

Saudi king postpones visit to Maldives

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As part of a month-long tour of Asia, the Saudi monarch, Salman bin Abdulaziz Al Saud, was due to visit the small Indian Ocean archipelago of Maldives this weekend, accompanied by an entourage of more than 1,000, including 25 princes and 10 ministers.

In this first-ever visit by a Saudi King, Riyadh was to announce investments of \$US10 billion, three times the Maldives' gross domestic product (GDP), underscoring the importance Riyadh places on its ties with Maldives.

The trip was cancelled yesterday on the pretext of an outbreak of influenza. The decision, however, reflects deep divisions in the ruling elite in the Maldives and mounting geo-political tensions in the region.

Sharp differences emerged over the Saudi investment, mainly between President Abdulla Yameen and the opposition Maldivian Democratic Party (MDP) led by former President Mohammed Nasheed. The tensions relate to geo-political rivalry between the US and India on one side and China on the other. Maldives is strategically located southwest of India, near important sea lanes from Middle East and Africa to Asia and Australia.

According to unconfirmed reports, the Saudi government plans to buy one of Maldives' atolls, Faafu—a collection of 19 low-lying islands, 120 kilometres south of the capital Malé and home to 4,000 people. Since a constitutional amendment in July 2015, foreigners can buy Maldivian land, rather than lease it for up to 99 years, if the investment is at least \$1 billion. Yameen has denied selling an entire atoll to the Saudis, but no details of the negotiations have been released.

With US imports of oil from Saudi Arabia declining by 40 percent during past 15 years, Riyadh is keen to boost its sales of oil and gas to China and other East Asian countries, and increase the security of the trade route. Indonesia, Malaysia, Japan and China were also part of the king's Asian tour.

To placate Riyadh, Malé severed ties with Iran last May and joined the Saudi-led Islamic military alliance. Riyadh plans to develop a Special Economic Zone in Faffu, to help reduce its dependence on oil revenues. The projects reportedly include a sea port, airports, state-of-the-art facilities, sophisticated medical infrastructure, educational institutions and tourism-related centres to attract thousands of tourists from the Gulf States.

With these investments, Yameen is trying to strengthen his hand against his political rivals, including Nasheed and Yameen's half-brother and long-time Maldives ruler Maumoon Abdul Gayoom. Though they were bitter enemies a few years back, Gayoom and Nasheed joined hands last September against Yameen.

Nasheed, working as a stooge of the US and other Western powers and also India, criticised the Faafu deal, saying it was "disturbing." Saudi Arabia wanted "a base" in the Maldives, he said, to safeguard its trade routes and locate "strategic installations."

Having been ousted in 2012, Nasheed is trying to return to power by overthrowing Yameen with the support of the US, UK and India. The US and its allies are hostile to Yameen because of his close ties to China, not his anti-democratic record.

In 2015, Nasheed was sentenced to 13 years in jail for arresting a criminal court judge while in office. He was released in January last year under pressure from the US and Britain. After travelling to London, supposedly for medical treatment, Nasheed launched a campaign against Yameen, mainly denouncing his links to China.

Still in exile, Nasheed plans to contest the 2018 presidential elections. In an interview with the *Times of India* on February 19, he said: "We believe that India has a moral obligation to facilitate inclusive, free and fair elections in the Maldives."

Though New Delhi is concerned about the increased Chinese presence in the region, it is moving cautiously,

worried that more pressure may push Male closer to Beijing. On a visit to Maldives on February 22, Indian Minister of State M. J. Akbar voiced his appreciation for the Yameen government's "India First" policy.

Sections of the Indian capitalist class are concerned that Saudi Arabia's relations with Maldives will cut across its interests. A report by *Fristpost.com* analyst Shantanu Mukharji on March 6 noted: "Saudi-Maldives collaboration leads to suspicion that Islamic forces may see a visible reinforcement or there may be a renewed radicalisation within the Maldives."

Published by the industrial conglomerate Indian Reliance Industries, *Fristpost* proposed: "Perhaps a time has come for Maldives to accept one who can oversee the issues and whose advice comes handy to address matters of security," as in Mauritius, which "has an Indian national security advisor with an intelligence background." Mukharji added: "Nasheed is the only pro-India leader who can scuttle such deals and keep Indian interests paramount, but chances of his coming back to the political arena look remote."

Relations between India and Maldives were strained when in 2012 Male cancelled a \$271 million contract granted to Indian company GMR group to develop and operate the Ibrahim Nasir International Airport, saying it compromised national security and sovereignty. The contract was granted by Nasheed's government in 2010 for 25 years, extendable for another 10 years.

India first tried to work with Yameen and signed a military pact, "Action Plan for Defence Cooperation" last April. Indian Prime Minister Narendra Modi then boasted about India's role as a "net security provider" in the Indian Ocean region, but New Delhi's attempt to bring Maldives into its orbit failed.

While trying to maintain diplomatic ties with the US and India, Yameen's government is more oriented toward Beijing, and depends heavily on Chinese investment and concessionary loans. Chinese firms leased the Feydhoo Finolhu Island for 50 years for \$4 million to develop a tourist resort, close to Malé, with plans to increase annual tourist numbers to 1.5 million.

Chinese Exim Bank granted a \$373 million loan to develop Malé airport in 2015 and build a bridge between Malé and the Hulhulé islands, to be completed in 2018. The \$210 million project is being constructed by Chinese CCCC Second Harbor Engineering Company, despite protests that it could destroy waves

in this popular surfing area.

Chinese ambassador Wang Fukang told a New Year news conference in Malé: "Maldives is an important partner in the Maritime Silk Route project." He added: "Maldives supports the 'One-China' policy and Chinese policies regarding the South China Sea."

Beijing sees Maldives as part of its "String of Pearls" strategy that, together with the land-based "Silk Road Economic Belt," seeks to link the Eurasian landmass, as well as Africa, both by land and sea, to counter the US strategic offensive against China.

The principal US Indian Ocean base, Diego Garcia, lies 1,000 kilometres south of Malé, making Beijing's growing influence a serious concern in Washington. With these tensions aggravated by President Donald Trump's belligerent "America First" program, the region has entered into an explosive situation.



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