India and the Maldives: Greater Engagement Needed

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Summary

The clumsy response of the Manmohan Singh Government to the ouster of Mohamed Nasheed, the first popularly elected president of the Maldives, pushed the Indo-Maldives relationship into uncharted territory, enabling non-traditional outside powers to gain influence in what seems to be an essentially zero-sum situation. The Singh Government had effectively abandoned the Indo-Maldivian relationship to the Indian High Commissioner in Malé. The Narendra Modi Government’s kneejerk reaction to the subsequent domestic
political developments in the Maldives has further impaired India’s influence.¹ Disengaging with the Maldives – strategically located astride India’s sea lanes – at a time when the government is trying to breathe new life into its neighbourhood and maritime relationships is counterproductive.² Ideally, New Delhi’s Maldives policy should be more nimble as, unlike the larger neighbours such as Pakistan, Bangladesh, and Sri Lanka, the atoll nation is largely absent in India’s domestic political debates. (It is noteworthy that Modi has not allowed domestic political calculus to impede his Bangladesh and Sri Lanka policies.) The persistence of the previous government’s self-defeating policy of disengagement is rooted in the conjunction of three factors that seem to be independent of the party in power in New Delhi: a misunderstanding of Maldivian domestic politics,³ a lack of clarity about the importance of the Maldives to India’s maritime diplomacy, and a lack of interest in the bilateral relationship at the highest levels of the government.⁴

Analysis

The Background

The importance of the Maldives to India’s maritime security cannot be overstated. The Maldives, along with the islands of India’s Lakshadweep Union Territory, belong to the larger archipelagic chain that also includes the British Indian Ocean Territory of the Chagos Archipelago. The chain is strategically located vis-à-vis the sea lanes leading to India and on

¹ On 22 February 2015, just three weeks before Prime Minister Modi’s proposed visit, Nasheed was detained under anti-terror laws, but cancelling the visit because of that was not a step in the right direction. A message supporting the Maldives’ fledgling democracy delivered in Malé and holding talks with the leaders of Nasheed’s party in the Maldivian capital would have carried far more weight than the occasional press releases sent out from New Delhi.

² Modi is perhaps the only Indian leader to have visited a wide range of littoral/island countries in the Indo-Pacific region within a year of assuming office. Particularly noteworthy is the fact that he is the first Indian Prime Minister to have visited Australia, Fiji, Seychelles, Sri Lanka and the UAE in about three decades, if not more. In Fiji, Modi engaged with the leaders of all Pacific Island countries and set up an annual Forum for India-Pacific Islands Co-operation (FIPIC). The Forum’s 2015 Annual meeting was held in India in August. Aided by the US-Iran thaw, the present government has also shown urgency to recover the initiative in Iran’s Chabahar port that will connect India with Central Asia and Afghanistan. Not coincidentally, Modi is the first Indian Prime Minister after Nehru to have visited all the five Central Asian republics. On other fronts, India is upgrading its defence presence in the Andaman and Nicobar Islands, boosting defence co-operation with Vietnam, supplying naval/air force hardware to Indian Ocean island countries, and has, after a gap of eight years, invited Japan to the Malabar naval exercise. While these initiatives suggest renewed interest in maritime diplomacy, it remains to be seen if the government will manage to weave them together.

³ In February 2013, Nasheed avoided arrest by taking refuge in the Indian High Commission. February 2015 saw a repeat of the crisis, with the Indian Government still clueless about how to protect India’s interests amid the twists and turns of Maldivian politics. More recently, the government once again found itself in a bind when Yameen roped in Nasheed’s party to amend the Constitution.

⁴ While the political leadership cannot escape blame, the problem goes deeper, as the foreign policy bureaucracy that provides continuity to policy across governments also seems uninterested in the Maldives. This is arguably reflected in the conspicuous absence of the Maldives in the writings of retired diplomats (see, for instance, Applied Diplomacy: Through the Prism of Mythology (2014) by T.P. Sreenivasan and India and the World - Through the Eyes of Indian Diplomats (2015), a collection of writings of three generations of retired diplomats, edited by Surendra Kumar).
to East Asia. Malé is closer to mainland India than are the Andaman and Nicobar Islands, a Union Territory of India. Haa Alif, in the northern Maldives, is closer to Minicoy, in southern Lakshadweep, than it is to Malé. Geographical proximity is matched by ethnic and cultural bonds. India’s Lakshadweep shares ethno-linguistic ties with the Maldives. Teachers from Minicoy have, in the past, availed of training offered by the Maldives in Dhivehi, the official language of the Maldives. Maldivian nationals visiting Minicoy are exempt from entry permits, a facility not extended even to most Indian citizens. Indian experts have previously restored a number of historical mosques in the Maldives and have recently studied others that need restoration. A large number of Maldivians come to India to access educational and health care facilities. (The Maldives’ first President was an alumnus of India’s Aligarh Muslim University.) Indians constitute the second-largest expatriate community (after Bangladeshis) and account for more than half of the teachers and doctors in the Maldives.

**India’s Objectives**

In the short- to medium-term, India has to live with the consequences of its complacent maritime diplomacy (and neglect of its navy) between the late 1980s, when it intervened in Sri Lanka’s Tamil conflict and in Maldives to thwart a Sri Lankan Tamil mercenaries-supported coup, and 2012, when its inept response sealed the fate of Maldivian President Nasheed. The strategic contours of the Indian Ocean have undergone a structural change in the meantime, particularly after the onset of Somali piracy about a decade ago. An overstretched United States refused to bear the cost of providing order in the vast marine territory around the Horn of Africa. India’s navy and political leadership were ill-prepared to fill in the vacuum left behind by the United States’ partial retreat. Emerging powers from across the world took the opportunity to establish a regional presence. At a more local level, the Indian Government did little to enhance economic ties and connectivity with the Maldives. More recently, it failed to support Indian investors who had been unfairly kicked out of the Maldives or forced to renegotiate projects, even as other governments expanded their economic presence in the Maldives.

Suggestions that the Maldives has turned against India after Nasheed’s ouster are commonplace. But, even if Nasheed had continued in power, he would not have been able to overlook the fact that China now accounts for about one-third of tourist arrivals and is also actively investing in infrastructure construction in the tourist sector. The tourism sector accounts for about one-third of the national income, two-fifths of government revenue, and about three-fifths of foreign exchange. India cannot increase its market share in the Maldives’ tourism sector overnight, which also means that it has to adapt to the changed ground reality.\(^5\)

In light of the above, it seems that India’s foreign policy objectives would have been better served had Modi visited the Maldives. By excluding the Maldives from his March 2015 Indian Ocean tour, the Modi Government has escalated the diplomatic tussle that began in 2012.

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\(^{5}\) A comparison based on tourist inflows alone is insufficient as Indians constitute one of largest expatriate communities, including a large number of professionals, in the island countries of the central and western Indian Ocean, the littoral countries of West Asia and, to a lesser extent, in East Africa.
when Nasheed was removed from office, without securing any gains. Yameen seems to have been nudged to derail the visit by arresting Nasheed. Under these circumstances, the threat of cancelling the visit was bound to prove ineffectual. Modi, in fact, walked into the trap and, in all probability, he now cannot visit the Maldives without Nasheed’s political rehabilitation. He has, in effect, prepared the ground for a future prime minister to claim that s/he is the first to travel to the Maldives in decades. The avoidable posturing has not served India’s long-term interests – securing the Maldives against international terrorism and climate change; helping to build a stable rule-of-law based democracy in the country; promoting maritime security and dealing with maritime pollution in the central and western Indian Ocean; encouraging Maldivian foreign policy neutrality; and ensuring the safety of Indian investments and the Indian expatriate community in the Maldives. Given its location, the Maldives has to be a part of any Indian maritime initiative in the central and western Indian Ocean. India’s discord with next door neighbours seriously impairs the credibility of such initiatives. The last thing India wants is the transformation of the Maldives into a maritime Pakistan, a permanent obstacle to India’s multilateral regional initiatives. Even if the Maldives is viewed in standalone terms, India has to engage with it as the presence of foreign state or non-state actors hostile to India on Maldivian soil could impair India’s security.

**The Way Forward**

In December 2014, about two months before Nasheed’s arrest and three months before Modi’s proposed visit, the Maldives requested India, among others, to provide it with fresh water supplies to deal with a severe water crisis. The Maldivian Government surely knows that this would not be the last emergency for which it would need Indian support and also that other potential responders, such as China (and even Pakistan), have much longer response times. In times of crisis, the Maldivian authorities routinely appeal to a number of countries. For instance, in the 2014 water crisis, the Maldives appealed to India, China, Sri Lanka and the US, and, in the 1988 mercenary crisis, it appealed to India, Britain and the US. Due to its proximity, India has always been the first to respond. Thus, for the Maldives, there is no alternative to maintaining cordial relations with India. A reset of the relationship is, therefore, a necessity for both.

To begin with, the two governments have to accept that there is no substitute for dialogue between the heads of neighbouring states and that the relationship is too important to be left to the vagaries of short-term developments. Furthermore, India has to accept the

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6 Removing Nasheed from the political scene in a manner that made him ineligible for future contests was necessary for Yameen to consolidate his position. Yet, Nasheed did not pose an immediate existential threat to the government despite the significant political turbulence in the weeks preceding the arrest. So, it is indeed surprising that the Maldivian authorities did not wait until after Modi’s departure to arrest Nasheed. This is where the international dimension of the timing of the arrest deserves attention. Yameen knew that India would fail to back him, irrespective of the timing of the arrest. So, Yameen seems to have allowed others, who were ready to support and benefit from his consolidation of political power, to dictate the timing of arrest. The resultant discord between India and the Maldives could then be seen as a source of consolation after Sri Lanka’s new government has shown some interest in lessening the Rajapaksa Government’s foreign policy tilt towards China.
commercial presence of non-traditional outside powers in the Maldives, insofar as it assures the Maldivian leadership. The Maldives must understand, in turn, that it does not face an existential threat from India, as the two countries do not have a boundary dispute and India has no reason to risk its progressive international standing by precipitating a needless crisis in the Maldives. But, if a foreign power’s use of Maldivian territory were to threaten its security, thanks to its geographical advantage, India could neutralise that threat irrespective of the power differential vis-à-vis the foreign power. This must, on the one hand, give assurance to India and serve as a reminder that it need not over-react to Maldivian attempts to engage with other countries outside the region. On the other hand, it should alert the Maldives to the potentially adverse consequences of overplaying the outside-power card. The onus is upon the Maldives to credibly assure India that it will not serve as a pawn to any outside power. The hastily-adopted constitutional amendment allowing foreigners to own islands next to Indian territory is a retrograde step in this context. The neutral foreign policy adopted by the Sirisena-Wickramasinghe Government in Sri Lanka is an example of how other smaller countries in India’s neighbourhood are dealing with the changed economic and strategic situation in the Indian Ocean Region, where non-traditional outside powers, such as China, have begun to play a bigger role.

The Maldives could also make greater use of what is a well-established Indian civilian administrative and naval presence in its vicinity. The cost to India of engaging the Maldives in synergistic economic and security networks is far less than that of any other potential suitor. Other countries can possibly afford a higher cost, but that does not obviate India’s tremendous locational advantage. That advantage is further bolstered by the fact that, even if other countries have cost advantages at the stage of building infrastructure in the Maldives, the long-term maintenance costs that form the bulk of the overall costs in such projects, are definitely to India’s advantage. In fact, the marginal cost to India of deploying its capabilities across much of the Indian Ocean is negligible, an advantage enjoyed by no other country in the region. It was seen this year, during Operation Raahat in Yemen, when India evacuated over 5,600 people belonging to more than 40 countries, and even earlier, in 2004 when, despite having itself been hit by the Boxing Day tsunami, India managed to rush support to the Maldives, Sri Lanka and Indonesia. India has been similarly prompt in sending support in the aftermath of cyclones and earthquakes in the region.

Fortunately, despite the cancellation of Modi’s visit, the two sides did not allow the relationship to spiral out of control. Bilateral defence exchanges and the training of Maldivian defence officers and police personnel in India were not discontinued, work on the coastal radar system being built by India in the Maldives was not halted, India maintained the large number of higher education scholarships it offers to Maldivian students and inter-governmental aid was not scaled down. The Maldivian leadership visited the Indian High Commission to pay tribute to former President A.P.J. Abdul Kalam. While Modi omitted Yameen from the list of SAARC heads who he greeted during Ramzan, he sent official greetings to the Maldives on the fiftieth anniversary of its independence. Importantly, government officials and ministers have remained in touch. Most recently, Foreign Secretary S. Jaishankar called on the Maldives as part of his SAARC tour and Union Health Minister J.P. Nadda represented India at the Golden Jubilee Independence Day commemorations. The premature transfer of India’s High Commissioner to the Maldives suggests that the Indian
Government is trying to rework its position. The signals from the Maldives are not encouraging, though. The Maldivian Prosecutor-General’s decision to appeal against Nasheed’s detention was only followed by the transfer of Nasheed back to the prison. It seems that Yameen sent peace overtures to Nasheed’s party to get its support for two controversial constitutional amendment bills that lowered the age requirement for the office of president and vice-president and allowed foreigners to acquire land on a freehold basis in the Maldives. One still hopes that the two sides will be able to reset the relationship, as the present disengagement is unsustainable. They need to think in terms of the long-term challenges, three of which are particularly important.

**Climate Risks:** The Maldives is among the countries that are most vulnerable to climate change, both in terms of the percentage of population exposed to the threat and mitigation/adaptation costs as a proportion of national income. The small, low-lying islands and atolls of the Maldives are vulnerable to rising sea levels and high-impact weather events and the coral ecosystem is highly vulnerable to rising seawater temperatures. About four-fifths of its territory is less than one metre above sea level, with the maximum elevation being about 2.4 metres. In addition, the Maldives’s small land territory (about 227 square kilometres) is divided among some 1,037 islands, of which only 32 have an area greater than one km². With an Exclusive Economic Zone about four thousand times larger than its land area, the territory of the Maldives is highly dispersed, accentuating and aggravating its vulnerability. This increases the costs of both routine administration and the policing of far flung islands, as well as those associated with disaster management.

**Maritime Security Risks:** The Maldives sits right in the middle of one of the busiest sea lanes in the world, through which pass the bulk of South and East Asia’s energy imports. A stable and vigilant Maldives is vital for the maritime security of the region. Also noteworthy is the fact that, after the democratic transition in 2008, Nasheed’s political opponents have used the “Islam-in-danger” card to consolidate their support base, disregarding the growing radicalisation of youth, who are now reportedly being drawn into the West Asian vortex of terrorism and violence. This development deserves special attention in the aftermath of the 2008 terror attacks in Mumbai.

**Economic Fragility:** While the Maldives graduated out of the UN category of “least developed countries” in 2011, it remains economically vulnerable because the cost of climate change adaptation as a proportion of national income is very high. In the worst case, a number of presently inhabited islands may be rendered uninhabitable or even disappear. The other major problem facing the Maldivian economy is its limited diversity and over-dependence on tourism, which is vulnerable to natural disasters, domestic political instability and international economic upheavals. Tourist inflows dropped by 36 per cent over the year following the 2004 tsunami and by about four per cent between 2008 and 2009, possibly because of the global economic crisis. Now, the ongoing economic turbulence in China could adversely affect tourist inflows. The Maldivian Government had to issue dollar-denominated treasury bonds in 2009 that were entirely subscribed to by the State Bank of India. Persistent political instability and growing radicalism could also jeopardise the tourism sector. In 2012, when Nasheed was ousted, tourist inflows from Europe dropped by about four per cent. The economy contracted in both 2005 and 2009. Overdependence on
tourism, therefore, introduces an element of uncertainty into the Maldivian Government’s revenues and constrains its fiscal capacity. Even otherwise, the present government’s financial condition is not good. Fiscal constraints cannot but aggravate maritime security and climate change risks by limiting the resources available to deal with these challenges. Moreover, a fiscally-constrained government that cannot sustain welfare programmes and curb unemployment could also end up indirectly contributing to youth radicalisation.

Conclusion

It is very much in India’s interest to promote livelihood security and macroeconomic stability in the Maldives. India should also increase co-operation in the fields of coastal and EEZ surveillance, marine pollution control, and climate change adaptation, albeit within a multilateral framework. The India-Maldives-Sri Lanka Trilateral Maritime Security Co-operation arrangement must be expanded to include Mauritius and the Seychelles. As a multilateral framework, it will address Maldivian concerns over any loss of autonomy in partnering with India and also help to address the above issues that require co-operation with other island countries in the region that also have large EEZs. Lastly, while India should not abandon its commitment to democracy, human rights and the rule of law in the Maldives out of a fear losing influence to non-traditional outside powers, its appeal will carry more weight if it makes a greater investment in multilateral efforts such as those suggested above. The dramatic change in Sri Lanka’s domestic politics over the past few months should assure New Delhi that attempts by non-traditional outside powers to neutralise or counter India’s natural and longstanding advantage in the central Indian Ocean are unlikely to be sustainable.

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