

Reinvigorating India-Maldives Maritime Cooperation amidst the Growing Sino-Indo Strategic Competition in the Indian Ocean Region

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Several Chinese analysts have, while asserting that ‘China is not jostling with India for strategic influence in the region’, frequently remarked that India cannot, on its own, assure security in the Indian Ocean Region (IOR). While the former assertion may seem paradoxical in view of China’s assertive execution of her geostrategies in India’s backyard, both countries are, in fact, involved in a game of power balance — opportunistically aiming to boost their respective clout in the area by directing their foreign policies towards the Small Island Developing States (SIDS) of the region. An important example, and undoubtedly one that needs to be extensively studied from an Indian perspective, is Maldives. The following paragraphs accordingly encapsulate India’s renewed efforts at bracing her maritime relationship with this archipelagic country. The urgency of these efforts stems from the realisation in Indian governmental circles that Maldives, not too long ago, was almost lost to China’s proactive initiatives. Fortunately for New Delhi, the new leadership of Maldives seems quite open to re-engaging with India under Modi.

Prime Minister Narendra Modi’s recent visit to the island nation also constituted the Indian leader’s first overseas visit after assuming his government’s second term in office. It resulted in the two neighbours signing a variety of Memorandums of Understanding (MoUs). While this may be attributed to India’s cognizance of the importance of her engagements with her neighbours within the maritime domain, it is obvious that such actions also form part of India’s wider response-strategy to the growing geoeconomic and geopolitical interests of China within the IOR. In the Maldives, in particular, the Chinese have been involved in a number of infrastructure-development projects, including the \$210 million [China-Maldives Friendship Bridge](#), while also considering the strategic island-State to be a key component of its Belt and Road Initiative (BRI).

Returning to the subject of India's effort to reinvigorate its ties with the Government of Maldives, the two countries have been eyeing a number of areas of mutual interest in which to develop the full potential of their partnership. One such area is tourism.

In 2018, India accounted for 6.1 per cent of the total Foreign Tourist Arrivals (FTAs) into the Maldives. While this may not appear very impressive as a percentage value, it nevertheless translated into some 90,540 Indian tourists. In March 2019, there were [36,116](#) Indian tourist-arrivals to the island nation, demonstrating an impressive annual growth of 86% in comparison with the figures for March 2018. However, the corresponding figure for India is much lower – only some [66,150](#) Maldivians travelled to India in 2017 against [83,019](#) Indian tourists who visited the Maldives in that same year. This interesting asymmetry raises three questions that have considerable significance for the Government of India: (i) Does India have enough to attract and excite Maldivian tourists? (ii) If the answer to the first question is in the affirmative, then in which specific areas does the Indian tourism industry fall short of Maldivian expectations? (iii) Can maritime tourism offer a mitigating strategy to more evenly balance the FTAs?

The third question is of particular interest as it addresses a hitherto unexploited area. Both nations have been actively looking at ways to boost maritime tourism and they recently signed an MoU to develop passenger and cargo ferry services from Male and Kulhudhuffushi, in the Maldives, to Kochi, in India. The two governments hope that this service, which seeks to actively promote not just bilateral trade but people-to-people contacts as well, will provide a win-win situation that both nations can build upon.

It is important, however, to remember that this joint proposal for the establishment of a ferry service has its own share of bottlenecks. First of all, even though earnings from tourism account for 80 per cent of the GDP of the Maldives, connectivity is predominantly provided by air and by large cruise-liners. Despite air travel being an expensive mode of transportation, it is, nevertheless, the preferred one, largely because of the savings in time that are effected. However, if middle class tourists are targeted, it is possible to develop relatively cheap but speedy maritime transport for travel both within the island nation (between, say, Male and Kulhudhuffushi), as also between India and the Maldives. This should not be seen as a means of 'poaching' tourists away from air travel, but rather, as a means of attracting additional numbers of more cost-conscious tourists who seek to optimise their spending. On the one hand, the establishment of this ferry service forms part of the

Maldivian Government's plan of attracting middle-income households in India – some [23.6 million](#) people – who currently, according to the Global Wealth Report 2015 of Credit Suisse, represent a significant 3 per cent of the global middle class. On the other hand, the ferry service must also attract Maldivian tourists to India, with Kochi acting not only as an attractive tourist-destination in and of itself, but also as a gateway to a wider tourism circuit within India.

A second risk is that the project could fall prey to political opportunism. An earlier example of this sort is to be found in the fate that befell the Scotia Prince, a private luxury vessel, which operated between Colombo in Sri Lanka and Tuticorin in India, and was abruptly suspended for an indefinite period of time, after just six months of its commencement of operations. Political short-sightedness and greed were largely to blame for the inability of the project to develop and sustain financial viability. Mitigating strategies, emanating from a brutally honest appraisal of the political causes underpinning the failure of this earlier venture, will clearly need to be put in place so that this distressing experience is not repeated.

India's current budget allocates a generous [Rs. 57.6 million](#) in aid for the Maldives, reflecting a very significant increase (of some Rs. 44 million) over the last financial year's allocation. Such an increase in the allocation to India's neighbouring island states is in consonance with New Delhi's 'Neighbourhood First' policy. This aid is expected to include projects such as the afore-discussed Kochi-Kulhuddhufushi-Male passenger-cum-cargo ferry service, a coastal-radar surveillance-system, training facilities for the Maldives National Defence Force (MNDF), etc.

Another area of mutually beneficial cooperation between India and the Maldives is in terms of holistic maritime security. In 2013, India, Maldives, and Sri Lanka, signed a [tripartite agreement](#) on maritime cooperation, designed to secure the sea routes in the IOR. Interestingly, this pact was entered-into, at a time when the agreement for handing over the control of Gwadar Port from Pakistan to China had been announced. Three security dialogues at the level of the respective National Security Advisers (NSA) have been held between the three parties (Male – 2011, Colombo – 2013, and New Delhi – 2014). Further talks were precluded by major political changes in the Maldives (2013) and Sri Lanka (2015), causing a discernible loss of momentum in these security consultations. This notwithstanding, the upsurge in bilateral cooperation between India and Maldives, as also between India and Sri Lanka, will generate fresh opportunities for the revival of mutually beneficial cooperation on security matters. The centrality and urgency of security-cooperation was underscored by the horrific Easter bombings in Sri Lanka. There is little doubt

that over the longer term, these opportunities must be availed so as to enable the formulation of a coherent and acceptable geostrategy to manage the inevitable increase in Chinese presence in the IOR. The Yameen regime had proactively permitted the Chinese to build a [Maritime Observatory Station](#) (Joint Ocean Observation Station) in Makunudhoo, which is situated very close to India's own naval and military facilities in the Lakshadweep Islands. Fortunately, the Maldives, under Solih's presidency, has decided to scrap this Chinese agreement of establishing the observation station.

Indeed, the optimal manner in which to manage China within the IOR is another area of common interest. How best to cope with the hugely expanded Chinese influence in the region is a question of seminal importance to the Maldives, particularly with President Solih looking for ways to finesse what increasingly appears to be yet another Chinese debt-trap, by finding alternative sources of finance to repay the massive [three billion dollars](#)-worth of Chinese debt.

In conclusion, the Modi-led 'NDA 2.0' is strongly promoting twin thrust-lines for a more effective Indian foreign policy – 'Neighbourhood First' and 'Act East'. Both seek to advance India's own interests, especially (but not exclusively) within the maritime domain, while enabling the formulation and execution of risk-management and risk-mitigation strategies designed to optimally manage the expanding Chinese foothold in the Indian Ocean Region. An important facet of these thrust-lines is the reinvigorating of India's traditionally strong ties with the Maldives. Indian initiatives in this regard come not a moment too soon.

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