

Can the Maldives Do without India

Introduction

Current advances in the Maldives' foreign policy, post the win by President Mohammad Muizzu and followed by his visit to China, have prompted considerations about a likely shift away from its conventional ally, India. Muizzu's outreach to China, marked by meetings with Chinese investors in Fuzhou, signals a need for enhanced Chinese investment and partnership.

President Muizzu envisions China as a crucial closest ally (and not one of the closest) in areas such as investments, trade, and crisis management, exploring partnerships beyond India. The controversy escalated when three deputy ministers engaged in negative and irresponsible comments about India and its Prime Minister (PM) following PM Modi's recent visit to Lakshadweep. This shift in diplomatic focus raises questions about the Maldives' ability to afford distancing itself from India.

Maldives as an Ally for India or China

China's interest in making the Maldives an ally is driven by strategic factors, including the nation's geostrategic location in the Indian Ocean, crucial for China's maritime ambitions and their Belt and Road Initiative (BRI). The Maldives could provide China with vital sea routes, enhanced naval presence, and support for diplomatic endeavours, strengthening China's position in international forums. Economically, China aims to expand its influence in the Indian Ocean, using the Maldives as a strategic foothold to achieve broader geopolitical objectives to offset India's advantages.

Conversely, the Maldives could benefit from closer ties with China over India. Economic assistance and investment through initiatives like the BRI could fund critical development projects. Partnering with China might open access to a larger export market, fostering economic growth, job creation, and increased government revenue. Additionally, aligning with China could offer the Maldives a counterbalance to Indian influence in the region, providing more leverage in international relations and negotiations.

India's relations with Maldives operate on two levels: government to-government and people to people. Geopolitically, Maldives shares historical and cultural ties with India, fostering diplomatic relations. Maldives is strategically important for India due to geopolitical, economic, and security factors. Situated in the Indian Ocean, it is crucial for India's maritime security and trade. Currently, India collaborates aggressively with Maldives on defence training, development projects, maritime security, tourism, piracy, and illegal fishing. This multifaceted affiliation, spanning political, economic, and strategic dimensions, establishes Maldives as a significant regional partner for India.

Why the Shift

President Muizzu's shift away from India is perceived as a strategic political move, marked by negative campaigning and anti-India propaganda. Despite the suspension of ministers expressing anti-India sentiments, the individuals remain part of the Maldivian government, raising concerns about a new political landscape where India is portrayed as a significant adversary. Their suspension of the ministers is only buying time since India's demands were of dismissal.^[1]

The situation in Maldives is definitely driven by its domestic politics. As of now, there is a segment of the opposition which favours the India sentiment and has objected to the ruling government's stance. Muizzu has also experienced failure in the municipal elections with the landslide victory of the Pro-India Maldivian Democratic Party, and will, thus, not have a majority in the parliament.^[2] His stance could, hence, be an albatross around his neck.

Muizzu and associates portrayed India as a meddling 'Big Brother,' which resonated with his supporters. This shift is evident in Muizzu's actions, for e.g., preferring Turkey for his first foreign visit over New Delhi, skipping the Colombo Security Dialogue and scrapping the hydrography agreement which further strained relations. Muizzu desires the departure of Indian soldiers by 15 Mar 2023^[3] signalling an unfavourable stance. The visit to China was the icing on the cake. Renewing initiatives and expressing affinity for China indicate an intentional exit from traditional alliances, raising questions about the future of Maldives' foreign policy and the implications for relations with India.

Concerns for India

A probable shift in the Maldives' orientation towards China raises substantial concerns for India, which could upset the geopolitical equilibrium in the Indian Ocean Region, impacting India's traditionally established sphere of control. The concern revolves around China potentially forming a military base in the Maldives, posing a risk to India's maritime security and crucial sea routes. This could lead to intensified conflicts and contest in the Indian Ocean. Given that a substantial portion of India's trade and energy imports relies on these waters, any Chinese control in the Maldives becomes a grave worry for India's strategic interests. Additionally, economic ties between India and the Maldives, specifically in tourism and trade, could face interruptions, affecting both nations' economies.

Prognosis

President Muizzu's possible animosity towards India, emphasised by his recent actions and anti-India sentiments, raises alarms about the Maldives' future relationship with India. Despite the apparent shift towards China, the numbers indicate India's significant role in the Maldivian economy. India was the Maldives' third-largest trade partner in 2021, with total trade nearly doubling between 2016 and 2022.

India's prominence in tourism is evident, with over 2,00,000 Indian visitors to Maldives in the previous year, comprising almost 12 per cent of all tourists.^[4] Despite an increase in Chinese tourism, India remains a crucial market and tourism is 28 per cent of Maldives' GDP.^[5] Proximity further identifies the relationship as important, as India has historically been the first responder during major crises, such as the 1988 coup, the 2004 tsunami, the 2014 water crisis as well as the COVID pandemic. History underscores the importance of India in times of need.

President Muizzu should recognise the significance of India's presence as a big brother and participation in the Maldives' economy, emphasising the potential adverse effects on jobs, investments, and tourism if diplomatic relations are strained.

Given these factors, President Muizzu should calm the uproar on social media and give precedence to diplomatic channels for addressing concerns. He needs to recognise the historical and economic connections between India and Maldives highlighting the possible negative consequences of straining relations, underscoring the importance of thoughtful

deliberation and a well-balanced approach to foreign policy. The onus for normalcy is on Muizzu and he needs to make a wise decision.

Likely Consequences for Maldives

The potential consequences for Maldives resulting from a shift in allegiance towards China are substantial. If the former associates with the latter and accepts infrastructure projects funded by the country, the connected loans could create monetary challenges, inching towards a sure debt trap. Maldives, already burdened with more than 100 per cent of its GDP in debt, spends around USD 300 mn annually on managing its liability, a figure expected to rise in the future, further impacting the country's foreign exchange reserves.

President Muizzu's conclusion to ask Indian troops to leave is accepted as his sovereign choice. However, the implementation of anti-India propaganda is deemed an unhealthy strategy, exposing objectives that may adversely influence Maldives. The situation could be compared to leaders like Mahinda Rajapaksa of Sri Lanka and KP Sharma of Nepal, who attempted to limit relations with India and align with China, resulting in unfavourable outcomes. Muizzu needs to be wary about this and not become a victim at a later stage.

Shifting allegiance from India to China risks diplomatic unease, stretches historical ties, and undermines bilateral relations. It may also isolate the Maldives in regional and international circles, seen as departing from democratic values. Dependence on China may limit economic autonomy, could draw criticism from western allies, potentially reducing support, affecting development assistance, and international cooperation.

While there is still room for course correction, as some Maldivian politicians express concern and apologize to India, the broader perspective emphasises the ongoing strategic battle between India and China as the central narrative.

Reactions by India

India's reactions have been to caution the Maldivian envoy in New Delhi and to take it up formally with the Maldivian Govt after which the event was disclaimed and criticised by the Maldives as well as the three deputy ministers were suspended, and not dismissed as desired by India. There has been no formal apology, which was in the reckoning.

At the people-to-people level, there has been a rush on social media to boycott tourism in the Maldives and look for destinations closer home. Though appropriate to some extent in nationalistic fervour, such outbursts could go in the favour of the Chinese agenda and take Maldives further away from India. Such outbursts must be toned down, and the official representation is a better bet. Similarly, a strict rejoinder by India and cutting off relations will also go in the favour of China and hence, the response must be maturely balanced and not be reactive.

However, India must proceed with a well-crafted strategic communication drive to make Maldives realise the lacunae of the present shift in their foreign policy. The same should also be attempted through back-door channels using overt measures.

Conclusion

The current developments in the Maldives' foreign policy, particularly President Mohammad Muizzu's efforts to strengthen ties with China, have sparked discussions about a potential shift away from India. Despite historical and cultural ties with India, recent controversies, and

negative sentiments within the Maldivian government towards the Indian Prime Minister have raised concerns.

China sees the Maldives as crucial for its BRI and aims to enhance its maritime presence in the Indian Ocean. In contrast, India views the Maldives as a strategic ally for maritime security and regional stability.

To sum up China could provide Maldives with infrastructure investment, economic support and technology and innovation as against the strategic security cooperation, development assistance and geopolitical alignment, which India can provide. Shifting commitment from India to China also poses risks such as debt accumulation, diplomatic tensions, and potential isolation. President Muizzu's anti-India sentiments and tilt towards China raises questions about the long-term consequences for Maldives.

In the ongoing competition between India and China, Maldives stands at a crossroad, and decisions made by its leadership will shape its future economic strength, diplomatic relations, and geopolitical dynamics in the Indian Ocean. It is crucial for Maldives to carefully evaluate the potential advantages and disadvantages of its relationships with both countries.

End notes

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