



CENTRE FOR AIR POWER STUDIES

In Focus

New Delhi

Neighbourhood Insights Series

CAPS InFocus: 20/2024

10 May 2024

Muizzu, India and the Indian Ocean

Radhey Tambi

Research Associate, Centre for Air Power Studies



Source: <https://thewire.in/diplomacy/maldives-muizzu-china-india-backyard-bully>



Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS]

This work is licensed under Creative Commons Attribution – Non-Commercial – No Derivatives 4.0 International License.

Keywords: Muizzu, Maldives, India, Indian Ocean, Parliamentary Elections

The unexpected landslide victory of Mohamed Muizzu in the Parliamentary elections of Maldives has once again brought India vs China to the frontline in the immediate neighborhood of India. Though many analysts are narrowing the scope of the role played by two Asian powers in the small island state's election. However, foreign policy is yet to be perched as a dominant option during voting in a country of Maldives' size. Simultaneously, it cannot be sidelined that the coming of a pro-Chinese president with an absolute majority in Majlis will have implications for Male, New Delhi, and the Indian Ocean.

Geopolitics and Geoeconomics of Maldives

Skirting the area between the equator and the eight-degree channel through which passes voluminous trade, technology, and investment, Maldives has a population of nearly 5,50,000, similar to the small Indian town of Siliguri. However, its significance goes beyond the proportion of its size and population. Geopolitically, what is enhancing Male's centrality in the Central Indian Ocean is the tossing of the island between a residential player, India, and a distant player, China, since the country adopted a new constitution for the multiparty Presidential system in 2008. From then on, there has been a continuous cycle of pro-Indian or pro-Chinese presidents coming to power and shaping and shifting the discourse of development in the country. All this becomes more relevant as the India-China contestation is now undergoing a deep shift from a continental border dispute to the maritime space of the Indian Ocean.

Being the third largest ocean, the Indian Ocean is also the world's least scientifically understood, most exploited, and fastest-warming ocean. In this context, it is important to note that out of the three main areas of the world identified by the International Seabed Authority where the polymetallic nodules are found, one is the Central Indian Ocean Basin where Maldives is located.¹ These nodules are concretions found at the bottom of the sea formed of concentric layers of iron and manganese hydroxides around a core.² They are rich in minerals such as iron, cobalt, copper, manganese, titanium, silicon, magnesium, potassium, and many more. In the tech-driven era, as more and more countries start venturing outside their coast to secure the source of critical and rare earth minerals, the Indian Ocean has become a new playground for major players of the world. Juxtaposing Maldives' location in close vicinity to these minerals accelerates its current and future vitality.

Majority in Majlis – Implications?

Against this backdrop, it is important to understand the role of India and China, the two Asian powers vying for influence in the Indian Ocean. That Beijing will play a quintessential role in the Indian Ocean was to be well understood from its 'Two Ocean Strategy', which began to appear in the early 2000s. However, the fact that strategic economics would play a vital role in this became much clearer only when Hambantota was taken on lease from Sri Lanka, as the latter was unable to pay the principal and the quantum interest.

Similar would be the fortunes of the Maldives, which is feared by many within and outside the country if the new President Muizzu is not able to maintain a balance between India-Out, China next, and Maldives First. The balancing between the three becomes more crucial with the thumping majority secured by Muizzu's party– The People's National Congress (PNC), in the recently concluded polls of Majlis. Securing more than two-thirds of seats in the Parliament by the pro-Chinese President has two implications. First, domestically limited checks and balances within the Majlis, as the role of opposition will be at its minimum mainly due to their small number. Second, on the foreign policy front, there would be some shifts from win-win cooperation to limited partnerships with a few countries at the cost of others. The evidence of this can be drawn from the half-yearly report card of Muizzu's foreign policy from November 2023 to April 2024.

In the last six months, Maldives has been getting increasingly romantic with China both in terms of defence and development initiatives, which highlights the role that the small island nations are likely to play in shaping and defining the balance and security of the region. For instance, the enlarging presence of Chinese survey vessels duped as 'research vessels' in and around the waters of Maldives has emerged as a point of concern. A highly advanced research vessel, Xiang Yang Hong 3, has made two visits to the Maldives in two months since February 2024.³ It must be understood that these are high-tech vessels loaded with equipment to conduct deep oceanic research, and the data gathered can be used for military, civilian, and intelligence gathering purposes. This has been further brought out in a report titled 'Surveying the Seas' released by the Centre for Strategic and International Studies (CSIS), which concludes that this data can be used for further enhancing the power projection of China in the Indian Ocean Region (IOR).⁴ Normalising the entry and exit of these vessels must be read in line with the larger intentions of China which are not only strategic but also economic like the sea bed mining in the Central Indian Ocean Basin, where China has been granted an area of 10,000 square kilometre by the International Seabed Authority. Any enlargement of the Chinese presence in the IOR that has strategic implications or

military or both will be something watched out not only by India but even by the other major powers who are investing in this part of the Indo-Pacific region.

Way Forward

In terms of development, there is no doubt Maldives will witness a flurry of Chinese-supported and funded projects, ranging from big infrastructure to small community-oriented projects. These are likely to include the expansion of the existing airports, the reclamation of lands for housing, industry, and infrastructure purposes, and also some transshipment projects like the revival of the iHavan transshipment project, including the recent signing of the Laamu Integrated Maritime Hub Project, and many more. The cycle of ticking off some projects and cancelling off others would continue; however, while doing so, Muizzu must be farsighted and not just think of immediate gains. Maldives is sitting at the cusp of climate change and is stuck between a rock and a hard place, according to the UN expert on climate change and environment.⁵ On one side, it needs development, but on the other hand, the extensive land reclamation projects in the country will jeopardise not only ocean biodiversity but also completely erase the country from the world map by the end of this century. This is due to the maximum elevation of the island being 2.4 metres above sea level. It will further impact the two pillars of its economy, tourism and fisheries, both fragile and dependent on the vagaries of nature.

On the economic front, the IMF has forecasted a need for urgent policy adjustment, which, if not undertaken, could spell trouble for its overall debt distress (the overall debt-to-GDP ratio is more than 110 per cent).⁶ Even the World Bank⁷ has cautioned Maldives against getting too close with Beijing, as the latter is the largest creditor and constitutes nearly 40 per cent of the country's public debt.⁸ Lastly, as an important stakeholder in the Indian Ocean, it necessitates that the Maldives maintain some sort of continuity in its developmental policies and try avoiding a see-saw mechanism as several regional and extra-regional players increase their stake in the development journey of Male.

NOTES:

¹ "Minerals: Polymetallic Nodules", International Seabed Authority, <https://www.isa.org/im/exploration-contracts/polymetallic-nodules/#:~:text=Polymetallic%20nodules%20cover%20vast%20areas,%2C%20Fe%2C%20silicates%20and%20hydroxides>. Accessed on May 01, 2024.

² "Polymetallic Nodules", International Seabed Authority, <https://www.isa.org/im/wp-content/uploads/2022/06/eng7.pdf>. Accessed on May 01, 2024.

³ “Chinese research vessel Xiang Yang Hong 3 returns to Maldives waters for second visit”, *The Economic Times*, April 27, 2024, <https://economictimes.indiatimes.com/news/defence/chinese-research-vessel-xiang-yang-hong-3-returns-to-maldives-waters-for-second-visit/articleshow/109649033.cms?from=mdr>. Accessed on May 01, 2024.

⁴ Mathew P. Funalole, Brian Hart, and Aldan Powers-Riggs, “Surveying the Seas”, Centre for Strategic and International Studies, January 10, 2024, <https://features.csis.org/hiddenreach/china-indian-ocean-research-vessels/>. Accessed on May 01, 2024.

⁵ United Nations, “Maldives stuck between a rock and hard place”, United Nations Human Rights, April 25, 2024, <https://www.ohchr.org/en/press-releases/2024/04/maldives-stuck-between-rock-and-hard-place-un-expert>. Accessed on May 02, 2024.

⁶ “IMF warns of Maldives foreign debt crisis, after China borrowing”, *The Hindu*, February 07, 2024, <https://www.thehindu.com/news/international/imf-warns-of-maldives-foreign-debt-crisis-after-china-borrowing/article67821241.ece>. Accessed on May 01, 2024.

⁷ Ryan Woe and Joe Cash, “Maldives President Courts Investors in China as Indian Ties Sag”, *Reuters*, January 09, 2024, <https://www.reuters.com/world/asia-pacific/maldives-president-courts-investors-china-ties-with-india-sag-2024-01-09/>. Accessed on May 02, 2024

⁸ Anjana Pasricha, “IMF Flags BRI Partner Maldives’ High Debt”, *Voice of America*, February 09, 2024, <https://www.voanews.com/a/imf-flags-bri-partner-maldives-high-debt/7480862.html>. Accessed on May 05, 2024.