

# Asian competition and the archipelago: Indo-Maldivian ties in the age of rising Indo-Chinese rivalry

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Indian-Maldivian relations have been deteriorating in recent months as the Maldives, under a new president, seek to assert their sovereignty while drawing closer to China.



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## Introduction

Since taking office in September 2023, President Muizzu in the Maldives has shifted Indo-Maldivian ties in a new direction. President Muizzu was elected based on his [“India Out” campaign](#), which sought to reduce a perceived overreliance on India in the realms of defence and the economy, combined with a broader perception that the Maldives’ sovereignty was being infringed upon. This analysis considers the shift in Indo-Maldivian

relations following the election of President Muizzu and how it signals the escalation of preexisting Indo-Chinese competition in the region.

### Shifting ties in a competitive era

The September 2023 Maldives presidential election was contested between 'pro-India' Ibrahim Solih of the Maldivian Democratic Party and 'pro-China' Mohamed Muizzu of the Progressive Alliance. The polarisation of the elections along such lines was seen by many as the spillover of Indo-Chinese competition into the dynamics of the Maldives' domestic politics. Muizzu, the winning candidate, [campaigned on](#) a platform to remove Indian military personnel stationed in the Maldives and to review, and potentially renegotiate, all agreements signed with India in areas of economic and defence cooperation. Muizzu's strong line on altering exclusive ties with India was a major departure from Malé's previous foreign policy and set it on a crash course with New Delhi.

Soon after being elected, Muizzu [terminated an agreement](#) for joint hydrographic surveys with India and did not attend the Colombo Security Conclave, a grouping of India and the three Indian Ocean island nations of Sri Lanka, the Maldives, and Mauritius, signalling his commitment to diversifying the Maldives' foreign policy away from India and its influence. The withdrawal of Indian military personnel, the termination of joint surveys and the lack of participation in Indian-led organisations and initiatives set alarm bells ringing in New Delhi. Several analysts believe that while the new Maldivian government seeks to diversify its foreign policy, it is, in reality, potentially opening itself up for Chinese presence and influence, undermining New Delhi's security and power projection in the Indian Ocean region.

India's concerns were further heightened when [President Muizzu visited China](#) in January 2024, one of his very first overseas visits, and sought greater foreign direct investment (FDI) from Beijing, alongside an increase in trade and tourism between the two countries. More significantly, Muizzu stated his aim to implement the Maldives-China Free Trade Agreement (FTA), which failed to enter into force during the previous administration. Greater levels of trade and FDI between the two would give Beijing greater economic leverage over the islands and chip away at Malé's economic overreliance on India, reducing India's importance to the Maldives and thereby its influence. Additionally, during the visit,

Muizzu's administration sought Chinese investments to expand the archipelago's chief airport and to develop a commercial seaport.

The construction of infrastructure through Chinese investments raises Indian trepidations of a continuation of the Chinese strategy of debt-trap diplomacy, whereby the infrastructure constructed in the Maldives may be utilised by Beijing for surveillance and other military purposes due to Malé's eventual inability to repay Chinese loans. As of 2023, the China Development Bank, the Export-Import Bank of China and the Commercial Bank of China [are responsible for more than 60 percent](#) of the Maldives' sovereign-guaranteed debt. The construction of vital infrastructure in the Maldives through a debt-trap model would aid Beijing in its 'string of pearls' strategy, allowing it to penetrate deeper militarily into the Indian Ocean region and consequently, restrict Indian influence in the region.

Furthermore, the potential Chinese presence in the Maldives, given the islands' proximity to international shipping lanes, allows Beijing to protect oil exports to the mainland from the Persian Gulf should they ever come under attack by an adversary, such as India.

Additionally, the withdrawal of Indian military personnel on the islands may mean that, due to China's investments, the security of the archipelago is handed to Beijing on a silver platter, severely heightening New Delhi's security concerns in its maritime neighbourhood and increasing the possibility of Indo-Chinese competition escalating to Indo-Chinese conflict.

More recently, [a diplomatic spat on X](#) (formerly Twitter) highlighted the rapidly deteriorating nature of Indo-Maldivian ties. In January 2024, Prime Minister Modi's call for the appreciation of the beauty of the Indian island chain of Lakshadweep was criticised by three junior ministers from the Maldives, fearing an impact on the Maldives' tourism industry. Indian social media users responded to this criticism by calling for a boycott of the Maldives as a tourism destination and promoting Lakshadweep as a domestic alternative to the Maldives. Despite suspending the three junior ministers for their comments, the spat highlighted the heightened mistrust in the relationship. While Malé claims to be pursuing a more independent foreign policy, the actions of its government's ministers suggest otherwise, potentially favouring cooperation with other countries, particularly China.

Conclusion

The rise of Indo-Chinese competition in the Indian Ocean region has started to impact Indo-Maldivian ties. Malé's concerns over infringement on its sovereignty by India and New Delhi's concerns over growing Chinese influence in the country are likely to impact bilateral ties in the medium term. However, both nations have incentives to retain and repair bilateral ties. India is the Maldives' closest neighbour and one of its largest trading partner, while India's downgrading of diplomatic ties with the Maldives would only concede diplomatic space in the archipelago to China, having a detrimental effect on its influence on the country and the region.

Moreover, as climate change and sea level rise are an existential threat to the Maldives, the country would require greater assistance over time, particularly from India, given its geographical proximity to the island chain, effectively ensuring cooperation between the two countries and preventing Malé from recalibrating its ties with India. Thus, while the continued rise in Indo-Chinese competition has the potential to deteriorate Indo-Maldivian ties, it also has the potential for cooperation if navigated appropriately.

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