

Indonesia's Membership in BRICS: From Economic Growth Opportunities to Geopolitical Challenges

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Submitted: May 06th, 2025; Revised: July 29th, 2025; Accepted: July 30th, 2025

Abstrak

Bergabungnya Indonesia ke BRICS menandai tonggak penting dalam kebijakan luar negeri dan strategi ekonomi negara yang terus berkembang di tengah pergeseran konfigurasi kekuatan global. Artikel ini mengkaji keanggotaan Indonesia melalui dua sudut pandang, yakni peluang ekonomi dan ketegangan geopolitik, serta mengeksplorasi bagaimana partisipasi dalam kelompok BRICS dapat mempercepat pertumbuhan ekonomi sekaligus menimbulkan dilema strategis baru. Dengan menggunakan kerangka teoritis kerja sama dan dikombinasikan dengan kerangka teori ganda complex interdependence dan middle power diplomacy, analisis ini menyelidiki motivasi Indonesia untuk bergabung dengan BRICS, termasuk aspirasi untuk mendiversifikasi kemitraan ekonomi, menarik investasi asing, dan mengurangi ketergantungan pada lembaga-lembaga yang dipimpin Barat. Pada saat yang sama, studi ini menyoroti tantangan potensial yang terkait dengan penyelarasan diplomatik, koherensi kelembagaan, dan risiko keterlibatan strategis dalam persaingan di antara negara-negara besar, khususnya Tiongkok, Rusia, dan India. Berdasarkan analisis kebijakan kualitatif, pernyataan resmi, data perdagangan, dan penilaian geopolitik, artikel ini menemukan bahwa meskipun keanggotaan BRICS dapat menawarkan daya tawar ekonomi yang lebih baik bagi Indonesia dan akses ke pembiayaan pembangunan alternatif, hal itu juga memerlukan penyeimbangan yang cermat antara sikap non-blok yang telah lama dipegang dan diplomasi yang berpusat pada ASEAN. Studi ini berkontribusi pada literatur tentang kerja sama Selatan-Selatan dan diplomasi kekuatan menengah dengan menawarkan penilaian yang tepat waktu dan kritis tentang bagaimana negara-negara ekonomi berkembang seperti Indonesia menavigasi arsitektur tata kelola global yang terus berkembang melalui platform multilateral seperti BRICS.

Kata kunci: Indonesia, BRICS, pertumbuhan ekonomi, geopolitik

Abstract

Indonesia's accession to BRICS marks a significant milestone in the country's evolving foreign policy and economic strategy amidst shifting global power configurations. This study examined Indonesia's membership through the dual lenses of economic opportunity and geopolitical tension, exploring how participation in the BRICS grouping may accelerate economic growth while also posing new strategic dilemmas. By adopting the theoretical framework of cooperation combined with the dual theoretical framework of complex interdependence and middle power diplomacy, the analysis investigated Indonesia's motivations for joining BRICS, including aspirations to diversify economic partnerships, attract foreign investment, and reduce dependency on Western-led institutions. At the same time, the study highlights potential challenges related to diplomatic alignment, institutional coherence, and the risk of strategic entanglement in rivalries among major powers, particularly China, Russia, and India. Drawing on qualitative policy analysis, official statements, trade data, and geopolitical assessments, the study discovered that while BRICS membership may offer Indonesia enhanced economic bargaining power and access to alternative development finance, it also requires a delicate balancing of its long-held non-aligned stance and ASEAN-centric diplomacy. The study contributes to the literature on South-South cooperation and middle power diplomacy by offering a timely and critical assessment of how emerging economies like Indonesia navigate the evolving architecture of global governance through multilateral platforms like BRICS.

Keywords: Indonesia, BRICS, economic growth, geopolitics

INTRODUCTION

Indonesia's recent accession to BRICS in January 2025 marked a pivotal moment in its foreign policy. While the government had long expressed aspirations to join the Organization for Economic Cooperation and Development (OECD), a platform dominated by advanced Western economies committed to liberal-democratic values, Indonesia unexpectedly accepted full BRICS membership. The BRICS bloc is often regarded as an alternative to Western-led economic orders. Formed in 2009, initially without South Africa, BRICS was born from the realization that countries in the Global South have the potential to push for reforms to a fairer world economic system (Naim & Hasanah, 2024). This decision not only highlights Indonesia's growing role in the Global South, but it also reveals strategic tensions within the country's international alignment. Since BRICS seeks to challenge the hegemony of institutions such as the G7, Indonesia now faces a critical balancing act between maintaining South-South solidarity and preserving its traditional partnerships with the West. It becomes an essential discussion about how Indonesia can manage dual-track diplomacy without losing strategic coherence.

This dual engagement underscores a more profound paradox within Indonesia's foreign policy. On the one hand, membership in BRICS offers tangible economic benefits, including broader access to markets and augmented infrastructure investment. In addition, BRICS also encourages reforms in the global financial system by emphasizing the utilization of local currencies in international trade (Nach & Ncwadi, 2024). On the other hand, this alignment may create strategic discomfort among Indonesia's Western partners, particularly as the country is actively deep into the OECD accession and having officially submitted its initial memorandum on June 3, 2025, marking the beginning of a multi-year technical review involving over 25 OECD committees to align Indonesia's laws and practices with global standards (OECD, 2025). This juxtaposition raises fundamental questions regarding the coherence and long-term direction of Indonesia's foreign policy.

Understanding this dilemma requires a shift in analytical focus. Although the existing literature has widely examined BRICS as a platform for economic cooperation and as a challenge to Western institutional dominance, limited attention has been paid to how emerging middle powers such as Indonesia manage the geopolitical contradictions that arise from pursuing multiple alignments simultaneously. Indonesia has progressively been described as an Asian rising power that seeks to avoid exclusive alignment with either the United States or China, instead opting for a more independent path in global affairs. This positioning, however, presents strategic tensions when Indonesia is faced with binary alignments such as BRICS versus OECD. This study seeks to address that gap by asking how Indonesia can take advantage of the economic opportunities offered by BRICS without undermining its strategic engagement with Western institutions, including the OECD.

LITERATURE REVIEW

According to K. J. Holsti (1988), international cooperation contains the view that there is more than one interest, two or more, with the aim of meeting each other and being able to produce something from the meeting. There is an expectation that the policies of different countries will accommodate or help other countries to achieve their national interests. In addition, there are official or unofficial rules related to transactions carried out to implement an agreement in the future. The agreement will cover specific issues between two or more countries, as well as conflicting interests, to take advantage of the similarities in their interests. Finally, he considered that in international cooperation, there are transactions between countries to fulfill an agreement (Holsti, 1988).

This study adopted a dual theoretical framework based on complex interdependence theory and middle power diplomacy to analyze Indonesia's decision to join BRICS and its implementation. These two approaches offer complementary perspectives in viewing structural changes in the global order and the role of emerging countries like Indonesia in navigating them. Together, they allow for a nuanced assessment of Indonesia's

strategic motivations, economic aspirations, and geopolitical constraints in a reconfigured international system.

Drawing on the theory of interdependence as articulated by Keohane and Nye (2012), this study conceptualizes BRICS not only as a geopolitical bloc but also as a platform shaped by close economic ties, institutional bargaining, and multi-issue cooperation. According to Keohane (2012), there are at least three characteristics of complex interdependence, which include multiple channels, the absence of hierarchy between issues, and the minor role of military power. BRICS becomes a platform representing these characteristics, where its members are connected and cooperate in various fields such as trade, development financing, technology maintenance, and alternative governance structures. Security is also not a dominant issue on the BRICS agenda because it focuses more on the priorities of each country. For Indonesia, BRICS offers an opportunity to deepen economic partnerships, escalate access to development finance (for example, through the New Development Bank), investment, and economic growth, as well as assert influence in the reform of global institutions, the goals of which align with Jakarta's efforts to achieve greater autonomy in global governance. Aini (2021) employed complex interdependence in her writing to analyze Japan's closeness to China amid the US-China trade war. The writing proves that complex interdependence can be utilized to view the relationship between the two countries as a new channel. Concerning this research, the new channel refers to BRICS.

However, within BRICS, asymmetry issues exist, requiring Indonesia to navigate its engagement with powerful actors such as China and Russia, whose strategic agendas may not always align with its own. Middle power diplomacy is a valuable lens to analyze Indonesia's position. Middle power is an actor that can influence regional or global policies through its agenda but has limited strength compared to the great power (major power) (Wang & French, 2013). Indonesia has been known for its contextual development diplomacy, non-alignment, and regional leadership. Middle powers

often strengthen their influence through multilateral forums, while avoiding open alignment with major power blocs. The research written by Triwibowo and Martha (2021) employed middle power diplomacy to describe Indonesia's active role multilaterally to resolve the COVID-19 pandemic. At the same time, Indonesia's initiative was also carried out to convey Indonesia's aspirations within the multilateral framework, especially regarding citizen protection, health systems, and economic recovery. Different from these prior studies, this research analyzed Indonesia's active role in its membership in BRICS, in accommodating national and member interests.

This framework allows the study to critically assess how Indonesia balances the economic logic of joining BRICS, such as economic growth and investment. As Muslim & Permatasari (2024) suggested in their research, the Indonesian government needs to take targeted strategies, such as strengthening the foundations of the domestic economy to deal with exchange rate volatility and encouraging export market diversification to reduce dependence on traditional markets. With the complexity of the partnership, Indonesia must remain an independent actor amidst increasingly fierce geopolitical competition. By integrating complex interdependencies and middle power diplomacy, this study avoids binary interpretations and instead offers a multi-layered analysis of Indonesia's strategic calculus. The study contributes to the literature on emerging powers, regionalism, and South-South cooperation by showcasing how emerging economies effectively engage with global platforms such as BRICS to recalibrate their positions in the international system without losing sight of core national principles.

RESEARCH METHOD

This research applied a qualitative method, defined as a research procedure producing descriptive data of words, either spoken or written, or in policy action form (Moleong, 2012). This research method was adopted to analyze the opportunities and challenges faced by Indonesia's membership in BRICS. Subsequently, document analysis was conducted to obtain data and

information. Document analysis is a systematic procedure for reviewing or evaluating documents, both printed and electronic (computer-based and delivered via the Internet). Document analysis requires that data be examined and interpreted to derive meaning, gain understanding, and develop empirical knowledge (Bowen, 2009; Corbin & Strauss, 2008). Moreover, the theory of international cooperation and the concept of interdependence were also utilized in this study.

RESULT AND ANALYSIS

INDONESIA'S JOINING BRICS

Indonesia's move closer to BRICS is marked by a series of key milestones reflecting a shift from mere rhetorical alignment to policy institutionalization. The first milestone was when President Joko Widodo (Jokowi) attended the 15th BRICS Summit as a guest. Jokowi emphasized Indonesia's commitment to equitable economic governance, with an emphasis on the significance of downstream-based industrialization (The Jakarta Post, 2023). Defense Minister Prabowo Subianto made a similar point at a CSIS forum by stating that Indonesia wanted fair trade, instead of solely free trade (Fajri, 2023). These statements indicate an alignment between Indonesia's narrative and the normative values of BRICS, but at this stage, it remains symbolic and rhetorical. The shift toward the institutional phase began to emerge when Foreign Minister Sugiyono expressed Indonesia's intention to join BRICS at the 16th Summit in Kazan, Russia. It was a milestone that marked the transition from symbolic commitment to institutional integration. This process then reached its peak in January 2025 when Brazil officially announced that Indonesia had become a full member of BRICS.

Indonesia's involvement in the institutional structure of BRICS became increasingly apparent when President Prabowo proposed dozens of strategic projects enthusiastically welcomed by NDB President Dilma Rousseff, particularly in the fields of renewable energy and technology (Cabinet Secretariat of the Republic of Indonesia, 2025). The assistance to be provided by the NDB demonstrates the tangible form of transactions between countries as described by Holsti (1988).

Institutionalization efforts were further strengthened by Indonesia's participation in the 4th BRICS Urbanization Ministerial Meeting, where Agus Harimurti Yudhoyono, Minister of Coordinating Infrastructure and Regional Development, presented strategic solutions to address urban issues (Santoso, 2025). This participation strengthens Indonesia's position as an actor beginning to influence the collective policy agenda within the BRICS bloc. Overall, Indonesia's journey within BRICS has transcended mere rhetorical alignment and entered a phase of policy institutionalization. However, its influence is still not fully equal, as the BRICS group remains dominated by China and Russia (Iannone, 2025). In other words, Indonesia occupies a strategic intermediate position, more than symbolic, but has not yet achieved a dominant or fully equal position.

Furthermore, Indonesia's participation in BRICS is inseparable from the reality of global economic relations dominated by two main poles, China and the United States. China is currently still Indonesia's largest trading partner with a trade value exceeding that of the United States, reaching USD 130 billion. In terms of investment, China also records higher figures, reaching USD 1.8 billion during the first quarter of 2025 (Capital Investment Coordinating Board, 2025). However, this relationship is asymmetric dependence. Indonesia still archives a trade deficit of USD 10 billion with China (Mardianti, 2025). This dependence weakens Indonesia's bargaining position in the global supply chain and creates an unbalanced economic relationship, even though it appears strategic on the surface. This strategic closeness has consequences for relations with the United States, as it perceives Indonesia as a form of soft balancing against Western dominance. In this case, the United States and its allies will be more cautious in providing funding to Indonesia.

At the same time, concerns about the potential deterioration of Indonesia's relationship with the United States can be seen from the indirect effects, such as the imposition of tariffs and a decline in investment. For example, the United States responded to the dedollarization agenda with a threat of 100% tariffs on

BRICS member countries. If implemented, Indonesia would face serious trade vulnerability because it has recorded a relatively positive trend in the U.S. market. At the time of writing, Indonesia had a trade surplus with the United States of USD 4.32 billion (Estherina, 2025). Additionally, according to Southeast Asia expert Vinsensio Dugis, the Western perception of BRICS as a counterweight to the West could lead to a slowdown in investment into Indonesia (Dianti, 2025).

Furthermore, Indonesia is currently on the path toward OECD accession; hence, its move toward BRICS could be perceived as a deviation from its commitment to structural reforms aligned with OECD standards. Economist and capital market practitioner Hans Kwee suggested that involvement in BRICS must be balanced with strengthening intra-BRICS trade to anticipate a potential decline in Western investment due to geopolitical tensions (Primayanti, 2025). It displays that while membership in BRICS opens up strategic opportunities, there are also real risks to the stability of economic relations with the United States and its allies.

To bridge its commitment to the BRICS strategic agenda with its aspirations to join the OECD, Indonesia has adopted a dual-track diplomacy approach. On the one hand, Indonesia actively supports the dedollarization initiative by strengthening the local currency transactions (LCT) scheme with regional partners such as China, Japan, Malaysia, and Thailand. Russian Ambassador to Indonesia Sergey Tolchenov recently revealed that Moscow, a founding member of BRICS, has held talks to reach a local currency agreement with Jakarta (Shofa, 2025). On the other hand, Indonesia has also made significant progress in the OECD accession by submitting an initial memorandum in June 2025, covering harmonization with 240 instruments of liberal and transparent economic governance (OECD, 2025). This strategy underscores Indonesia's efforts to avoid being trapped in the East versus West dichotomy, instead positioning itself as a bridging power capable of maintaining open economic relations with the West while strengthening economic autonomy through BRICS cooperation. Thus, Indonesia's foreign policy reflects a pragmatic hedging approach, where Indonesia

seeks to maximize opportunities and manage risks in an increasingly fragmented global landscape. Instead of taking an extreme position, Indonesia positions itself as a flexible yet assertive actor, bridging the interests of the Global South and the liberal economic order.

OPPORTUNITY

BRICS have the same goal of encouraging the economic growth of each country by working together rather than competing. According to complex interdependence, BRICS provides multiple channels for Indonesia to gain opportunities to achieve its economic interests. At the first aspect, Indonesia's involvement in BRICS opens opportunities to a larger market and contributes more to the global supply chain. Several countries, such as Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates, have officially joined as BRICS members as of January 2024 (Magid, 2024). The new members represent around 45% of the world's total population. BRICS+ represents a global gross domestic product (GDP) of up to USD 28.5 trillion. It is estimated at around USD 100 trillion and around 45% of global oil production (Katanich, 2023). Indonesia is also included in the 20 countries with the largest GDP, ranked 16th with a GDP of more than USD 1.4 trillion (O'Neill, 2024). The data highlight the potential for trade with a large volume and rising demand for commodities from Indonesia. One crucial factor refers to Indonesia's largest partner for exports, China, reaching 26% or worth USD 64.93 billion, playing an essential part in BRICS (Tradingeconomics, 2023). Joining BRICS means opening to wider cooperation with China.

Furthermore, Indonesia is a vital economic partner for Russia. At the end of 2022, bilateral trade volume rose by 44.8% and reached USD 4.8 billion. Russia did not put any obstacles to the purchase of Indonesian palm oil. On the contrary, in 2022 Russia stated that it was ready to augment exports of fertilizers, oil and petroleum products, and food products, especially grains (Vorobieva, 2023). According to Ministry of Trade data, Indonesia's imports from Russia exhibited a growth of 22.24% from 2019 to 2023 (Karantiti, 2024). The latest data reported that Indonesia's non-oil and gas exports to

several countries in 2024 boosted the most, including to Russia by 44.04% and Brazil by 34.84% (Dian, 2024).

At the investment aspect, the membership could escalate direct investment. According to the Capital Investment Coordinating Board (BKPM), the five BRICS member countries have the largest FDI in Indonesia. Those are China, India, Russia, the United Arab Emirates, and South Africa. Deputy for Investment Cooperation of Capital Investment Coordinating Board, Tirta Mursitama, asserted that the FDI value of BRICS member countries in Indonesia in 2021 was USD 3.2 billion or 10.47% of the total FDI in the country. This FDI value crept up in 2022 to USD 8.42 billion and fell slightly in 2023 to USD 7.92 billion. In the first and second quarters of 2024, the FDI value of BRICS member countries reached USD 4.14 billion or 14.72% of the total FDI in Indonesia (Wardah, 2025). Membership in BRICS helps Indonesia in negotiating investment agreements. Currently, Indonesia is conducting a Bilateral Investment Agreement (BIT) with BRICS members, encompassing Russia, the United Arab Emirates (UAE), and Iran. BIT is an international agreement made by two countries and binds both, where the contents of the agreement are included in the scope of investment, legally binding for both parties through ratification (Wardah, 2025). Indonesia's priority for development caused Indonesia to be dependent on capital injections from investors from BRICS member countries. It is supposed to be a strategy that Indonesia can adopt to boost development and industrialization.

Following data from the Central Statistics Agency (BPS), the Indonesian economy experienced growth in the third quarter of 2024 compared to the same quarter of the previous year of 4.95% (y-on-y) (Central Statistics Agency (BPS), 2024). For leading commodities, according to 2023 data, the energy sector (Mineral Fuels, Oil, Distillates) still dominated with an export value of 23% of total exports, followed by animal commodities, vegetable fats and oils, and split results of 18% of total exports (Tradingeconomics, 2024). Meanwhile, Indonesia's exports in August 2024 rose by 5.97% compared to the previous month (MoM), and 7.13% compared to August 2023 (YoY). This achievement was

driven by an upsurge in non-oil and gas exports of 7.43% and a decline in oil and gas exports of 15.41% compared to July 2024 (MoM) (Rizky, 2024). It was also stated that India was one of the contributors to the trade surplus, while China was the contributor to the non-oil and gas commodity deficit. Meanwhile, Indonesia's exports to South Africa experienced significant growth (36.99%) (Rizky, 2024).

Joining BRICS is an opportunity to escalate the trade surplus. According to international relations observer Aknoldt Pakpahan, Indonesia, as a member of BRICS, would receive special privileges in international trade activities with India and China, such as import tax reductions and wider market access, especially for oil and gas products (Pakpahan, 2025). BRICS upholds the principles of openness, equality, and solidarity, and does not draw lines based on ideology or geopolitical interests (Vox South, 2024). Indonesia's involvement in BRICS is expected to provide equal trade among members. It is appropriate with the complex interdependence characteristic, the absence of hierarchy among Issues. BRICS carries out various essential functions in the economy, one of which is coordinating economic policies such as tariff policies, restrictions on exports of crucial resources, and investment (Ferragamo, 2024). As a result, the annual inflow of FDI in BRICS has risen more than fourfold from 2001 to 2021 (United Nations Conference on Trade and Development, 2023). This increase is expected to occur in Indonesia as well, amidst development priorities.

Related to the development agenda, BRICS member countries offer strategic positions for Indonesia. As an example, Indonesia and Brazil have been collaborating in the environmental sector, considering their similarities in natural resources and energy potential (Rahadi, 2024). President Prabowo highlighted opportunities for cooperation in developing biofuels and renewable energy, where Indonesia has the ambition to boost the utilization of biodiesel to 50% by 2025, by utilizing palm oil as the primary raw material (Bureau of Press, Media, and Information of the Presidential Secretariat, 2024). Both have explored cooperation through the signing of an MoU at the Indonesia-Brazil Business Forum in Rio

de Janeiro. This USD 2.8 billion cooperation was carried out by business actors in various fields from both countries, including the financial sector, digital technology, mining, energy, livestock, and the aerospace industry. The president also encouraged improved cooperation between the two countries, especially in the energy, food, industrial development, and maritime sectors. In the food sector, particularly increasing protein consumption by the Indonesian people, one of which was through the Free Nutritious Meal Program (Moegiarso, 2024). In the maritime sector, Prabowo stated that Indonesia lacked 40,000 fishing vessels with a capacity of 150-300 GT. In fact, Indonesia possesses the second or third largest fishery reserves globally. To address this situation, the president invigorated investment in the sector and supported downstream programs (Lestarini, 2024).

Moreover, Indonesia could play a vital role in directing the BRICS agenda by encouraging members to prioritize cooperation in problematic areas for development, such as renewable energy conservation, food security, or poverty issues. Based on its track record and reputation in the Global South, Indonesia could be a norm-taker in encouraging the progress of member countries. In addition, Indonesia possesses an active free policy that makes it more flexible in establishing relations with various countries, including when navigating its relations with northern countries. It is also appropriate for the priority programs of *Asta Cita* to boost quality employment, encourage entrepreneurship, develop creative industries, and continue infrastructure development (Korniawan, 2025). Lastly, the BRICS agenda is a minor military role according to complex interdependence. They do not prioritize security issues and do not employ military force to coerce their members into complying. Instead, they focus solely on a development agenda that can be enjoyed equally and inclusively by their members.

CHALLENGE

While Indonesia's entry into BRICS+ offers significant economic opportunities, it also brings new geopolitical challenges, particularly in navigating

tensions between BRICS members and their global rivals. BRICS continues to grow rapidly to the extent that it can rival or even surpass Western economic alliances. Russia and China, two major countries and the pioneers of BRICS, are the biggest rivals of the United States in maintaining its status as a superpower. In the last three years, there has been a war between Russia and Ukraine, in which the United States has been instrumental in supporting Ukraine's needs in the war. This war has raised the tension between the United States and Russia over the past few years. Likewise, China and the United States have also been involved in a trade war for several years, which continues to this day.

The growing conflict between these three countries, with many economic sanctions imposed by the United States on both countries, has forced BRICS to expand its membership to counter it (Gouvea & Gutierrez, 2023). In addition to building economic cooperation, this expansion in membership is also aimed at expanding the influence of Russia and China, while at the same time looking for countries that will support them. BRICS has long been regarded as something that could rival the West's alliances; now that more countries are coming into BRICS+, including Indonesia, it could potentially lead to a new "Cold War" (Gouvea & Gutierrez, 2023). This "Cold War" may emerge between the United States and its Western allies on one side, and BRICS+ countries aligned with Russia and China on the other. As a formal member, Indonesia must be prepared to navigate these tensions responsibly.

However, Indonesia cannot be compared to Russia or China. It has never been at odds with the United States. It possesses a "free and active" foreign policy, allowing it to establish good relations with these countries. Indonesia has supposedly not taken sides with anyone, but by joining BRICS+, it can no longer be completely uninvolved in the tensions between the two sides. BRICS and its member countries are, in fact, considered by many parties, Western countries in particular, as an antithesis and an attempt to counter the power of the United States. The discourse on de-dollarization within BRICS, aimed at reducing reliance on the U.S. dollar in international trade, has

provoked a strong response from Washington. In his inaugural address as the 47th U.S. President, Donald Trump warned that he would impose 100% tariffs on BRICS countries if they proceeded with such a move (The Hindu, 2025). This statement signals the administration's willingness to risk market access from BRICS economies in defense of U.S. monetary dominance.

For Indonesia, the potential imposition of a 100% tariff by the United States poses a concrete risk to Indonesia's economic interests. In March 2025, the value of non-oil and gas exports to the United States reached USD 2.6 billion. Throughout 2025, Indonesia has exported USD 7.3 billion of non-oil and gas commodities to the United States. This value rose by 20.06% compared to the same period last year, with a value of USD 6.3 billion. Thus, the value of exports to the United States contributed 11.6% to total non-oil and gas exports in Q1 2025 (Yonatan, 2025). In addition, the United States and Indonesia have possessed a 75-year partnership spanning trade, investment, education, and environmental cooperation (Intan, 2024). If the proposed 100% tariffs are implemented, it can significantly disrupt these cooperative efforts. The United States may not stop at the tariff threat; thus, the cooperation between the two countries will be threatened even more when Indonesia becomes a member of BRICS+. Given that, trade in goods between the United States and Indonesia reached more than USD 37 billion in 2021, while trade in services between the two reached around USD 2.4 billion in 2020, not to mention the massive amount of foreign direct investment from the United States, which reached USD 18.7 billion in 2020 (U.S. Bureau of East Asian and Pacific Affairs, 2022).

Beyond the United States, Indonesia must also anticipate potential challenges from other Western allies. At the same time, some Western scholars regard BRICS as an informal and ineffective platform for reshaping the global order (Lagutina, 2019). However, they also acknowledge its potential as a bridge between global and regional governance, given the significant influence of its member states at both levels. One of the most crucial goals of BRICS is the desire to create a new financial institution that is independent of the West (Piper, 2015).

If realized, BRICS members could challenge the global dominance of the United States and Europe. The European Union (EU) responded to this by asserting that it should be cautious of BRICS developments, especially regarding the new currency issue (Jütten & Falkenberg, 2024).

Although economic relations with Western countries are at risk, Indonesia can still overcome this by utilizing a series of policy tools, taking the form of economic cooperation with Western countries. The Indonesia-EU Comprehensive Economic Partnership Agreement, which will soon be finalized and implemented, can be utilized by Indonesia to maintain good economic relations with EU countries while expanding export markets, strengthening domestic industries, and creating new jobs (Coordinating Ministry for Economic Affairs of the Republic of Indonesia, 2025). With the United States, Indonesia can leverage the Indo-Pacific Economic Framework, launched in 2022 and comprising 14 regional partners, including Australia, Japan, and ASEAN members. Participation in IPEF not only enhances Indonesia's economic resilience but also reinforces ties with the United States and its broader network of strategic allies (Office of the United States Trade Representative, 2022).

On the other hand, Indonesia's official membership of BRICS+ has opened a wider avenue of cooperation with other member countries. Through cooperation with BRICS member countries, Indonesia can benefit from market expansion, better access to funding sources, and significant foreign investment flows, such as from the companies of BRICS countries, especially China and India, that can provide a great deal of investment in technology, renewable energy, and the creative economy (Myajaya, 2025). This new cooperation is critical for Indonesia because it can utilize all the opportunities available to focus on its economic development and enhance its bargaining power at the global level, allowing it to be free and not side with a particular bloc.

Beyond external risks, Indonesia must also contend with significant internal and institutional challenges in navigating its BRICS+ membership. As K. J. Holsti (1988) argued, international cooperation is fundamentally

shaped by the competing interests of its participants, an observation particularly relevant for BRICS+ and a cooperation shaped more by economic ambitions than ideological alignment. While Indonesia can focus a lot on economic development and seek geopolitical influence through BRICS+, it should also be aware of the risk of being overshadowed by dominant members whose strategic goals do not always align with its emphasis on political neutrality and regional stability. Therefore, joining BRICS+ should be seen not only as a strategic advantage but also as a cooperation that comes with diverse and sometimes conflicting national priorities.

It opens a new polemic for Indonesia, considering that the pioneer members of BRICS are countries with economic and political power that can influence global economic and political dynamics significantly more than Indonesia (Rahmatulummah et al., 2025). Indonesia's participation in BRICS+ inevitably raises questions about internal hierarchies and power imbalances within the group. Although the BRICS members project themselves as a coalition of developing countries, the group exhibits apparent disparities in terms of international influence and decision-making power. As evidenced, these five countries are all countries with the highest economic influence at their regional level, and two of them (Russia and China) are permanent members of the UN Security Council, and three of them (Russia, India, and China) even possess nuclear weapons.

Moreover, within BRICS itself, some policies demonstrate a bias toward more influential countries. China and Russia, for example, as BRICS founding members, have played leading roles in key initiatives, notably within the Shanghai-based New Development Bank, which prioritized early lending for infrastructure in both nations. With more countries joining BRICS+, both countries can be influential in project financing in other countries through the NDB, given that both countries have a bigger global agenda than other countries, particularly the fight for influence with Western countries. Apart from these two countries, the number of projects financed by the NDB is also still dominated by projects of the BRICS founding countries (New Development Bank, 2025). It indicates that the

bank's priorities more closely denote the strategic interests of its more powerful members.

Indonesia's position and influence at the global level, as well as within BRICS, have not yet been as influential as those countries. As a new entrant, Indonesia is unlikely to have the ability to set the agenda directly and may find its influence limited by existing power structures. Moreover, Indonesia's aspirations to join the OECD, composed of Western countries and their allies, pose an internal tension as the BRICS often position themselves in opposition to Western-led global structures. Navigating these contradictions will be crucial if Indonesia seeks not only symbolic membership but also substantial influence within BRICS. On the other hand, their membership in BRICS can be utilized to boost per capita income to meet the criteria required by the OECD. Indonesia may leverage its unique geopolitical position as a "middle power" to bridge both OECD and BRICS by framing its role not as a partisan, but as a driver of inclusive multilateralism. In comparison, Indonesia emphasizes its longstanding principle of "free and active" as a justification for engaging in both partnerships.

CONCLUSION

Indonesia's membership in BRICS presents a dilemma in its foreign policy direction, to strengthen solidarity with the Global South and a commitment to Western institutional standards. Indonesia's membership in the NDB and involvement in the 4th Urbanization Ministerial Meeting demonstrate a shift from mere rhetorical alignment to institutionalization. Indonesia's position is arguably more than symbolic, but it has not yet achieved the dominant position of China and Russia.

Indonesia's membership in BRICS may open opportunities such as market expansion, investment, increased exports, and support for the development agenda. However, externally, Indonesia should maintain an independent and active foreign policy, making its membership in BRICS+ a more complex position, as it must skillfully maintain good relations with both competing parties. Moreover, Indonesia's membership in

BRICS carries consequences for its relations with the United States and its allies, such as Trump's threat of 100% tariffs and a halt to investment. Internally, Indonesia does not yet have significant bargaining power within the BRICS; therefore, it is crucial to consider how Indonesia can maintain its influence and interests without being marginalized by the dominance of larger countries like China and Russia.

To navigate the dual identity, Indonesia has adopted the local currency transactions (LCT) scheme and the initial memorandum, including the harmonization of 240 OECD instruments. Thus, Indonesia's foreign policy is in a pragmatic hedging position, opting to maximize opportunities and manage risks, rather than taking extreme positions. In a wide-ranging sense, Indonesia could play a significant role as a middle power, bridging cooperation between the BRICS and Western countries. By upholding the principle of free and active participation, Indonesia could strengthen its role on the global stage without having to take one side absolutely.

ACKNOWLEDGEMENT

This research was funded by the Security, Conflict, and Peace Studies Research Group through a contract letter Number: 371/UN27.22/PT.01.03/2025 issued by the Institute for Research and Community Service (LPPM), Sebelas Maret University.

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