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Indonesia, Thailand, and Malaysia's Stances toward OECD and BRICS Membership: Foreign-Policy Tradition, Stance toward China, and Internal Politics

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(1) Introduction

When analyzing Indonesia, Thailand, and Malaysia's stances toward OECD and BRICS membership, the following points should be noted. First, as the OECD and BRICS, while founded as economic frameworks, have become increasingly politicized amid the US–China tensions, one should employ a political analysis that transcends economic rationality and adopts a realist worldview rather than centers on liberal institutionalism. Second, these Southeast Asian states (Indonesia, Thailand, and Malaysia) are guided by foreign-policy traditions that have remained largely immutable since their foundations; their foreign policies must be understood in light of China's rapid approach into Southeast Asia since the 2010s; and—this applies to other Asian countries as well—their internal political circumstances depend on the people holding positions of power at the time and their personal networks.

(2) Japan's Push for ASEAN Countries to Join the OECD

The OECD and ASEAN were once distant from and antagonistic toward each other. In the heyday of leaders such as Lee Kuan Yew and Mahathir Mohamad, who spoke of Asian values, ASEAN countries treated the OECD with suspicion, regarding it as an organization that was imposing Western values. When the turn of the century ushered in a new generation of ASEAN leaders in the 2010s, the OECD launched a strategic play for ASEAN countries. It did so because, with the rise of emerging economies causing a relative decline in the OECD's economic clout, the OECD needed to reach out to unaligned states in order to expand the number of countries aligned with OECD standards. In particular, it needed to expand the reach of the OECD Development Centre to Asia. The OECD member that pushed for such a move was Japan. With such a move aligning with its national interest, and guided by the Five Principles of Japan's ASEAN Diplomacy, Japan has lobbied ASEAN countries to model themselves on the OECD. In 2014, at the 50th anniversary of Japan joining the OECD, it

served as OECD Chair. Launching the Southeast Asia Regional Program (SEARP), the Abe government used people-to-people exchanges and dialogue to embed OECD standards and rules in ASEAN countries. The purpose was to counteract China's Belt and Road Initiative and stop ASEAN countries from pursuing development under the Chinese model. The SEARP launch ceremony was attended by ministers from Myanmar, Laos, Cambodia, the Philippines, Indonesia, and Thailand. Subsequently, important milestones were reached: In 2018, Thailand became the first ASEAN country to be in an OECD country program; in 2021, the OECD signed a memorandum of understanding with Vietnam; in 2022, it signed a memorandum of understanding with ASEAN (AEC Blueprint 2025). However, Japan's efforts in the 2010s to align ASEAN with OECD standards were limited to the economic and social spheres.

(3) The US Vision of the OECD as the Democratic Bloc and How This Reflects in OECD Membership Criteria

The course of these developments was changed as Joe Biden was elected as the US President in 2020. The Biden administration considered the globe as being divided into democratic and authoritarian blocs and attempted to incorporate this worldview into the OECD. When the USA became the OECD Chair in 2021, the OECD Ministerial Council Meeting issued a statement titled "Shared Values," defining the OECD as "a community of 38 like-minded democracies committed to market-based economic principles; an open, free, fair, and rules-based multilateral trading system; transparency and accountability of governments; the rule of law; gender equality; the protection of human rights; and the promotion of environmental sustainability." Notably, the OECD founding charter did not include such a definition. The accession process to join the OECD usually takes around five to ten years, during which time the applicant is vetted on criteria that include structural reform, having an open free-market economy, and having policies for promoting equality of opportunity, standards of governance, anti-corruption, and environmental protection. A final decision to accept the candidate must be approved unanimously by all members, leaving little leeway for arbitrary, politically inspired decision-making in closed-off settings. In 2023, Japan approved the OECD Strategic Framework for the Indo-Pacific, an initiative in conjunction with its 60th anniversary of OECD membership. In 2024, the strategic framework was implemented. The framework defines China, India, and Indonesia as key partners. Japan may equate this OECD framework with the Free and Open Indo-Pacific Strategy, which does not openly exclude China.

(4) BRICS Expansion and Sinification: Historical Background

BRICs, a term first used in a 2001 Goldman Sachs Economic Research report, initially referred collectively to Brazil, Russia, India, and China. In 2006, these four countries held their first meeting during a session of the UN General Assembly. In 2009, they held a summit in Russia and established the BRIC group. In 2011, they adopted the present name BRICS after South Africa attended a summit. In that year, the BRICS group issued the Sanya Declaration, declaring the members' collective commitment to a multipolar world order and to reforming international institutions. In 2011, BRICS members held their first summit at a G20 gathering. They have continued to hold a summit at every subsequent G20 gathering and have used the occasions to coordinate their economic and diplomatic policies. In 2013, the BRICS states established the New Development Bank, then known as the BRICS Development Bank. With this development coinciding with the launch of a diplomatic offensive by Xi Jinping, China was now taking the initiative in BRICS. However, in 2017, China really started utilizing BRICS. In that year, the Xi Jinping regime made a move to expand and bolster BRICS, drawing on China's formidable economic clout: At the BRICS summit held that year in the Chinese city of Xiamen, China invited five non-members states (Egypt, Mexico, Thailand, Tajikistan, and Kenya) to attend a meeting to launch the dialogue of Emerging Market and Developing Countries. Also, China launched the BRICS High Representatives for Security Issues and made a regular occurrence like BRICS foreign ministers' meetings, thereby shaping BRICS into a global framework for political and security cooperation. While delivering a speech during the 2018 BRICS summit in Johannesburg, Xi Jinping introduced the term "BRICS Plus," establishing the concept of an expanded BRICS group that strives to achieve the common interests of rising and developing nations. Xi also spoke of "strategic partnership," emphasizing that BRICS should commit to political and security cooperation, not just to economic cooperation.

(5) BRICS Expansion and Sinification: Reshaping Global Governance

During this period, China was starting to make moves to sinify BRICS by making it a platform for reshaping global governance in its image. While the membership criteria for BRICS Plus/Outreach are unclear, they probably overlap—to a great extent—with those for joining the Group of Friends of Xi's much-touted Global Development Initiative (GDI). In August 2023, BRICS held an expanded-format meeting, at which it announced new members: Argentina (later rescinded), Egypt, Ethiopia, Iran, and the UAE. The BRICS leaders also declared their commitment to three pillars of cooperation: political and security cooperation, economic and financial cooperation, and cultural and people-to-people cooperation. Pledging

also to explore ways to reduce members' reliance on the US dollar, the leaders signaled their commitment to saving Russia from the effects of sanctions imposed by the international community and struck a decidedly anti-Western tone. The 2024 BRICS summit was attended by 35 states, almost level with the OECD's membership of 37 states.

However, BRICS has neither a permanent secretariat nor any clearly defined criteria or processes for screening membership candidates, meaning considerable leeway exists for making arbitrary, political decisions on membership. In 2024, 13 countries were nominated as BRICS partner candidates. In January 2025, nine of these candidates were granted formal partner status: Belarus, Cuba, Bolivia, Malaysia, Uzbekistan, Kazakhstan, Thailand, Nigeria, and Uganda. With such an expanded membership, BRICS may struggle to identify common interests among the members.

The BRICS group's agenda for reshaping global governance primarily involves building a new financial system. To establish a common payment system that will reduce member states' reliance on the US dollar, the BRICS group has launched ventures such as BRICS Pay. In 2024, BRICS launched discussions to integrate such payment mechanisms into member states' transactions. In the same year, Russia proposed the BRICS Bridge as an alternative to SWIFT. The proposal envisages member states using available digital payment platforms, Central Bank Digital Currency, non-cash funds, and digital currency for their transactions. China has welcomed the proposal, as it aligns with the country's agenda of reducing dependency on the US dollar and establishing the Chinese yuan as a global currency.

The official website for the 2023 BRICS summit includes a BRICS timeline. According to this timeline, BRICS traces its origins back to the 1955 Bandung Conference. This mentioning of the Bandung Conference suggests that, by 2023, China and others had already assented to Indonesia joining BRICS. As to the motive behind this, if its membership includes Indonesia along with China and India, the BRICS group can make a historically coherent claim to representing the Global South and use this representative authority to amplify its clout in the international community.

(6) The Case of Indonesia

Since its foundation, Indonesia has always pursued an "free and active" (bebas-aktif) foreign policy. On the international stage, it has always maintained the philosophy of asserting independent opinions. A 1995 OECD report cited Indonesia along with Brazil, Russia, India, and China as one of the upcoming economic powerhouses with whom the OECD should strengthen ties. However, the Indonesian economy entered a long period of low growth following the 1997 Asian financial crisis and the political upheaval in the wake of the fall of

Suharto, who had led a developmental dictatorship. After transitioning from authoritarianism to democracy, Indonesia gained renewed attention from the OECD for having come through the 2008 financial crisis largely unscathed; it had been largely insulated from the crisis because its economic system was centered on domestic demand. Between 2014 and 2017, Indonesia co-chaired Japan's SEARP.

China has also placed top priority on Indonesia in its foreign policy. During an official visit to Indonesia in 2013, Xi concluded an integrated strategic partnership. In his speech at the Indonesian parliament, Xi announced the plan for the 21st Century Maritime Silk Road and the Asian Infrastructure Investment Bank. In subsequent years, China worked to link the Belt and Road Initiative with President Joko's vision of a Global Maritime Axis. In 2021, the two countries established a high-level dialogue mechanism for "four-wheel drive" bilateral cooperation in political, economic, cultural, and maritime matters (in 2024, this became a "five-wheel drive" mechanism with the addition of security cooperation). In theory, Indonesia was represented in this mechanism by the foreign minister Retno Marsudi along with Luhut Pandjaitan (Coordinating Minister of Maritime and Investment Affairs). In practice, Luhut was the one who coordinated the business projects with China.

China has also pressed Indonesia to join the Group of Friends of GDI and the BRICS group. In 2023, China proposed to Indonesia what would be China's first 2+2 ministerial meeting with another country. As for the Indonesian response, although Joko attended the 2023 BRICS summit, he said that it was too early for Indonesia to become a full BRICS member. Then, in May 2024, Indonesia began formal talks for OECD membership likely because of its misgivings about solidarity with BRICS members, the burden of lining itself up with Russia, and the risks of aligning with a particular political bloc. Other likely factors include consideration for US interests, a warming of relationship with the OECD since 2007, and Indonesia's belief in its historic mission, since Bandung, to lead a non-aligned movement. Thus, Indonesia started prioritizing the OECD over BRICS. However, Indonesia shifted its stance after Prabowo Subianto became the new president, and it ultimately joined BRICS in 2025. Even as a BRICS member, however, Indonesia still desires OECD membership and has brought forward the target date for joining from 2029 to 2027.

(7) The Case of Thailand

Under its principle of "bamboo diplomacy," Thailand has long pursued its national interests by maintaining adaptive and balanced relationships with regional powers. However, Thai diplomacy is now influenced heavily by the legacy of the Asian financial crisis and China's approach. Thailand remains bitter about the Washington Consensus reforms that the USA

and the IMF required it to make during the Asian financial crisis, which started with the Baht crisis. The Thai economy recovered under the Thaksin regime, which came to power in 2001. Thaksin Shinawatra, of Chinese Hakka origin, made full use of Thailand's economic relationship with China and deepened political relations as well. After a military junta came to power in a coup d'état, the USA, Thailand's ally, took measures such as cancelling joint military training exercises. Meanwhile, China wasted no time in cozying up to Thailand, including building military-to-military ties. After the multilateral dialogue framework Lancang-Mekong Cooperation was established in 2015, China started holding frequent high-level bilateral meetings (between prime ministers and foreign ministers) with Thailand at Lancang-Mekong Cooperation meetings and taking other measures to deepen Sino-Thai relations. After the 2019 election result enabled coup leader General Prayut Chan-o-cha to hang onto power (now as a civilian prime minister), Li Keqiang visited Thailand and established a dialogue mechanism for strategic, defense, and security matters, in order to further strengthen relations. The 2023 election resulted in a victory for Srettha Thavisin's pro-Thaksin party, which entered the government in coalition with pro-military parties. Under the Srettha government, Thailand remains unabashedly close to China and Russia. Thus, Thaksinites and pro-military parties, though longtime implacable enemies, are now both on the same page when it comes to favoring cooperation with China over that with the USA. The question now is whether this Sinophile trend will become embedded.

Despite the apparent shift toward China, Thai foreign policy continues to keep its feet on both sides of the scale—between the USA on the one side and Russia and China on the other side or between the OECD and BRICS. To give an example of this ambidextrous approach, while Thailand has attended BRICS outreach meetings since 2017, it also became a recipient of an OECD Country Program in 2018, denoting that it is on course to becoming an OECD member eventually. However, in June 2024, Thailand suddenly announced its intention to join BRICS just a week before the OECD was to officially announce the launch of the process for screening Thailand's application to join the OECD. Thailand likely made this abrupt move in the hope that Chinese and Russian engagement would give the country's moribund economy the shot in the arm it desperately required. In 2023, a Russian consulate general opened in Phuket as a part of an initiative to promote tourism. The move might have been at the behest of former prime minister Thaksin, given that he now has a government post and given his known personal rapport with Putin. Regardless of the truth, Thailand is playing a balancing game in its foreign policy, as is also illustrated by how Thailand has invited China's People's Liberation Army to participate in parts of the Thai-US joint exercise Cobra Gold.

(8) The Case of Malaysia

When Malaysia gained independence, it aligned itself with the Western bloc, but its foreign policy has always emphasized a non-alignment, anti-Western, pro-Asian approach and cooperation with Islamic states. During his first tenure as prime minister, Mahathir bin Mohamad took a staunchly anti-Western line, favored a multilateral system that excluded the USA, and accused Western investors of having created the currency crisis. Rejecting an IMF aid package, he steered Malaysia to an economic recovery without outside help. He also sacked his pro-Western deputy prime minister, Anwar Ibrahim, and later maneuvered to have him arrested on suspicion of sodomy. Under such leadership, Malaysia became predisposed toward anti-Western otherwise pro-Asian stance. Malaysia then took an even more pro-China path during the Najib Razak era. Domestically, Razak grew increasingly authoritarian, and political nepotism and corruption became rife. Mahathir returned to power in 2018 and walked back the pro-Chinese foreign policy to some extent. After Mahathir resigned from office, Malaysia entered another period of short-lived governments. In 2022, a grand coalition led by Anwar came to power and remains in power to this day. Anwar had been regarded as someone who espoused Western values; after his release from prison, he held several teaching positions at universities in the UK and the USA. However, the approach to China that Anwar adopted after taking power seems, if anything, similar to that of Mahathir. For example, Anwar has joined with China in calling for an Asian monetary fund that will end reliance on the US dollar. In another example, during Li Keqiang's visit to Malaysia in June 2024, Anwar indicated his intention for Malaysia to join BRICS. In July, he delivered Malaysia's formal application for membership to Russian foreign minister Sergey Lavrov, who was also in Malaysia.

One reason why Malaysia leaned toward BRICS is that OECD membership was unavailable as an option given the paucity of interactions between the OECD and Malaysia. Domestic politics is another possible factor; the ruling coalition, lacking a firm support base, may be prioritizing economic strategy in order to enhance its cohesiveness. Such circumstances make China a natural choice of partner for Malaysia. The Middle East crisis that began in 2023 has forced Malaysia to maintain its anti-American stance. Moreover, public opinion appears to favor China; an ASEAN opinion poll by Singapore's ISEAS-Yusof Ishak Institute shows that around 70% of citizens prefer China to the USA. Malaysia's historical anti-western stance essentially has affinities with China. Moreover, the OECD has scarcely had much direct engagement with Malaysia. However, there are also grounds for optimism: Malaysia is a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership; consequently, it has a de facto duty to align itself with OECD standards and rules.

(9) Conclusion

Indonesia, Thailand, and Malaysia all have something in common when it comes to their relationship with the OECD and BRICS: Their cooperation with China began in the area of economic development but subsequently expanded into political, strategic, and security areas, culminating in an increasingly interlocking relationship. Differences exist among the countries as well, in terms of foreign policy principles: Indonesia, with its “free and active” foreign policy, made a last-minute decision to choose independence from China’s orbit but is still trying to maintain a balance; Thailand, with its bamboo diplomacy, has kept the scales balanced between the OECD and BRICS; Malaysia, with its traditional skepticism toward the West, has moved closer to China and has recently hardened its anti-American stance as a part of a strategy that prioritizes Islamic states. Japan should understand and take into careful consideration these country-specific particularities as it develops its vision of long-term stability for the Indo-Pacific region.

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