

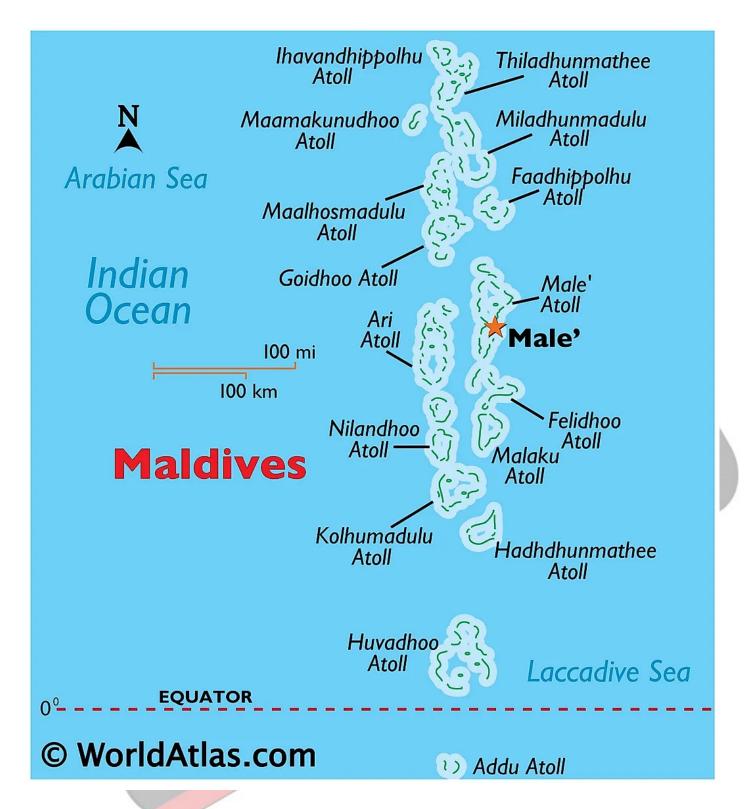
# **Shifting Tides of India-Maldives Diplomacy**

This editorial is based on "PM Modi's visit to the Maldives: A diplomatic reset" which was published in The Indian Express on 29/07/2025. The article brings into picture the strained India-Maldives ties post-2023 and the recent diplomatic efforts to renew relations, underscoring Maldives' strategic value in India's regional and maritime interests.

For Prelims: <u>Operation Cactus</u>, <u>SAARC</u>, <u>Greater Malé Connectivity Project</u>, <u>Uthuru Thila Falhu</u> (<u>UTF</u>) <u>military base</u>, <u>"Dosti" exercise</u>, <u>Exclusive Economic Zones</u>, Thilamale Bridge.

**For Mains:** Key Areas of Convergence in India-Maldives Relations, Areas of Friction Between India and Maldives.

India-Maldives relations experienced significant strain after Maldives's current President rose to power in 2023 on an "India Out" platform, followed by the outreach to China and demands for Indian troop withdrawal. The diplomatic row was further complicated by derogatory remarks from Maldivian ministers that led to a sharp decline in Indian tourism, a crucial economic lifeline for the archipelago. However, recent high-level diplomatic engagement signals a potential reset in bilateral ties. The Maldives remains strategically vital to India's maritime security and "Neighbourhood First" policy, given its location astride critical Indian Ocean shipping lanes.



### **How India-Maldives Evolved Over Time?**

- Early Diplomatic Relations (1965–1980s): India was among the first to recognize the Maldives' independence in 1965, laying the foundation for cordial ties rooted in shared geography and culture. India supported the Maldives in international forums and extended early economic and security assistance.
  - A defining moment was <u>Operation Cactus (1988)</u>, when India swiftly intervened to foil a coup attempt, reinforcing its role as a trusted security partner.
- **Strengthening Ties (1990s-Early 2000s):** The relationship deepened through development assistance, especially in health, education, and infrastructure.
  - India emerged as a key economic and trade partner as Maldivian tourism flourished. Both countries collaborated in regional platforms like <u>SAARC</u>, focusing on disaster relief,

economic cooperation, and regional security.

- Democratic Transition and Strategic Shifts (2008-2012): The election of Mohamed Nasheed in 2008 marked Maldives' shift to multiparty democracy and closer India ties, particularly on climate diplomacy.
  - However, Nasheed's ouster in 2012 led to a more China-leaning tilt under President Yameen, who welcomed Chinese investment in strategic sectors, triggering concerns in India about diminishing influence.
- Diplomatic Reset and Pragmatic Engagement (2013- Present): India was the first responder to assist the Maldives during both the 2004 Tsunami and the Malé water crisis (Operation Neer) in December 2014.
  - In January 2020, India's prompt supply of 30,000 measles vaccine doses and its timely Covid-19 aid reaffirmed its role as the Maldives' "first responder" in crises.
  - In 2023, President Muizzu rose to power on the **"India Out"** plank, demanding withdrawal of Indian personnel and adopting a nationalistic, sovereignty-focused stance.
  - However, 2024 reflects a shift toward pragmatic diplomacy. Indian Prime Minister's visit in July 2025, commemorating 60 years of ties, marked a turning point, with multiple agreements signed.

# What are the Key Areas of Convergence in India-Maldives Relations?

- Economic and Financial Cooperation: India remains the Maldives' largest financial partner, providing crucial economic support during periods of financial instability.
  - India's recent offering of a ₹4,850 crore line of credit for infrastructure projects is a clear indicator of this growing partnership.
  - In addition, India rolled over \$50 million worth of Treasury Bills, a vital financial gesture to ease the Maldives' debt pressures.
    - In 2024, India's development assistance to the Maldives has increased by 50%, underscoring the urgency and significance of India's role in stabilizing the Maldivian economy.
  - In 2024, India and the Maldives signed a vision document for the Comprehensive Economic and Maritime Security Partnership.
- **Infrastructure Development:** Infrastructure cooperation remains a cornerstone of bilateral ties, with India playing a central role in several key projects.
  - India's assistance in the <u>Greater Malé Connectivity Project (GMCP)</u> and the <u>Thilamale</u>
     Bridge reflects India's commitment to bolstering the Maldives' infrastructure.
    - Despite some delays due to domestic politics, these projects are pivotal in addressing urban overcrowding and fostering regional economic integration.
  - Additionally, India is supporting 65 High Impact Community Development Projects
     (HICDPs) across the Maldives further solidifying India's role in the nation's long-term
     development goals.
- Maritime Security and Defence Cooperation: The strategic location of the Maldives in the Indian Ocean makes it central to regional maritime security.
  - Despite earlier strains, both countries have maintained strong security ties, as seen in the continuation of trilateral "Dosti" exercise with Sri Lanka in 2024.
  - India's support includes upgrading Maldives National Defence Force (MNDF)
     assets with advanced radar systems to improve maritime domain awareness.
    - Additionally, India committed to enhancing the Maldives' coastal security infrastructure by providing platforms for search and rescue operations, as well as disaster response.
- Tourism and People-to-People Ties: Tourism remains a vital sector for the Maldivian economy, with India being the largest source of tourists.
  - Despite the recent diplomatic tensions, India has continued to provide support to boost the Maldivian tourism sector.
  - The reinstatement of air and sea links post-crisis, coupled with MoUs for enhancing ferry services in the Maldives signifies the ongoing relevance of people-to-people engagement.
  - Post Covid-19 pandemic, Indian tourists occupied the top slot of arrivals to Maldives

continuously from 2020 till 2023.

- Climate Change and Sustainable Development: Both nations have shared interests in climate
  adaptation strategies and environmental sustainability, especially given the Maldives' low-lying
  geography and susceptibility to rising sea levels.
  - India's support in developing <u>renewable energy</u> infrastructure, such as solar power projects, underscores this convergence.
  - India has pledged assistance for climate resilience projects, including solar-powered water and sewage systems across 28 islands, contributing to the Maldives' fight against climate change.
  - Furthermore, the Greater Malé Connectivity Project incorporates climate-conscious designs, such as environmentally-friendly construction and energy-efficient lighting, to mitigate the country's environmental footprint.

## What are the Areas of Friction Between India and Maldives?

- China's Growing Influence in the Maldives: The Maldives' increasing engagement with China, has raised concerns for India.
  - The Maldives' signing of numerous agreements with China, including in infrastructure and defence, coupled with China's support for the Maldives' debt restructuring, is seen as an effort to reduce dependence on India.
    - This shift is particularly evident in the strategic agreements involving ports and agricultural land, with some tracts, located near the <u>Uthuru Thila Falhu base</u> (an Indian grant-in-aid project), allegedly being used by China for military-linked activities.
  - In January 2024, Muizzu's visit to China upgraded their relationship to a "comprehensive strategic partnership," showcasing his alignment with Beijing.
    - The docking of Chinese military vessels in Malé and the construction of Chinese-funded infrastructure near India's strategic assets highlight the growing Maldivian tilt towards China, despite India's critical economic and military support.
- Hydrography and Maritime Concerns: One of the more technical but significant issues between India and the Maldives is the termination of the hydrographic survey agreement between the two nations.
  - This agreement, vital for maritime security and environmental studies, was suspended by the Maldives in late 2023, citing sovereignty concerns.
    - India's role in surveying and mapping the sea bed near the Maldivian waters has been a longstanding collaboration that now faces uncertainty.
  - This development has been seen as a consequence of the Maldives seeking to reassert its independence in the face of both Indian and Chinese interests, though it risks reducing cooperation on broader maritime security.
- Tourism and Anti-India Sentiments: In 2024, derogatory remarks by junior Maldivian ministers about Indian Prime Minister triggered a significant backlash in India, leading to the #BoycottMaldives campaign on Indian social media.
  - These remarks, though later condemned and resulting in suspensions of the ministers involved, strained people-to-people ties.
  - The diplomatic fallout led to a sharp decline in Indian tourist arrivals, a critical sector for the Maldivian economy. In 2024, Indians visiting Maldives declined by around 37.47%.
- Debt and Financial Dependence: Despite receiving significant financial aid from India, the Maldives' ongoing economic crisis has led it to seek additional financial assistance from China and Gulf nations.
  - The Maldivian government's growing debt burden, continues to strain relations with India, especially when compared to India's own concessional loans. This economic imbalance complicates the bilateral relationship.
  - The Maldives' dependence on Indian aid, juxtaposed with its debt to China, underscores
    the difficult balancing act the country faces in managing its foreign financial
    commitments, impacting its relationship with India.
- Issue over India's Military Presence and the "India Out" Campaign: The presence of Indian military personnel in the Maldives, especially for operating and maintaining Indian-donated aircraft and coastal radars, has been a contentious issue domestically in the Maldives.

- The <u>"India Out" campaign</u>, spearheaded by opposition parties and amplified by the current President during his election campaign, gained traction by portraying India's military presence as a violation of Maldivian sovereignty.
- While the Indian government maintains that its personnel are there on invitation and for training and humanitarian support, the public narrative in the Maldives has been increasingly critical.
- Fishing Rights and Marine Resource Disputes: Tensions have periodically surfaced over fishing zones, particularly in the <u>Exclusive Economic Zones (EEZs)</u> near the <u>Lakshadweep-Maldives maritime boundary</u>.
  - Maldivian concerns about Indian fishing vessels encroaching into their territorial waters have been raised during bilateral meetings.
  - These issues are sensitive, as fishing is a critical livelihood sector for both countries, and perceived violations can trigger diplomatic protests and domestic backlash in the Maldives.
    - In January, 2024, the Indian troops intercepted a Maldivian fishing boat engaged in fishing activities within the Maldives' Special Economic Zone (EEZ), which raised significant bilateral concerns.

## What Measures can India Adopt to Enhance Ties with Maldives?

- Recalibrated Defence Diplomacy through Civilian Interface: India must reframe its defence cooperation with Maldives by enhancing non-militarised security support—focusing on capacity building, maritime domain awareness, and humanitarian assistance.
  - Transitioning from a troop-based presence to a civilian-led strategic footprint can ensure sensitivity to Maldivian domestic sentiments.
  - Deploying dual-use assets like coastal radars and medical evacuation platforms can reinforce soft security partnerships. This approach balances strategic imperatives with sovereignty concerns.
- Joint Infrastructure Development with Co-Ownership Models: India should propose co-investment frameworks in infrastructure especially in sustainable ports, digital connectivity, and energy to foster mutual ownership and transparency.
  - Moving away from a donor-recipient dynamic towards equal partnership models can reduce geopolitical suspicion.
    - Establishing joint project steering committees will improve accountability and prevent perception of dominance.
- Reviving People-to-People Linkages via Cultural Diplomacy: To counter public perception gaps, India must scale up soft diplomacy through cultural exchanges, language scholarships, academic fellowships, and youth dialogues.
  - Reinvigorating civil society engagement can rebuild grassroots goodwill, independent of political cycles. Leveraging tools like the "International Solar Alliance" scholarships or "Study in India" platform can enhance India's soft image.
- Strategic Tourism Corridors with Local Empowerment: India can establish cross-border eco-tourism and heritage circuits involving Lakshadweep, Minicoy, and northern Maldives to foster economic interdependence.
  - Such initiatives must embed local community participation, employment generation, and sustainable practices. It will not only offset tourism rivalries but promote shared prosperity narratives.
- High-Level Strategic Dialogue Mechanism: Institutionalising a structured India-Maldives
   Strategic and Economic Dialogue with annual summits, working groups, and crisis-resolution hotlines can ensure continuity of engagement irrespective of regime changes.
  - It offers a mechanism for **confidence-building**, transparent communication, and coordinated response to geopolitical developments like third-party naval presence.
- Debt Sustainability and Regional Financial Assistance Framework: India should lead a regional effort for debt transparency and sustainable financing in the Indian Ocean, offering Maldives alternatives to high-interest or politically conditional loans.
  - Introducing a Maldives-India Development Financing Facility underlines India's role as a stabilising economic partner without coercive strings.
- **Digital and Climate Resilience Cooperation:** Joint efforts on **digital public infrastructure**, fintech regulation, and early warning systems for climate disasters can deepen functional ties.

- India's Digital Public Infrastructure experience like UPI or DigiLocker can be adapted for Maldivian use under a technology transfer with respect to framework.
- Climate adaptation technologies in water security and coral reef protection also offer collaborative ground.
- Blue Economy Innovation Partnership: Creating a bilateral Blue Economy Innovation
   Hub focused on marine biotech, fisheries sustainability, and clean shipping can unlock new-age economic sectors.
  - This can serve as a **strategic development compact**, combining India's scientific expertise with Maldivian resource potential. Joint patents, start-up incubators, and ocean fellowships can institutionalise it.

#### Conclusion

India-Maldives relations, though recently marred by strategic tensions and political rhetoric, continue to rest on a foundation of deep historical ties, geographic proximity, and shared regional interests. As, "There are no permanent friends or enemies in diplomacy, only permanent interests." Anchoring its policy in this wisdom, India must prioritise stable, interest-driven, and peoplecentric ties with the Maldives, ensuring that the Indian Ocean remains a region of peace, prosperity, and partnership.

#### **Drishti Mains Question:**

India-Maldives relations have oscillated between strategic convergence and diplomatic friction in recent years. In the context of changing regional geopolitics, critically examine the challenges and opportunities in recalibrating bilateral ties.

## **UPSC Civil Services Examination, Previous Year Questions (PYQs)**

#### **Prelims**

- Q. Which one of the following pairs of islands is separated from each other by the 'Ten Degree Channel'? (2014)
- (a) Andaman and Nicobar
- (b) Nicobar and Sumatra
- (c) Maldives and Lakshadweep
- (d) Sumatra and Java

#### Ans: A

#### **Mains:**

**Q.** Discuss the political developments in the Maldives in the last two years. Should they be of any cause for concern to India? (2013)

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