speaking at a [BRICS meeting in June over Zoom](#). Also, last year, the Indonesian ambassador to Russia, Jose Tavares, highlighted the possibility that Indonesia might become a [member of BRICS](#).

Additionally, the Indonesian Foreign Affairs ministry has confirmed that President Jokowi will be [visiting South Africa in August](#), a visit coinciding with the BRICS summit that is slated to convene in Johannesburg from 22 to 24 August. The timing of the visit seems to give credence to these rumours, especially on the backs of [Indonesia's application to join the Organisation for Economic Cooperation and Development \(OECD\)](#). An alternative interpretation is that the timing is purely coincidental and part of Indonesia's strategy of [economic outreach to African countries](#).

## BRICS and China's Interest in Indonesia's Membership

According to [Business Standard](#), an Indian publication, five countries could be inducted as new BRICS members, including Saudi Arabia, Egypt, Argentina, the United Arab Emirates, and Indonesia. If their memberships come to pass, the status of BRICS as a multilateral grouping of emerging economies will be further cemented. In 2022, the combined GDP of the BRICS countries, US\$22.5 trillion, had already [exceeded that of the US-led Group of 7 \(G7\)](#) advanced industrial economies, which stood at US\$21.4 trillion.

BRICS is keen to position itself as an alternative to the Group of 20 (G20) as a multilateral grouping for international economic and financial cooperation. While it is true that the G20 is more inclusive and all five BRICS members are a part of it, China and other BRICS members are keen to develop an alternative grouping whose agenda is not controlled by the G7 and can also function as a bloc within the G20.

Given Indonesia's membership of G20 and its status as the fourth most populous country in the world, it is not surprising that China has sought to court Indonesia as a potential member of BRICS.



Discussions about Indonesia's membership in BRICS surfaced at the 9th BRICS Summit in 2017 and again in the 14th BRICS Summit in 2022 as plans to expand the group coalesced. *Image from Wikimedia Commons.*

## Why Would Indonesia Want to Join BRICS?

In our view, Indonesia's G20 chairmanship last year clearly demonstrated to President Jokowi that Indonesia can carve out a niche in the global order as an advocate for developing countries and can also accrue concrete benefits from participation in multilateral organisations. The establishment of the G20 global pandemic fund and the US\$20 billion Just Energy Transition Partnership for Indonesia last year emerged as two accomplishments of Indonesia's G20 chairmanship.

We do not think Jokowi shares Beijing's vision of building a multilateral grouping able to contest the US-led global economic order. Most certainly, BRICS is viewed as a "Chinese club" in Jakarta and there is no desire to convey the impression that Indonesia is falling under Chinese influence.

However, we think there are two primary reasons which could persuade President Jokowi to decide in favour of joining BRICS. First, it has been clear for some time that Indonesia is deeply ambivalent about Western control of the global economy. This is especially so when Indonesia witnessed how Western countries weaponised their control of the SWIFT interbank payment system to lock Russian banks out of the global financial system after the Russian invasion of Ukraine.

Since then, we have seen that Indonesia has taken steps to reduce its dependence on the US-controlled global system and the US dollar by promoting local currency transactions, both within and outside ASEAN. Furthermore, we know that BRICS is interested in developing a new joint currency and that the grouping possesses significant development financing capability through the BRICS [New Development Bank](#).

Given the lacklustre nature of the Indo-Pacific Economic Framework and the Just Energy Transition Partnership so far, Jokowi could be hoping for Indonesia to gain more substantial economic benefits from participating in this emerging economic and trading bloc.

Second, BRICS could be an opportunity to expand Indonesia's strategic options in an uncertain strategic environment. For instance, Indonesia was previously forced to scrap plans to buy Russian Sukhoi fighter planes owing to the threat of potential sanctions under the US Countering America's Adversaries Through Sanctions Act (CAATSA). Buying French Rafales, which do not rely on US technology, gave Indonesia more options.

Considering the growing US-China competition and declining global commitment to multilateralism, Indonesia may well view BRICS as an alternative platform to work with other like-minded developing countries on developmental issues of joint concern. This would especially be the case if other global institutions become increasingly dysfunctional.

### **How Likely Is Indonesia to Join BRICS?**

The decision to join BRICS will be a political one and one that can only be made by the president. We foresee that institutional, domestic opinion, and technical factors could weigh on his decision to join BRICS.

The first is the role of the Indonesian Ministry of Foreign Affairs. As a strong advocate of the "free and active" foreign policy principle and of ASEAN as the bedrock of Indonesia's foreign policy, it would be wary about sending unintended signals about Indonesia's foreign policy orientation. Joining BRICS could also impact Indonesia's ability to pursue economic cooperation with Western countries given poor US relations with China and Russia, two key players in BRICS.

Second, domestic opinion is ambivalent about certain BRICS members. Public perception of the Chinese investment record in Indonesia has been less than positive. A [survey](#) by the Lowy Institute in late 2021 showed that only 3 in 10 Indonesians are in favour of investments from China, while 6 in 10 think Indonesia should join with other countries to limit China's influence. Also, some [Islamic groups](#) in Indonesia have criticised the growing Islamophobia and violence against Muslim communities in India, another BRICS member.

Third, there are other technical considerations at play. Until BRICS establishes clear criteria and procedures for inducting new members, BRICS is not ready to accept new members. Furthermore, Indonesia is already part of MIKTA (Mexico, Indonesia, South Korea, Turkey, Australia), an informal middle power grouping in the G20. Joining BRICS will raise questions about Indonesia's commitment to MIKTA.

Ultimately, calls for Indonesia to join BRICS better reflects how other countries perceive its growing economic and geopolitical weight than any kind of domestic consensus in Indonesia for the country to play a larger global role. If Indonesia were to join BRICS, the move would largely constitute a tactical shift for the potential economic and trade benefits than a reflection of any kind of broader strategic shift in Indonesia's foreign policy orientation.

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