

THE SECURITY OF MINI STATES : A CASE STUDY OF THE MALDIVES

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CERTIFICATE

This is to certify that the dissertation entitled "THE SECURITY OF MINI STATES: A CASE STUDY OF THE MALDIVES" submitted by Rabindra Kumar in fulfilment of nine credits out of total requirements of twenty-four credits for the Degree of Master of Philosophy (M.Phil) of the University is his original work according to the best of my knowledge and may be placed before the examiners for evaluation.

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PREFACE

The Republic of Maldives, the smallest member of the UN, grabbed international headlines on 3 November 1988, when about 200 mercenaries hired in Sri Lanka attempted to topple the government of President Mayoom Abdul Gayoom. Mr. Gayoom, who had survived two previous coup attempts was to take over successively his third term a week later, when he faced the toughest test. Assessing the incapability of the 'National Security Service' (The official security force of the country) to combat the destabilization threat by the mercenaries, he had to appeal for quick international military support in order to save the democratic institution of the country and himself. Ultimately Indian rescue operation 'Cactus', saved the Island-Republic in the Indian Ocean from the agony of destabilization.

The incident raised a question as to how our little known neighbour country managed to survive even without a capability of its own to repel a threat from merely two hundred armed mercenaries. Apart from defence, is the country facing similar problems in the areas of economy and society too? This needed an analysis of the security problems of a mini state. A humble attempt in this direction has been made in this dissertation. The first chapter intends to discuss general framework under which the problems of a mini state can be analysed.

Specific security problems of the Maldives have been discussed in the second chapter. The third chapter discusses the existing security arrangements with special reference to the Maldives (and the mini states in general) and tries to suggest some remedial measures to be taken for ensuring safety and security of the mini states.

I want to utilize this opportunity to record my sense of gratitude to numerous people, who in so many ways have helped me in the course of writing this dissertation.

First of all, I would like to express my sincere thanks to my supervisor Dr.K.S.Jawatkar, who not only suggested me the topic but took keen interest in my work also. Without his cooperation, this work would not have been what it is now. I am deeply indebted to Prof.M.L.Sondhi who inspired me with his new methodological insights. I owe a lot to Prof(Mrs) Sumitra Chisti, the Chairperson, CIPOD, for her cooperation.

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My friends do not require any formal acknowledgment of thanks, as they have been always too selfless and spontaneous. Nevertheless, I cannot resist to express my cordial gratitudes to my friends, Shyam, Rakesh Jha, Rakesh, Ajay, Suresh, Satish, Anil, Bidyanath, Satyanand, Vijay and Sunil.

I will be happy to acknowledge my thanks to the staff members of JNU Library, IDSA Library, Foreign Affairs Library and Sapru House Library.

My special thanks must go to Mrs.Kunjamma Varghese, who took pain to finish the typing work within a tight time schedule.

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(RABINDRA KUMAR)

LIST OF ABBREVIATIONS

ASEAN	:	Association of South East Asian Nations
CENTO	:	Central Treaty Organisation
CMEA	:	Council for Mutual Economic Assistance
DAC	:	Development Assistance Committee
EEZ	:	Exclusive Economic Zone
FAO	:	Food and Agriculture Organisation
GCC	:	Gulf Cooperation Council
GDP	:	Gross Domestic Product
GNP	:	Gross National Product
IDA	:	International Development Association
IMF	:	International Monetary Fund
MNC	:	Multinational Corporation
NAM	:	Non-aligned Movement
OAS	:	Organization of American States
OAU	:	Organisation of African Unity
ODA	:	Official Development Assistance
OPEC	:	Organisation of Petroleum Exporting Countries
PLOTE	:	Peoples Liberation Organisation of Tamil Eelam
SAARC	:	South Asian Association for Regional Cooperation
SEATO	:	South East Asian Treaty Organisation
STABEX	:	System of Stabilisation of Export Earnings
UNDP	:	United Nations Development Programme
UNEF	:	United Nations Emergency Force
UNCTAD	:	United Nations Conference on Trade and Development
UNICEF	:	United Nations Children's Fund
UNESCO	:	United Nations Educational, Scientific and Cultural Organisation.

Chapter I

INTRODUCTION

Since the birth of sovereign nation-state system in the middle of the seventeenth century, the states of varying sizes - whether in terms of area or population - have existed in the international system. The existence of the sovereign states of small sizes in the international community of states was also facilitated by the fact that the International Law, both in its conventional and customary attributes, never defined the quantitative attributes (area and population) of a state. However, since the operative criteria for international relations up to the Second World War were the military might and the economic power or both, the large states had the monopoly to steer the international system. They have had no reason to acknowledge or deal with the mini states in the colonial era except marginally.¹ It is, therefore, not surprising to know why the studies on security have been largely concerned with the two Super Powers and their allies in the Western and Eastern Europe. There are some excellent comparative studies on the security of European small states.² There have also been studies to examine how the security problems

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1. M.S.Rajan, "Small States and the Sovereign Nation-State System", International Studies (New Delhi) vol.25 (1), January-March 1988, p.1.
 2. T.Manirzzaman, The Security of Small States in the Third World, Canberra Papers on Strategy and Defence, no.25, 1982, p.1.

of special category Third World states like the two Koreas, the two Vietnams etc., affect the central balance of the international system geared by the two Super Powers. But the security problems of the Third World mini states got least attention.

In a speech in Birmingham in 1904, Joseph Chamberlain, with a remarkable combination of arrogance and inaccuracy said: "The day of small nations has long passed away. The day of empires have come."³

Perhaps he had in mind that the small nations cannot survive independently and maintain their sovereign status. In fact, history has shown the reverse to be true. The empires have passed away leaving in their wake a large number of new, small nations established with the blessing and indeed the encouragement both of the former colonial powers and of the USSR. The world community, which started recognizing the important role played by the small states at the Hague Conference of 1907, has finally decided to grant them independent and sovereign status and a place in various international organizations (the U.N. and others).⁴

The Third World mini-states have acquired a substantial proportion in the UN and play important roles. Today

3. Quoted by Diggines, "Problems of Small States" Round Table (London), 295, 1985, p.204.

4. For the phases of acceptance of small states in the international community, see Rajan, n.1, p.1.

there are forty-one mini independent states (thirty-three of them are members of the UN) and other thirty-six territorial entities which are independent and are designated as Associated States.⁵ They constitute more than one-fourth (or one-half, if the second group is also taken into account) of the community of states.

These mini states, in the process of pursuing their own national interest, try to exploit the benefits from the contradictions of the international system.⁶ However, due to their past colonial legacy, inherent weaknesses and external settings, problems are generated that threaten their national security dangerously. While several coup attempts in the mini states of the Caribbean, the Pacific and Africa manifest their internal vulnerabilities, the affairs of Falkland-war, Grenada war and the mercenary attack on the Maldives are some of the examples of their defencelessness. Therefore, the security of the Third World mini-states has become a sensitive matter and needs careful analysis. But before going for that, it is important to know what the mini states are and how to define their security.

5. M.S.Rajan presents a list of mini states. Ibid.

6. Annette Baker Fox (1968-1969), "The Small States in the International System 1919-1969", International Journal (Toronto), 24, p.754.

Definition of the Mini States

In his review of David Vital's book The Inequality of States: A Study of the Smaller Powers in International Relations, Hedley Bull highlighted the importance of the small states and concluded:

... the question with which one is left in one's mind is whether, however viable the small state might be in international politics, it really presents a viable subject of study.⁷

So many studies have been conducted to define the small or mini-states, but there has not been any consensus among the scholars. It is because of the failure to evolve a common definition that Baehr argued about inadequacy of the concept of the small states as an analytical tool and advised abandoning smallness as a focus of research.⁸ There is also a view that the small state is as meaningless a category as the international system, which varies through time.⁹

7. Hedley Bull, "Force in Contemporary International Relations," Survival (London), 10 (9), 1968, p.302.

8. Peter R. Baehr, "Small States: A Tool for Analysis?" World Politics (Princeton), 27 (3), 1975, pp.456-66.

9. Quoted by Maniruzzaman, n.2, p.3.

The definitions of mini state by different scholars can be put broadly into the following categories:¹⁰ Firstly, scholars like David Vital, Barston, Azar, Reid, Rapoport etc. have based their definitions on the quantitative criteria like area, population, Gross National Product (GNP), military expenditure etc. The United Nations (UN) too, adheres to this criteria and defines mini or small states as those falling under one million population limit.

Secondly, the definitions under this category are based on ranking the states on various objective and subjective dimensions such as aggregate quantitative variables, along with the value of interaction received by states from a given set of actors, the self-perception of leaders and general public and perception of actors external to the states. Scholars like Djol and Keohane subscribe to this category and they rank the states in the international power hierarchy.

Thirdly, there are definitions that categorize states on their specific behavioural characteristics in international interactions. East's definition of small state is based on the potential of high risk taking and

10. For details see, Raimo Vayrynen, "On the Definition and Measurement of Small Power Status," Cooperation and Conflict (Oslo), 6, 1971, pp.91-102; Ronald P. Barston, ed., The Other Powers: Studies in the Foreign Policies of Small States, 1973; Baehr, n.8; and Maniruzzaman, n.2. pp.2-14

inflexibility in its foreign policy behaviour. Singer and Small rank the small states according to the number of diplomats received at their capitals.

It is clear that the emphasis varies in each category of definitions. Some of them seem too simplistic while others too complex to have much explanatory power. As a result, each category suffers from some or more weaknesses. This is so, because a definition of mini or small state depends on the objective of the study undertaken.

The objective of the present study is to analyse the problems of security of a mini state. Therefore, capability of a state to withstand pressures, which is key to its security, becomes important. Emphasizing the capability aspect, Rothstein defines small state as,

One which recognizes that it cannot obtain security primarily by the use of its own capability and it must rely fundamentally on the aid of the other states, institutions or processes or development and so, the small powers' belief to rely on its own measures must also be recognized by other states involved in the international politics.¹¹

According to him, the term 'small state' figured in international politics for the first time when the Treaty of Chaumont (March 1814) categorised those powers as small

¹¹RL. Rothstein, Alliance and Small Powers, New York 1968, pp. 23-30.

which were not in a position to provide 60,000 men each for the next twenty years in the event of another French aggression.¹² Taking cue from this, Maniruzzaman defines small states as:

A state with a very low conventional war capability, not only in absolute global comparative terms, but also vis-a-vis the large powers in its region.¹³

This war-making capability as the criterion of categorising states into small and big sounds very much strategic, but actually possesses different aspects of a country's power such as the quality of manpower, the level of economic and technological development and the skillful use of political manoeuvrability. Rothstein's definition concurs with Maniruzzaman's on the point that the small states have very low capability of defence. The analysis of all the definitions in the foregoing pages suggests that the small states lack in all the attributes of power. Obviously, this characterizes their dependency on the bigger and powerful states and indicate their underdevelopment. Because of this, some scholars have attempted to keep the definition somewhat broadbased. Maniz categorises all those states, irrespective of their size and wealth

12. Ibid., pp,12-13.

13. T.Maniruzzaman, n.2, p.5.

as small, which are suffering from the Third World syndrome.¹⁴ Ayooob prefers to call them suffering from the weak state syndrome.¹⁵

Too broad a definition like that of Abdul Hafiz fails to explain the experiences of states like Singapore and Israel, where smallness in terms of physical size or population did not really stand in the way of attaining certain desirable level of development and security. However, the fact is that the Third World countries of small size suffer from the syndromes of underdevelopment like the initial level of nation-building, less shock absorbing capacity, higher degree of dependency for political and economic sustenance, political instability, etc. The reason for spectacular development of the small states like Singapore, South Korea, Israel, etc. can be explained by taking their specific strategic locations and politico-ideological rivalries between the Super Powers into consideration.

It is, however, noteworthy that smallness can be viewed only in general terms. For instance, if one talks

14. M. Abdul Hafiz, "National Security and Small States", BISS Journal (Dhaka), 7 (3), July 1986, p.268.

15. M. Ayooob, "Security in the Third World: The Worm is About to Move", International Affairs (Guildford), vol.60, no.1, Winter 1983/84, p.49.

of deficiencies, various indicators connoting them cannot be absolutely quantified and correlated. At best, they give an idea of the range of smallness. Secondly, smallness is not an absolute, but relative concept. Some states may be viewed as large in the regional framework but small in global terms. Finally, smallness is not static but dynamic. The discovery of an important resource like oil or a better mobilization and augmentation of available resources may change the position of a state (e.g., Japan) in the power hierarchy. However, such status changes occur in exceptional cases. By and large, those having a peripheral position in the power structure continue to belong to the group of small.

Although there is not any fixed or rigid criteria to distinguish mini or micro states from the small states, it is apparent that there is wide variations of physical size, population and geostrategic location among these small states. The socio-economic and political underdevelopment have threatened all these countries in the similar manner. However, the countries like the Maldives, Vanuatu, Kiribiti etc. with population less than one million have far greater problems of their physical security than those having larger population (i.e., Bangladesh, South Korea etc.). Therefore, for the sake of convenience, the criteria of putting the states with

population one-million or less into the category of mini or micro states has been adopted which is similar to that adopted by the international organizations.

Security of the Mini States

Like mini or small state, the term 'security' also means different things to different people. As already explained, the studies on security so far have concentrated mainly on and around the strategic aspects of relations between the Super Powers and their allies. Although the group of the non-aligned countries raised voices for socio-economic security apart from their strategic security, much less attentions were paid in this direction. Also, the world witnessed a long history of encroachment of sovereignty and endangering of security of many mini states in the post-colonial era, for example, Turkish invasion of Cyprus (1974), repeated attempts by South Africa to topple the government of Seychelles and the frontline states of Africa and so on. However, it was not until the Falkland war of 1982 and US intervention of Grenada (1983) that separate study groups under the auspices of the Commonwealth and other Organizations were formed to look into the security problems of the mini-states. As Richard A. Herr puts it,

The high tide of international support for micro states will probably be recorded in the history books as the fateful moments before the United States intervened in Grenada on 25 October 1983. For some their Caribbean episode demonstrated the fragility of insular micro-state security, while for others it revealed the potential for destabilizing international order posed by tiny sovereign entities unable to provide for their own defence.¹⁶

The common definition of security is immunity of a state or nation to threats originating mainly from outside its territorial boundaries. A nation tries to secure its core values from external threats. According to Walter Lippman,

A nation is secure to the extent to which it was not in danger of having to sacrifice core values, if it wishes to avoid war, and is able, if challenged, to maintain them by such victory in such a war.¹⁷

Lippman also states that security rises or falls or defeat it. However, he did not take pain to elaborate what constitutes the core values. Perhaps core values in the context of a nation-state are the values and aspirations that not only identify the nation as is known but also those which guide the course of the nation. Operationally, however, the vagueness of the definition

16. Richard A. Herr, "Micro-state Sovereignty in the South Pacific: Is Small Practical," Contemporary South East-Asia (Singapore), vol.10, no.2, September 1988, p.136.

17. Quoted by Arnold Wolfers, Discord and Collaboration: On International Politics (Baltimore, 1962), p.150.

still remains. Perhaps, in order to remove some of the vagueness Talukder Maniruzzaman narrows the scope by saying,

by security we mean protection and preservation of minimum core values of any nation: political independence and territorial integrity.¹⁸

In view of changing nature of security threats, this becomes a somewhat technical definition bearing only the military dimension. The existence of lethal chemical and thermo-nuclear weapons have made war suicidal. And it is also possible that the mini states' core values can be overwhelmed by the use of conventional weapons. According to M.S. Rajan, both the large and mini states have almost similar security threats except that generally the mini states face non-military threats too.¹⁹ Although the events of Afghanistan, Falkland, Kampuchea, Grenada etc. confirm the existence of the physical threat, the threats of non-military character have also acquired menacing dimensions for the mini states in recent years. These non-military threats include external domination of a country's economy by foreign citizen or corporations, dependence for scientific, technological and economic

18. Maniruzzaman, n.2, p.15.

19. Rajan, n.1, p.18.

development, unrestricted movements of ideas resulting in the erosion and eventual loss of national identity. While the mini states of Europe (and generally of developed world) do not face the problems like poverty, isolation and socio-political fragility, those from the Third World are prone to these threats to their security. In addition to that, the developing mini states, by the very nature of their size and resources, are susceptible to both natural and man-made disasters. Most of the times, these states are threatened from the problems generated out of the process of their developmental activities. This creates a development-dilemma from them.

To analyse Maniruzzaman's definition further, it seems that security in terms of protection of core values has an external directedness. This originates from the systemic concept of security which encompasses not only one ideology, but also a group of states subscribing to that ideology. Then, security of a state follows a deductive logic i.e., the system is comprised by all the states, and the security is indivisible and not a piecemeal approach. So, if the system is secured, all its components are secured. Ideally, it may seem true, but the argument of organism (which stems from this logic) is stretched too far and prescribes sustenance and preservice of two power bloc-system, even at the cost of mortgaging independence of the mini states. In the tug of war between the

groups inside the system, the security of a large number of the mini states have been endangered, because the theatre of conflict over the past three decades has shifted to the Third World.²⁰ Moreover, the internal and peculiar problems of these states which themselves have little to do with the central balance get overlooked.

Therefore, it would be better to look at security in an inductive sequence i.e., security of the components leading to the security of the whole system. This framework is advantageous because it not only looks the state level security in its realistic perspective, but also below the state level security i.e., at the level of the people. It might seem awkward as one may also extend this inductivity to include the security of the component groups within a state opening up a new debate. But it is a fact that in a world of interdependence, a system comprised by enormous wealth on the one hand and starvation-deaths on the other cannot feel secure. Therefore, to secure the state, it is necessary to quell the threats that arise due to underdevelopment. Wiberg has observed that if personal security of the people is enhanced by the national

20. 'By one estimate, out of 64 wars that have taken place since World War II, 61 took place in the Third World areas. Of them 38 were interstate, 18 were internal with significant external input and 7 anti-colonial.' Maniruzzaman, n.2, p.2.

security, it is also vice-versa.²¹ Thus, this approach brings us very close to the types of security problems experienced by the developing mini-states. Realising this, McNamara has commented,

It is increasingly being realised that it is poverty, not the lack of military hardware that is responsible for insecurity across the southern half of the planet.²²

But this does not mean ignoring the need for military preparedness for security. The only thing that deserves to be considered is that the military aspects should be put in the correct perspective. McNamara himself explains:

Security means development. Security is not military hardware, though it may include it, security is not military force, though it may involve it, security is not traditional military activity, though it may encompass it. Security is development and without development, there can be no security.²³

From the above discussion, it is obvious that the security is intertwined with development. A nation must start with security i.e., political independence and territorial integrity, it must develop and preserve that security. Security in this sense has a broad dimension,

21. Hakan Wiborg, "The Security of Small Nations: Challenge and Defence", Journal of Peace Research, (Oslo), vol.24, no.24, 1987, pp.339-63.

22. R.McNamara, The Essence of Security (New York, 1968), p.149.

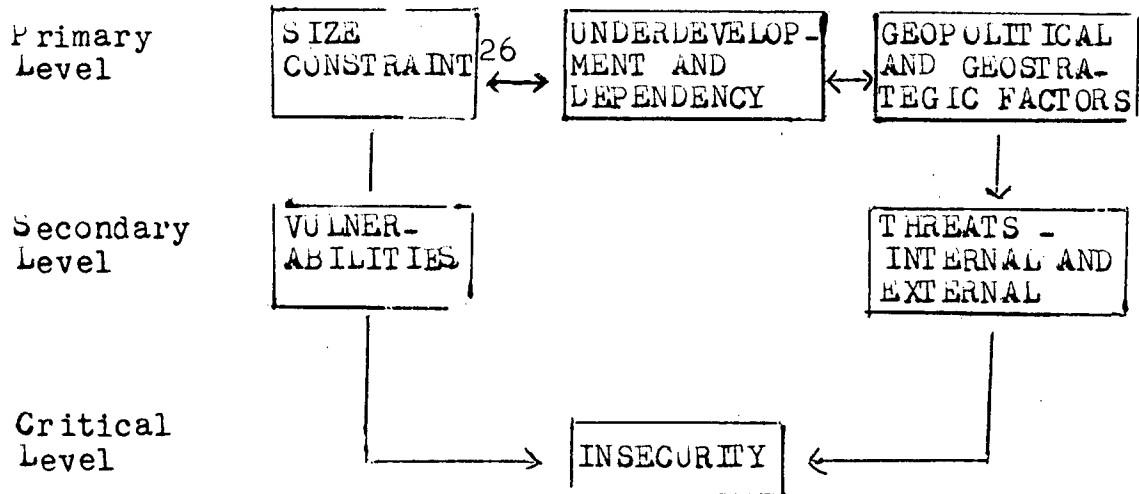
23. Ibid.

it encompasses not only economic development in terms of providing basic needs to hungry masses but also political, social and cultural development while preserving the physical boundaries of the state. One of the great advantages of this broad framework of security is that, to quote Khan and Kabir, "It can minimise the age-old intractable problem of defence-development dilemma as is faced even by the developed and large countries."²⁴

In the light of foregoing discussions, it is clear that the mini states from the Third World feel insecure from external as well as internal threats. However, both kinds of threats are highly interacting and interdependent. To explain this, Khan and Kabir have used the 'interaction model of insecurity' making use of two key terms 'vulnerability' and 'threat' as shown in figure I.²⁵

24. A.R.Khan and M.H.Kabir, "The Security of Small States: A Framework of Analysis," in Hafiz and Khan. eds., Security of Small States (Dhaka, 1987), p.13.

25. Ibid., p.15.

Figure IInteraction Model of Small States Insecurity

The three primary level inputs interact with each other to produce secondary level inputs, i.e., vulnerabilities and threats which in turn, constitute the elements of insecurity of the mini states at the critical level. This model indicates that the mini states suffer from a number of vulnerabilities that in combination with other factors produce threats to their security. While these mini states may share these vulnerabilities with other developing states, the point is if the mini states

26. Size constraints include area & population in relation to resource base, economic structure and production capacity.

are targetted, they are inherently incapable of coping with them and they can hardly absorb the shocks and the threats which may be directed to political independence, economic security, cultural and psychological security, and territorial security or a combination of all of them.

Because of their colonial past, the mini states share some of the common characteristics of the Third World developing countries. These are lower stage of nation-building, underdevelopment and dependency. Cumulative effects of these characteristics make their societies prone to systemic instabilities through violent changes. They also cause perpetuation of underdevelopment and dependency and thereby responsible for the sufferings and misery of the people.²⁷

Threats to Security of Mini States

The mini states may be a littoral, landlocked or island state. But a majority of them are islands (around 40 independent island states). These mini states are vulnerable not because of their small size only, but also specific problems due to this and their comparative isolation. Except the inadequacy and vulnerability of the

27. For details see, Almond and Powell, Comparative Politics: A Developmental Approach, (Boston, 1966), pp.36-39. Samir Amin, Unequal Development: An Essay on the Social Transformation of Peripheral Capitalism, 1976, pp.202-6; and T.Dos Santos, "The Structure of Dependence," in C.K.Wilber, ed., The Political Economy of Development and Underdevelopment (New York, 1970), pp.45-48.

trade routes for the land-locked states, there are some specific problems which generally all the mini states share. These problems need to be discussed precisely in order to have a balanced account of the insecurity of these states.

(i) Problems Due to Limited Economic Resources and Prospects

There is a degree of smallness below which, particularly with modern technology, most forms of economic activities other than subsistence agriculture and cottage industries are simply not viable. The mini island states offer too small a market to justify the establishment of local industries on any significant scale. Any industry needs special protection against international competition. Industrial manufacturing is difficult because the labour, despite being cheap, is largely unskilled. Even agriculture cannot be pursued effectively by modern standards because the scale is too small for the effective use of machinery. Again, mechanisation usually exacerbates rural unemployment.

There are of course some mini states (Bahrain, Oman, Qatar, Brunei) which have an exceptional resource in the form of oil or natural gas and others (Bermuda and Cayman Islands) which enjoy a degree of prosperity by

becoming international financial and tax havens. But even where these assets exist, they are extremely vulnerable to external forces, such as price fluctuations or international recessions over which the state concerned has no control. This also invite penetration of MNCs, which in the course of time, can cause threats to the sovereignty and security of the state.

(ii) Excessive Dependence on One Crop or Other Form of Economic Activity

Due to least variation in soil, climate, geology and other factors, within their territory, the mini states depend on one crop or one type of economic activity. This single agriculture produce is subject to violent fluctuations in world price and world demand quite outside local control. They are also vulnerable to natural disasters like diseases, pests or rats. Many of these mini states have developed as 'plantation-economies' under the colonial yoke and are still subject to the alien decision-making adding to their disadvantages. This problem is complicated to the disadvantage and crippling of the economies of the mini states by their dependency on the external marketing organizations (e.g., United Fruit, United Africa Company etc.) for collection, shipping and distribution of such products as coffee, cocoa, sugar, banana, timber, fish etc.²⁸

28. Diggins, n.3, pp.194-5.

Even where valuable resources (such as oil and gas) exist, they are likely to be ephemeral and irreplenishable when they are exhausted.

(iii) Vulnerability to Domination by
MNCs and Financial Institutions

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In mini-states there is unlikely to be a large number of opportunities for investment or development on a large scale to attract multinationals in which case it is impossible to diversify among several such corporations and to avoid subservience of external monopoly. Therefore, only one or two economic activities such as oil exploration, or tourism development etc. may be equal in importance to all other local business activities combined. The more capital intensive this activity is, the more likely is it to be dependent on the MNC. And thus, the states are subject to all the hazards and pernicious activities caused by the Multinational Corporations (MNCs), such as

- a) over-exploitation of irreplenishable economic (natural) resource,
- b) Economic drain of the mini-state causing misery to the people,
- c) Encroachment in the sovereign domain of the state and political instability,

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d) Mortgaging of the independence of decision-making with the MNCs,

e) The state and the people becoming a big human laboratory for experimentation etc.²⁹

(iv) Restricted Educational Opportunities and Training Facilities

Despite the fact of high literacy rate existing in many of the mini states, lack of resources and capacity to sustain their own educational and technical institutions as well as training facilities compels few talented students who are rich to go abroad. Relatively very few of them return to settle in their own land. Amongst those who return, a majority suffers from egocentricity which results in their lack of vision in putting problems and policies of the state in proper perspective. This hinders the absorption or introduction of new ideas in the administration and economic development. The prevalent parochialism breeds a kind of defensive and conservative resistance to change.

(v) Unaffordability of Providing Overseas Representations

Lack of resources and shortage of knowledgeable and trained diplomats cause mini-states to limit their overseas

29. For the crimes of the MNCs, see E. Nukhovich, "TNCs Crimes in Developing Countries," in Development and Socio-Economic Progress (Cairo), 1, 1986, pp.37-44.

representation to the possible minimum. They cannot afford to bear very high cost of running a full-fledged Ministry of External Affairs in their own country.

Therefore, they operate their foreign policy with the help of some friendly country's missions abroad and have one or two representatives at the UN and in the most friendly country.

This amounts to a particular type of vulnerability. Because of lack of representation abroad, they remain ignorant for a long time about the happenings that might affect their national interest, and are unable to form a policy towards them. For maintaining even the symbolic paraphernalia of administration, the mini states require to have a certain optimum trained personnel. They have to get their personnel trained abroad at very high cost. The trainees are subject to deliberate indoctrination, prejudices and values of the trainer country. Moreover, the trainees are provided too much of over-sophisticated knowledge about international law and protocol, which have very little use in the mundane diplomatic practices. Diplomats with this lacunae are very unlikely to feedback their governments useful assessment of events in the countries they serve. Even if they collect some useful materials despite the bottlenecks of funds and resources,

it becomes useless as the foreign office lacks the trained staff and resources to reach a conclusion after careful analysis.

Joint representation, though theoretically seems useful, has proved in most of the cases impractical and ineffective. Reasons may be the geographical isolation of these states, consequently lack of any real interest and internal quarrels for dominance among the countries of joint representation in the common area of interest. The result of all this is, as Diggines put it:

Small states and their governments are likely to be ill-informed about the rest of the world, and that their legitimate claims to independence of action are rarely communicated to or understood by other governments.³⁰

(vi) Problem of Intelligence and Information

Under the non-crisis situation but still well within the domain of security, there is a large area of information and intelligence which will again be hard for the mini states to manage. This is perhaps not much vital for military intelligence, but most vital for regime security.

(vii) Vulnerability to Political Domination
by one or a Few Unscrupulous Individual

Although this lacunae is not confined to mini states, experience has shown them to be particularly vulnerable to

30. Diggines, n.3, p.201.

it. The Gairy regime in Grenada was a classic example.³¹ The tendency to parochialism and ignorance in political affairs prevalent in these tiny states easily plays into the hands of a would be petty dictator, particularly because of the absence of programme and issue-based politics and presence of personality based politics. He may command big-business of the country, and because of that can have a decisive say in the matters of trade, appointment, administration, media and various policy-decisions of the government. When he acquires reins of political power, vested interests might compel him to suppress any voice of opposition and perpetuate personal rule. Various types of corrupt practices creep in the system which may endanger the country. Also, domination by any foreign agency is easier in this case than in the case of a democratic form of polity.

(viii) Vulnerability to Natural and Man-Made Disasters

Natural disasters like earthquake, hurricane, drought, volcanic eruptions or disease are common to most countries, but they affect mini states devastatingly. This is partly because they are affected with their whole

31. For details see Sheila Harden, Small is Dangerous (London, 1985), pp.11-13.

population and territory, and partly because they do not have enough emergency resources to cope with these disasters. Because of their isolation (in case of islands), the help from a friendly country reaches after much of the damage. These mini states are also vulnerable to man-made disasters like the sea-level rise due to environmental pollution and ecological imbalance, diseases due to nuclear waste in the sea-water etc.

Territorial Threats

Territorial threats to security are mainly the outcome of colonial legacies and historical forces. In most of the cases, decolonization was accompanied by artificial demarcation of boundaries leaving scope for claims and counter claims between the neighbours. This kind of disputes have been generally resolved if the disputed territory does not have some geopolitical or strategic importance and either of the contending parties is a big state with significant military force. They may take the shape of direct invasion and punitive actions including occupation of territory. In such types of dispute, the great or Super Powers generally take the side of one or the other, and fuel the war by giving sophisticated arms. It serves three purposes of the Super Powers: firstly, it gives them opportunity to perpetuate their neo-colonial

exploitation in these countries (by aids in terms of arms supply and thereby keeping their arms-factories in business), secondly, it gives them an easily available testing ground of new weapons in the area outside their territory, and thirdly, the ideological and strategic support of the favoured country (while voting in the UN, or providing strategic bases in their territory).³²

But most of the mini states, due to size-constraint, have no or negligible military forces. In fact, the so-called military forces (very small in number) work for policing inside the country also. Even if the mini states have some military forces, they cannot possibly afford to equip them with modern weapons or communications without which they are almost completely ineffective. This makes them practically defenceless against any military aggression by any of the powers. In fact, there has been many cases in which a handful of disgruntled elements with the help of hired mercenaries have tried to attack and occupy the political power (rather state power) of the country. In addition, the overseas based national dissidents or internally guerilla or secessionist groups, after getting

32. For details see, Mohammed Ayoob, n.15, pp.41-51.

external assistance create formidable problem (of secession) for territorial integrity and political unity (examples may be Chad, Eritrea, Sri Lanka, Thailand, Burma). In fragmented societies (of mini states), instances may be found where secessionist or separatist groups have become linked with transnational violence. More often, transnational violence, in the form of sabotage, assassination, taking of hostages and hijacking or destruction of aircraft and ships have intensified and been facilitated by relative ease of modern transport.³³

Other threats to territorial security include refugee movements (e.g., from Mozambique to Zimbabwe or Kampuchea to Thailand) and externally controlled illicit operations e.g., smuggling, drug-traffic, arms deal and piracy. Scattered island states in this respect face recurrent difficulties which tend to be magnified and exacerbated if the state is an offshore transit centre close to a major power (e.g., Bahamas and Hongkong). The mini island states' defencelessness is manifest in the area of the protection of the territorial waters and the 200 miles of exclusive economic zones. Richard Herr, after citing several examples of inabilities of the South Pacific island states, when their exclusive economic zone

33. R.P. Barston in Hafiz and Khan, eds., n.24, p.232.
Barston cites the example of Archille Lauro Affairs.

were illegally violated for the exploitation of the tuna-fish by the merchant boats of the bigger countries, perceives the problem of security in terms of the capability to exercise the sovereign rights.³⁴

In the light of the aforesaid framework this dissertation plans to study the problems of security of the Maldives, a mini island state, in the Indian ocean coming out of the colonial yoke in 1965 and after evaluating the existing mechanism for the security of the mini-states in context of the Maldives, to look forward for some new measures to be applied.

The next chapter thus begin with an overview of the Maldives' socio-political dimensions of human as well as natural resources and deals with the economic problems and vulnerabilities related with her developmental efforts. The second part of the chapter examines the problems due to external setting and geostrategic location of ^{the} Maldives. The third part seeks to highlight specific problem of coup attempts by the mercenaries.

34. Richard A. Herr, n.16, pp.182-96.

Chapter II

SECURITY PROBLEMS OF THE MALDIVES

"Jewel of an island, Kurumba, is surrounded by beautiful coral gardens. At Kurumba everyday is an adventure and every night a romance. Under a caressing tropical sun and intoxicating moonlight Kurumba awaits you." So says the advertisement for one of the 55 tourist resort islands in the Maldives.¹ This dreamland or tropical island paradise in the Arabian sea is surviving with several threats to its security, which will be discussed in the present chapter.

Located in the central Indian ocean, the island Republic of Maldives, is an archipelago of about 1192 tiny coral islands stretching nearly 500 miles in length and 80 miles in width from 7° north, just below the island of Minicoy in the Indian territory of Lakshdweep to 1° south of the equator. Situated about 450 miles south-west of Sri Lanka, the northern tip of Maldives is about 300 miles south-west of Cape Comorin of India and the southern most island of 'GAN' is approximately 240 miles off Diego Garcia in the Chagos archipelago, giving it a strategic significance in the ongoing politics of the Indian Ocean. Such a physical remoteness explains its historical insularity to a considerable extent.

1. Gunnar Haaland, "Centralised Political System and the Evolution of Socio-Economic Dualism in the Maldives", Journal of Social Studies (Dhaka), 38, October 1987, p.126.

The island state accommodates a population of 1,80,000 in an extremely small land area of 115 square miles, while the total area (land and the sea) comes about 41,000 sq.miles. Therefore, the criteria of area, population and the geographical isolation with other factors like low level of economic development make ~~the~~ Maldives a 'mini state'. In order to know the problems of security that the island has been facing or that it may face in future, studies should cover not only the external dimensions but also the internal dimensions of the Republic of Maldives.

Internal Dimensions of Security

This aspect deals with the problems of size, population distribution, social and administrative structure, cultural values, economic patterns and developmental imperatives of the society.

Out of 1192 islands, only about 202 are inhabited. The inhabited islands are mostly those which have settlements from ancient times. Though the Maldives islands are grouped in 26 natural atolls, for purposes of administrative convenience, they are demarcated into 19 administrative divisions with Male forming a separate unit. Each division has a jurisdiction over a number of inhabited and uninhabited islands. Most of the islands are less than a mile

long and the longest one (Gamau in Lamu atoll) is 4.5 mile long. The uninhabited islands are covered with coconut trees. Interestingly, the tourist islands (which were developed in the 1970s) also fall into the official category of uninhabited islands presumably because the Maldivian staff on them belong permanently to one of the inhabited islands, and no civilians except the staff are allowed there.²

The total population of the Maldives is about 0.18 million. The pattern of population dispersal is significant: 135 out of 202 islands have less than 500 inhabitants. The sparsely populated character of more than half of the islands brings in its wake a host of problems in the development of an all-country infrastructural network. Added to this is the high population density of the capital Male. With a population of 46,000 on a maximum area of about 2 sq.kms., Male is one of the most densely populated capitals in the world.³ About 60 per cent of its population comprises of permanent residents while the rest are migrants from other atolls.

2. For details, see Urmila Phadnis and Luithui, eds., Maldives: Winds of Change in an Atoll State (New Delhi, 1985), pp.5-7.

3. Ibid., p.55.

Social and Cultural Aspects

Early history of the island people is shrouded in obscurity, yet scholars like H.C.P. Bell, and Malony Clarence believe that the aborigines of Dravidian descent were the original inhabitants from 5-4th century B.C. Trade relations with Arabs, Negroids and Asians (particularly Indian and Sri Lankan) have had their imprint on the Maldivian society. Of these, Arab and Persian influence appears to be most important as is evident from the religion, language and culture of the Maldivians.

The Islamization of the country started in the 12th century A.D. and the hitherto Buddhist King converted into a Muslim. Islam, developed under the Royal patronage, has a distinct and original brand here. Even today Islam is the state religion, but it is far off most of the dogmas. Virtually all Maldivians belong to the Shafi school of Sunnis. Citizenship is confined to Muslims but others too are given permanent residence, permitted to live and work there. Strict adherence to the basic Islamic tenets and prohibitory practices has endowed Maldivians with a strong cultural national distinctiveness and identity. In the process a strong tradition of Koranic scholarship has prevailed at all levels.

Capital punishment for crimes has not been the practice of the Maldivians. They are basically peace-loving people and no murder case except one (and that too, by a foreigner) had been recorded up to 1981. The worst punishment for the offenders has been banishment or exile to an uninhabited island. Despite strong Islamic strain, women participate in all social activities and hold important positions. As with religion, the Maldivians have evolved their own language called Divehi (having elements of Elu, Arabic, Persian and Hindi). It is also the official language of the state.⁴ Spoken Divehi has, however, many regional variations, but this does not create problems of communication.

Politico-Administrative Framework

As noted earlier, ^{the} Maldives has been divided into 19 administrative divisions with Male forming a separate unit. The administrative framework is pyramidal in structure. Inhabited islands form the lowest administrative unit, with the atolls comprising the intermediate ones, and the central government being at apex.

The Island-chief (Khatib) with the religious functionary (Mudims) is responsible for the island

4. For details see *ibid.* Clarence Maloner, People of the Maldivian Islands (Madras, 1980), pp.38-72; Gunnar Haaland, n.1, pp.146-50; and Umashankar Phadnis, "Maldives: The Land of Wonders and Woes," Hindustan Times (New Delhi), 4 May 1981.

administration. The officials of the island are appointed by the Ministry of Provincial Affairs and the head of the atoll by the President. Alongside the island officials, the atoll chief is responsible for the business and management - civil and judicial - of local administration. He keeps in touch with Male through couriers and wireless.

At the centre, there are a number of departments directly under the control of the President, and Ministries under various Ministers all of whom are responsible to the President.⁵ The basis of administrative-political governance is Shariat laws and statutes.

The structure of administration and politics in the Maldives shows a continuity with the organisational framework over several centuries when there existed Sultanate. However, today the polity being much advanced towards democratic norms is characterized by greater interaction and coordination amongst the various tiers and increasing induction of elective elements.

The Maldives remained a Sultanate uninterruptedly for 336 years since the beginning of its recorded history (1153 A.D.) with an unbroken line of Sultans (both male

5. For details of Island administration and governmental structure see Phadnis and Luithui, n.3, pp.8-9.

and female) up to 1953 when a short-lived Republic came into existence. It reverted to Sultanate rule in 1954 and remained so till 1968 from which date it named itself the Republic of Maldives under an elected President. However, as early as 1932, under the first written constitution of the Maldives, the hereditary Sultanate had been made elective. A unicameral legislature elected on the basis of universal adult franchise also came into being. This happened while ^{the} Maldives was still a British protectorate - a status which it had acquired in 1887 under an agreement with the British colonial representative stationed at Colombo. The Maldives acquired political independence in 1965 from the British.

It is noteworthy that no colonial power directly ruled the Maldives except the Portuguese who managed to gain control over it in 1558 till 1573 when they were driven out, and the Malabaris of the South Indian coast who seized the throne at Male in 1572, but were displaced four months later.

The defencelessness of the tiny country against the Malabari pirates' (called Mappillas) punitive expeditions on the Maldives, compelled the Maldives to seek Dutch protectorate for sometime at enormous cost, which proved worthless. Again, the economic might of the Borah

merchants (Muslim merchants from Bombay and Gujarat) and the constant threat of political instability in the Maldives due to their intervention necessitated a call for British intervention. In 1887, through a formal treaty the Maldives became a British protectorate.⁶ The British did not enter physically into the country till the Second World War when they established a staging post on Gan island in the southernmost Addu Atoll. Except such localised presence, the British generally followed the policy of non-interference in the internal affairs. However, they had to interfere when the question of appropriate form of government or the question of succession arose. Thus, with the approval of the British, a few educated people of the Maldives enacted the constitution of 1932 which provided for elected People's Assembly, Legislative Council and Council of Ministers.

In 1953, a republican constitution was promulgated and Amin Didi became the first President. However, his socio-economic measures were perceived as too radical and Didi lost power in less than a year and the Maldives returned to a Sultanateship in 1954. Ten years later, with a change in the structure, the government was designed as a 'Constitutional Sultanate' with Sultan as

6. Ibid., pp.18-19.

only titular head. However, it did not satisfy the people's aspirations and following a referendum, a Republic was proclaimed for the second time in 1968. Ibrahim Nasir took over as an elected President. He continued to be the prime architect of the Maldivian polity till 1978 when he retired from active politics. Maumoon Abdul Gayoom, who was earlier Foreign Minister and the Minister of Transport, was elected his successor in November 1978.⁷

Gayoom initiated a work on a new form of constitutional framework with the help of legal experts and jurists soon after coming into the power, and in fact a special *Majlis* was formed to consider the proposal. However, till now the new framework has not come to be approved and as a result, the 1968 constitution with some reforms has been in practice.

Under the present constitution, the President is at the apex of power structure. He is initially nominated by the national legislature and subsequently elected by a referendum for five years. The President has overarching executive, legislative and judicial powers though technically he operates with the aid and advice of a *Majlis* of

7. For details of political succession and constitutional development, see V.H.Coelho, "Constitutional and Political Development in the Maldives," Foreign Affairs Report, (New Delhi), vol.XXVIII, no.8, August 1979.

Ministers or cabinet. All the members of the cabinet need not be members of the national legislature or citizen's Majlis.

The Citizens' Majlis has a five year tenure and comprises 48 members. Eight of them are the President's nominees while the rest are elected - two from each atoll and two from Male. There are no political parties in the country. Politics thus remains highly individualised and faction-ridden.

Though in theory the Majlis is the supreme law making body, in effect it has been mainly an adjunct of the executive partly because of the President's wide ranging powers and partly because of diffusion of the executive and legislative functions of government. Thus, the members of the Majlis are allowed to hold government positions unlike in other South Asian states where legislators are not allowed to hold government position (except as Members of the Cabinet). With a large number of legislators being busy in administrative work, decision-making, initiation and implementation gets intertwined to a greater extent than it does in other states of the region.

Because of the narrow education base (particularly higher education which requires studies abroad) among the people, the decision-makers are fairly young (30-50 age

group), and form an elite group too, which largely comes from one family and relatives. This might create a tendency of family rule by ousting the people outside the family. However, the Maldives, because running short of trained manpower, accommodates even the able bitter critics of government ^{but} in the responsible jobs.⁸

Nevertheless, the political system of the Maldives remains highly centralised from the Sultanate period to the present period of the Republic. As Haaland observes:

During the time of the Sultanate the administrative instruments of control were developed into strong centralised system, with the Sultan as the pivot in both the political and economic sphere. His position was sanctioned by Islamic law and supported by the religious organization under the Chief Quadi. The constitutional changes which took place in the twentieth century served to maintain a strong central power although they at least stipulated a written responsibility to the people. The constitution which was promulgated after the final abolition of the Sultanate in 1968 provides the institutional framework for the existing governmental structure.⁹

Before analysing the consequences (both existing and possible) of this type of centralised structure of administration on the socio-economic dimensions of the

8. In fact, Gunnar Haaland indicates a close family network occupying key position in 1985-Cabinet of Gayoom (which still exists now). By occupying major political and economic positions in the country, there is greater possibility of use of office for personal paradise.

9. Haaland, n.1, p.147.

Maldives, it will be pertinent to look at the economic sphere of the tiny island state.

Economic Vulnerabilities and the Problems Related with Development

The traditional mainstay of the Maldivian people has been fishing and other sea-related activities apart from a meagre amount of agriculture on the islands. However, since 1972 tourism has been recognised as a major industry and efforts to improve infrastructure for tourism have been given prime impetus. Shipping has also been recognized as a major industry. Therefore, in terms of economic activities, which concentrate mainly on the primary products, the Maldives can be said a truly underdeveloped/developing country.

Percy Selwyn recognises five major areas where the mini states are dependent: (i) political status (ii) monetary policy, (iii) trade, (iv) aid, and (v) the operation of the Multinational Corporations. He has further shown the following features of the mini states from economic point of view:

- i) Small poor states cannot afford equally protective tariff structure and may indeed have few industries to protect;

- ii) Small states are not self contained in terms of factors of production;
- iii) Small states are generally more specialized in single commodity production than large ones and their internal economies are very weakly integrated;
- iv) The smaller a country, the narrower is its market.¹⁰

All is, to a great extent, true about the Maldives. The country has a very small resource base and one product on which it has been specializing is the 'tuna-fish'. The other economic activities on small scale may include cowry-collection, special crafts like net-weaving, coir-work, lacquer work, making of fish-hooks, boat-building, rope-making etc. The government has control over all the major economic activities of the island state.

Planned economic development of the country is a relatively late phenomenon and most of the infrastructure for this is hardly a few year old. Information on potential natural resources was inadequate and efforts to build up statistical data began in the late 1970s. Even now, yearly data on major developments are difficult to find (perhaps due to lack of manpower and resources) and

10. Atiur Rahman, and Jaglul Haidar, "Underdevelopment, Dependence and Instability in the Small States: What is the way Out?", in Hafiz and Khan eds., Security of Small States (Dhaka, 1987), pp.61-78.

in some areas, the United Nations study groups find a blank. Since the takeover by Gayoom government, the thrust is on the expansion of various sectors through introduction of new technologies for immediate results and also develop the basic infrastructures.

The Maldives has recorded a fairly good rate of growth over the years in comparison to the other south Asian countries. During the five year period from 1980 to 1984 the Gross Domestic Product (GDP) increased by 43 per cent in real terms, while per capita GDP rose by 26 per cent (refer Table 1, Appendix I). Per capita GDP of US \$ 536.50 is fairly higher than the other South Asian countries such as Bangladesh (US \$130), Nepal (\$160), India (\$260), Sri Lanka (\$330), Pakistan (\$ 390). However, some caution has to be exercised in interpreting the statistics for ^{the} Maldives in that there is a sizeable outflow of funds from the Republic as income of expatriates working there. This would result in a divergence between the GDP and the GNP.¹¹

Table 2, Appendix I provides the data on sectoral contribution to the GDP and Table-3, Appendix I, the distribution of labour force over the years 1980-90. The

11. E.T.Foneska, "Maldivian Economy Today" and Prospects for Trade Expansion," South Asia Journal, (New Delhi), 2 (2), 1988, p. 108.

highest contribution to the GDP for 1984 (excluding government sector) has come ^{from} fisheries (16.8 per cent), tourism (13.8 per cent), agriculture (13 per cent) and distribution (10 per cent). The primary sector contributed in 1984 about 33 per cent to the GDP, while the secondary sector contributes about 12 per cent. The tertiary sector inclusive of government's contribution accounts for the rest.¹²

The daily per capita protein and calories supply is less than what is required (Table 1, Appendix II). Other social indicators are also not impressive (Tables 2 and 3, Appendix II). Although the functional literacy of Maldives is 95 per cent, two-thirds of its population has not gone beyond pre-primary formal level education. Less than half a per cent has received secondary education. About 140 Maldivians have university education and there is only one Maldivian with a Ph.D.¹³ As such one of its major constraints has been non-availability of skilled/semi-skilled personnel in various sectors.

The annual rate of growth of population has come down from 3.2 in 1984 to 2.8 in 1986. However, the density of the population (609 per sq.kms.), the birth rate

12. Ibid.

13. Urmila Phadnis, "Maldives: Challenges," Hindustan Times, 28 February 1990.

(46.4) and the death rate (9.3) according to 1985 estimates show the underdeveloped character of the economy.¹⁴

The Maldives has been accorded a place among the poorest of Island developing countries and among the 20 poorest countries of the world. The United Nations General Assembly declares it to be in need of special assistance in 1974 and the UNDP put it under the category of most seriously affected countries for it fulfilled all the five basic criteria, (i) subsistence agriculture, (ii) pervasive weakness of administration, (iii) an acute shortage of trained manpower at all levels, (iv) inadequate inter-atoll and intra-atoll transport and communication and (v) a narrow industrial base. To these parameters could be added (vi) a high population growth rate, (vii) poor health and sanitary conditions, and (viii) a traditionally unfavourable balance of trade.¹⁵ Annual average growth rate of exports and imports can be seen in Table 2, Appendix III.

Foreign trade plays very significant role in the Maldivian economy. For export earnings the country depends on a narrow range of goods and services, viz., fish, garments and tourism. In the sphere of imports, the country has to purchase most of its requirements such as essential

14. Statistical Year book for Asia and Pacific, 1986-87, p.280.

15. Phadnis and Luithui, n.2, p.54.

consumer items (which amount approximately half of the import bills), cement and petroleum products and capital goods from outside. Foneska observes this trend to continue into the foreseeable future. He also proves with the help of empirical data that the country's economic fortunes tended to be greatly influenced by external price variation.¹⁶ In order to improve the functioning of the economy, an impetus had been given on the agriculture, fishing, shipping, tourism, and atoll development in a planned manner. For these projects the country depends on external aid - both multilateral and bilateral. Table 3, Appendix III gives an idea of total multilateral and bilateral aids provided to the Maldives over the years largely financed by the Organization of Petroleum Exporting Countries (OPEC) and the Development Assistance Committee (DAC) of 18 members. An idea of the severity of debt burden can be had from the fact that major part of the GNP, which should have gone for developmental projects, is spent on debt-servicing. For example, in 1984, 55.37 per cent of the GNP was spent on it (Table 4, Appendix III).

However, structural constraints of the economy determined by its size and locational factors have created various problems. These problems are not only development

16. E.T.Foneska, n.11, p.108.

induced, but also due to the centralised political system.

Agriculture accounts approximately ^{one-} tenth of the GDP and employs about 7.5 per cent of the labour force, main crops are coconut, millets, breadfruit and minor gardening crops. Only recently cash crops like water melon, chillies and bananas came to be cropped by individual farmers. These too are for self-consumption. Foodstuffs like rice are imported. Poor soil quality, small holdings, inter-island variations of crops and other factors are responsible for making unsuccessful any large scale application of mechanised farming and irrigation.

As early as in 1974, the Food and Agriculture Organization (FAO) highlighted the possibility in agricultural sector. It asserted that "seventy five per cent of food requirements of the Maldives could be met from a single crop of maize in the north and sweet potatoe in the south cultivated over only half the area of 3,000 acres of non-swamp cultivable land. It also spoke of the possibilities of growing certain kinds of cereals, pulses, crops, cash ~~crop~~s like groundnuts, sesame, tobacco etc. on large scale. Oater studies by the World Bank and others have, however, made more moderate assessment of prospects in this sector.¹⁷ The National Planning Agency

17. Phadnis and Luithui, n.2, pp.56-57.

has formulated a plan for improving agriculture on the above said lines. The success of all these programmes may be scaled down if necessary changes in land-tiller relations are not brought about. Presently the government is the sole owner of the land (except in Male where private ownership is traditionally allowed). It collects revenue through lease and levies on produce. A citizen can produce anything anywhere with the permission of the island office. He keeps the produce for himself except in the case of trees planted on public land. In the given circumstances of insecurity of tenure, he has neither capital nor the interest to invest in the land.

Traditionally, fishing has been the bedrock of the economy, contributing 16.81 per cent to the GDP and employing about 30 per cent of the labour force. It is also the major export item and one of the major staple food. A picture of pattern of catch and utilisation of fish is revealed from Table 5, Appendix III.

The Maldives is known for its Maldives-fish (called Tuna-fish which is cut into fillets boiled in salt water sun-dried and smoked for a couple of weeks). The political leadership of the country was compelled to invite Sorah traders to handle fish-trade in the middle of the 19th century due to low level of resources for its export.

The Borah traders, who were known for their monopoly over rice-fish trade for centuries, also influenced country's politics through threats. However, they were ousted in the 1960s from the trade and the government took over it. Sri Lanka was the main outlet for the export of Tuna-fish until 1972 when its foreign exchange crisis forced it to reduce import of Maldive-fish. The government invited the Japanese and the Thai companies to handle fresh fish and the export with their modern techniques. Efforts were made for mechanisation of the fishing by introducing motorised boats.

The change in fish export, however, led to some undesirable consequences on the islands by reducing employment of women (who played main role in processing Maldive-fish) and decreasing the consumption of the Vitamin A rich rihakuru.¹⁸ During early years of 1980s a widespread malnutrition problem was noticed in the Maldives. The poor fishermen sell all the fish and do not bring any for them for the sake of money. The problem is further complicated by the local's refusal to eat any fish except tuna, bonito and skipjack. Malnutrition for long time can be disastrous particularly for countries like the Maldives which does not have a single

18. Haaland, n.1, p.141. Rihakuru is a boiled solution of fish, forming an important ingredient of people's food.

resident physician outside capital Male. The 19 atolls had some health workers with rudimentary knowledge and medicine.

The fresh fish is mainly exported to Japan, Sri Lanka and the USA. However, the export-earning from fish depends on the rise or slump of global demand and in face of a slump, the economy suffers not only loss of revenue but also unemployment and underemployment. For example, 1982 slump in demand compelled the Male Government to accept the unprecedented excessive demands of the Japanese and Thai companies (which intended to quit) for less payment to the labourers.¹⁹

However, even now fisheries are not being exploited to the full potential. In the sea surrounding the Maldives sea-materials like octopus, sea-cucumber, cuttle fish, oyster etc. potential foreign exchange earners are lying and waiting to be exploited.

The Maldives put its steps into the shipping in 1948 by forming a small concern called the Maldivian National Trading Corporation (Ceylon) Limited. It used to transport consumer goods to the Maldives with the help of chartered Ceylonese ship. This small concern was converted into Maldives Shipping Limited (MSL) operating from Singapore and transporting goods from one country to the other without

19. Asia Year Book, (Hongkong, 1983), p.204.

even touching Maldivian shore, in the late sixties and seventies. In 1977, the head office of the MSL was shifted to Male and presently it is one of the major foreign exchange earning business under the government, owning about 50 vessels (which was only 29 in 1982). This profitable company is subject to the competitive world market, and many a times external environment and the freight policy decided by international agencies prove disadvantageous. For example, when Gulf war started, freight charged by the MSL vessels in both Iran and Iraq declined sharply. The MSL also lost a ship in the hazardous war zone.

The UNCTAD resolution on third-country lifting the so called 40: 40: 20 formula - restricting third country carriers to 20 per cent of the national cargoes, hit deeper into MSL's South Asian operations from Colombo. The fleet was trimmed down from 41 ships in 1981 to 27 in 1983, retrenchment of seamen resulted and the average freight rate declined from a comfortable US \$46.90 a freight ton in 1980 to US \$28.90 in 1983.²⁰

The most spectacular development has taken place in the field of tourism. Modestly beginning in 1972 with the establishment of the quasi-government owned Crescent

20. Asia Year Book, 1985, p.199.

Tourist Agency and two resorts, it has expanded to 54 in 1985. In the direction to develop infrastructural facilities one international airport at Hulule island near Male and one domestic airport (which can be used for international flights also) near Addu atoll were made and are under operation, while two more are under construction. The number of tourists have shown a phenomenal increase from 1,000 in 1972 to 1,31,000 in 1987. In fact, tourism has shown a spectacular growth rate from 87.4 million Rufiyaa in 1985 to 107.1 million Rufiyaa in 1987. The contribution of the tourist industry to GDP increased from less than 1 per cent in 1972 to more than 15 per cent in 1985.²¹

A peculiar feature with the tourism development in the Maldives is that the resorts are located in uninhabited islands and that the contact with the population on the inhabited islands is kept at a minimum. Virtually everything consumed (except fish) on the resorts is imported (while sale and consumption of alcohol is prohibited for Maldivians, it is allowed on the resorts and to foreigners in a few hotels in Male). The resorts do, however, have some effect on the island economy because a small, but increasing number of people find employment there (in 1985

21. Asia Year Book, 1988, p.187.

about 4,000 i.e. about 8 per cent of the employed labour force). Still it is mainly the small Male based elite who benefit from these new linkages, either as entrepreneurs or as government employees or as a combination of both. Therefore, this may widen gap between the Male elite and the common islanders.

Tourist boom has been causing concern to the environmentalists too. Maldives has a delicate and sensitive eco-system, which has been kept intact by the simple life-style of the Maldivians for years. However, in recent years the plastic bags and tin cans have come with tourism and sophistications are creating problems. It may endanger the natural benefits from the sea to the Maldivians.

Therefore, tourism development may not only bring prosperity but social-tension and environmental concern also.

There arose a great disparity between the facilities provided to Male and other tourist atolls. The non-tourist-atolls - were left without electricity, communication and practically most of the available services. This needed to be offset and so a programme for atoll development was launched. In this direction special attention has been paid to reduce regional imbalances. Thus, training centres, community health centres, schools etc. were opened in distant islands. For the development of southern atolls,

Addu Development Authority was created, and 'Gan' island has been connected by air from Male. A garment factory was set up in Gan and a regional office of State Trading Corporation has been opened.

However, with a large number of islands having less than 1,000 inhabitants, the adjustment of small island economies even in medium term planning is fraught with various problems. More often than not it raises the cost while reducing efficiency due to extremely limited manpower. Even so, the idea of wholesale migration of the people- which is often resorted to rectify such imbalances - does not seem expedient in the case of the Maldives. Apart from the social and psychological costs of such displacement it does not provide a long term solution because of the high rate of population growth and increasing labour force.

With population growth between 2.5 per cent and 3 per cent on a surface area of 296 sq. km. it will take less than 20 years before there will be 1,000 inhabitants per sq. km. Even today, due to congestion and inadequate sanitary facilities, the capital Male and other islands suffer from epidemics (for example Chigalla disease in 1982, Cholera in 1978 etc.). This type of diseases prove fatal to the human resources, because in some cases small islands become lifeless. This has a bad impact on the economy too, for the tourist industry suffers a lot. Although a programme for land reclamation

from the sea had been launched and was to some extent successful, it has its limitation, and it cannot be applied to accommodate the immigrants from the Southern atolls.

Sometimes natural disasters cause greater insecurity to the survival of the island state. Tornados, which affected the Maldives many times in recent years, cause massive damage to life and property. In 1978, the rats destroyed 50 per cent of the coconuts of the country. Plant diseases are common to the island crops.

It is noteworthy that most of the islands of the Maldives have a maximum height of 1.6 metre above sea level. It may be speculated that due to green house effect, if the water-level rises continuously, there may come a moment after a century or so when the Maldives will be swallowed by the blue waves of the ocean. In fact, a slow rate of rise in the sea-level has been experienced. Therefore, an innocent island-nation feels threatened to its existence from the man-made disaster (such as environmental degradation and reckless use of fossil fuels producing more Carbondioxide, thus causing a rise in the environmental temperature).

Apart from the social tension caused by the socio-economic dualism,²² the Maldives also suffers due to external pressure on the economy, especially in debt-servicing.

22. For details, see Haaland, n.1, pp.126-57.

International Dimensions of Security

It is true that threats to security cannot be divided into water-tight compartments of domestic and international because both are interlinked and influence each other. However, for the sake of convenience generally threats to security are analysed as internal and external. External security means unviolability of the territorial boundaries and exercise of sovereign rights over it. Located in the mid-Indian ocean, the Maldives with no defence forces (except some 400-600 guards) fortunately has no territorial disputes with any neighbouring country.²³ However, the security of its territorial waters and the area covered by Exclusive Economic Zone (i.e. 90,000 sq.km. of ocean) from the violation by Stealth merchant ships has been a problem for the Maldives. The country faced the distress of foreign trawlers poaching on Maldivian waters and of plundering by pirates. In fact in mid 1986, the Maldivian authorities arrested a Taiwanese trawler fishing illegally in Maldivian waters. A fine of US \$ 1.25 million, later reduced to US \$ 1 million on the appeal of the owners, was imposed. As the fine was not paid

23. Due to instigation of the Pakistani Press, in 1982, a controversy arose about the 'Minicoy Island's status, after a controversial speech by a Maldivian leader. However, it was resolved peacefully by the official statement which clarified that the intention was not to lay claim on the Minicoy island.

within the specified period of 21 days the vessel was confiscated. This is one instance when a defaulter was caught and punished. But in the past there were several instances when the culprit escaped scot-free. The danger has not gone. In fact, some developed countries' laws can prove harmful. For example, the US does not recognise coastal state's jurisdiction over tuna fish. She regards tuna as a highly migratory species of fish and as such, US fishermen are entitled under the US law to chase these fish through other countries' EEZs. If mini states intercept these vessels (on three occasions in recent times in the South Pacific this happened), the US under the Magnuson Act automatically applies a trade embargo against the mini state.²⁴ It can cause a great disadvantage to the country's narrow economic base. Here, it is apt to quote the statement of President Gayoom in the Harare Summit of the Non-alignment Movement:

Being the only viable natural wealth in our country, we are taking maximum possible measures to protect our fishery resources and protect this key industry. The Maldives, therefore, is understandably distressed, in the same manner as many small nations, over the continued poaching in our fishing grounds by unauthorised parties.²⁵

There are two very important issues in the security context of the Maldives which have externally induced internal dimensions. These are the issues of the Gan Island and the 'coup attempts.'

24. David. W. Hegarty, "Small States in the South Pacific" in Hafiz and Khan (eds.), n.10, p.164.

25. Asia Year Book, 1987, p.195.

The Issue of Gan Island

As explained earlier the Maldives lies at a strategic location in the Indian Ocean. Such a geostrategic location (i.e. a position from where a major sea power like Britain or a superpower can put a vigil over the developments of West Asia, Africa and South Asia and can support operations by its military or naval forces) has on the one hand the advantages of enhancing its bargaining power vis-a-vis others, and on the other, it has enhanced the risk of unwarranted intrusion in its domestic politics for dominance and control.

Gan is a small island in the southernmost Addu atoll. During World War II, with Japan threatening Singapore and India, the British established two makeshift airstrips in the Maldives: at Hulule near Male and at Gan. Gan was operated from 1939 to 1945 by the British and after the war the airport was closed.

In 1953, alongwith the declaration of the Maldives as a Republic, the 1948 Defence Pact with Britain was supplemented with a special clause which gave Britain explicit right after consultation with the Government of Maldives 'to set up military facilities on the Maldives!'. The British government was not bothered much to think about the maintenance of the 'British lake' (in the Indian

and the Pacific Oceans) when two of its major bases in Sri Lanka (Trincomali harbour and Katunayake airport) were disallowed by the Banadarnaike government in 1956 because the Maldives was an alternate arrangement in sight to relink itself with Australia and the Far East.

In 1956 the British negotiated a draft agreement to reestablish the air base at Gan, citing the need to protect the Commonwealth. The agreement was completed but not signed because of the non-ratification by the Majlis. Meanwhile, the British began work at Gan, moving the residents to the next island, levelling trees and even a 'stupa' and employing local Maldivian labour and trained Pakistanis.²⁶ The new dynamic leader Ibrahim Nasir, who took over as the Prime Minister in 1957, refused to sign the agreement after a Commission's Report (which surveyed and studied the position of the islanders) on the plea that it would violate the sovereignty and independence of the Maldives and was like occupation of the island without the consent of the people. Meanwhile the visit of a Royal Navy Ship carrying the British High Commissioner added insult to injury and was interpreted as 'gunboat diplomacy' to pressurise the Male government by the Britishers.

The British seemed to have sensed the opposition of the government of the Maldives to the scheme and sought to

26. Clarence Maloney, "The Maldives: New Stresses in an Old Nation". Asian Survey, (Berkeley, California), July 1976, p.665.

achieve their objectives through an unwise strategem. Encouraged and supported by the British interests, Afif Didi, a local chieftain of Hitadu revolted against the Government of Maldives and with some 9,000 people of the Addu Atoll declared an independent Republic of United Suvadiva Islands and sought recognition from the British.

The cause of this secession move is easy to understand. The presence of a foreign base and few civic amenities that the people of the southern atolls had derived from this had increased the feeling of alienation among them towards the Male government. Most of them had found jobs at the base leaving their traditional occupations. Even school teachers found employment with the Royal Air Force. The Male government's opposition to this can be presented vividly in the words of Ahmed Zaki (the then Maldivian Representative in Ceylon and an important official in the negotiations regarding the base) who said:

The British handling of labour on Gan Island was interfering with internal administration and high salaries for Gan workers was making them more loyal to the RAF than to the Maldives.²⁷

As a result the Maldives government not only requested the unskilled labour recruitment to be suspended pending the final settlement for it would affect negatively the traditional

27. Phadnis and Luithui, n.2, p.31.

industries, but also decided to withhold the salaries of the workers in order to prevent them from working on the British project.

This step irked the local people (who had feelings of socio-cultural distinctiveness from the people of the northern islands) and they rose for a revolt. The integrity of the Maldives was threatened from the South and it took almost three years to settle the issue.²⁸ The Maldives government had to launch hectic diplomatic activities in order to draw international support in view of its weakened position regarding the secessionist movement of the south. Ultimately she had to concede the base facility at Gan to the British for some heavy payment under the fresh Defence Agreement of 1960. According to this Agreement, the island of Gan and a small area in the adjoining island of Hitadu were given as a 'free gift' to the British for 30 years beginning from 1956 (i.e. up to 1986). In return the British gave Maldives £100,000 plus £750,000 for specific development projects over a period of 5 years.

This episode manifests the vulnerability of the mini developing island state which had to house a foreign base in order to keep its integrity intact. The internal dissension in the government was also evident when the

28. For details, Clarence Maloney, n.26, pp.664-7.

chief negotiator Ahmad Zaki was replaced. Throughout the happenings regarding the settlement of Gan, the role of the British government remained intrusive and veiled threats were often hurled on the Maldives' government.

One positive point, which the Gan episode brought about was the beginning of the consciousness among the people of the Maldives to unchain themselves from the paramountcy of Britain, which ultimately materialised in 1965.

In 1974, following a pronounced change in Britain's policy of maintaining strategic communication bases in locations east of Suez, the British announced their intention of closing down their base at Gan and in fact, Britain withdrew its presence finally from Gan on 29 March 1976.

The British pull out had a significant impact on the Maldivian economy. There was a loss of job for 850 to 900 personnel and the loss of revenue which came from the money spent by British servicemen in the island or in transit. It is estimated that the British military presence contributed about £50,000 a year to a total national income of £3 million. Nevertheless, in concrete terms, the Maldives got a runway, buildings and equipments, a

modern medical centre and a modern meteorological station built by the British on the Gand Island.²⁹

To offset this loss to the national economy, the Male government was seriously thinking to utilise the facilities at the Gan islands by involving any company in a manner beneficial to the 10,000 inhabitants of the atoll. At the same time, it was persistent in following such a path which did not cast aspersions or doubts on its non-aligned status. The island of Gan was now very important strategically for both the Super Powers: the US needed it for its operations in West Asia from the Subic bay and Diego Garcia and the USSR viewed it crucial for its squadrons based in Vladivostok to cruise into and from the Arabian and Red seas and the East African parts. The Maldivian government denied the offers of both the Super Powers. The Australian tourism developer had made an offer to set up recreational facilities in Gan area for American troops stationed in Diego Garcia in 1982, which was rejected. An offer to set up facilities for Soviet Union's fishing fleets in 1978 had already been rejected. There were proposals and counter-proposals both by the Shah of Iran and by General Gaddafi of Libya for lease.

29. J.P. Anand, "Maldives: A Profile", IDSJ Journal (New Delhi), vol. IX, no. 2, October-December 1976, p. 127.

The reason not to lease Gan for the Soviet Union was stated to be, in words of President Gayoom:

The Soviet base would have militated against our non-aligned status, annoyed our brothers in the Muslim world - especially Pakistan and Saudi Arabia with whom we have extremely friendly relations - and created suspicions in the minds of our neighbours like India and Sri Lanka.³⁰

Gan island was decided to be kept 'free of any military activity for any country' because of fear of any threat arising out of the cold war policies. The Maldives remained non-responsive to the offer made by Scimitar Refinery Company (registered in Panama and staffed by the Canadians) to set up an oil-refinery for avoiding any unwarranted hold on Gan by any foreign agency. Instead, vigorous efforts were made to industrialise Gan in order to give employment to the locals and check dissensions of the people.

These gestures of the Maldives are also in conformity of her understanding that the Super Power rivalry and the presence of the nuclear weapons in the Indian Ocean is dangerous to the peace and security of the littoral as well as island states. In 1983, the Maldives' representative, Ahmad Zaki, as one of the members of the UN Ad-hoc Committee on the Declaration of the Indian Ocean Peace Zone, said:

30. Asia Year Book, 1983, p.202.

We believe that as long as foreign military bases and other such facilities remain in our area, tension will continue to build up. And if that trend continues, disputes can easily lead to conflicts in which those foreign military sources will have a stake. That is a very familiar chain of action and reaction in many parts of the world. On our part, we shall do everything possible along with the other countries of the region to prevent our area from being subjected to such potential dangers.³¹

Problems of Mercenaries and Coup
Attempts in the Maldives

The Maldives has a long history of political coups. Takeover of political authority by ambitious persons had not been uncommon during the Sultanate period and even during the period of the Republic when the British Crown was the paramount power. However, there was an element of popular dissensions, either due to radical or any other policy that seemed uncomfortable to one or the other influential section of the population, in the coerced ouster of a government. Deposing of President Amin Didi of the temporary Republic during 1953-54 is an example. The trading community having vital stakes in the fish and other trades of the Maldives have also contributed much to these political upheavals. In this connection the role of Borah traders in the political succession in the

31. Phadnis and Luithui, no.2, p.148.

Maldives during the 18th and the 19th centuries is historically well known.

The centralised political system often confined to family groups has also contributed to this affairs. Generally the political authority also commanded the key economic affairs of the country and involved in personal fortune making. Sometimes, the supreme political functionary had played with the constitution of the country in order to be in power and imposed inexplicable punishments on people he thought to be a threat to his influence. The Maldives suffered a sudden political crisis on 6 March 1975 when President Nasir dismissed Prime Minister Ahmad Zaki along with two dozens of his associates and banished all of them on the charge of planning a coup. However, the investigations later revealed that Zaki had a popular support and using this he wanted to limit the powers of the President who, in his opinion, was misusing his powers to make personal wealth.³²

Since the new President Mayoom Abdul Gayoom took over as President, there has been three attempts of coups, the first in 1979, the second in 1983 and the latest and

32. For details, see Dilip Mukherjee, "Maldives Diversifies Contacts with Big Neighbours," Pacific Community, (Tokyo), July 1975, pp.595-607.

the severest in 1983. Among these the second was traced at the very initial stage. In the second, hired mercenaries were to be used while in the third, mercenaries were actually used.

In May 1979 a coup attempt to overthrow the government with the help of nine European mercenaries was detected and foiled. Although the attempted coup seemed to have involved only a few local active plotters, subsequent investigation showed a relatively large number of people aware and sympathetic to the conspiracy. In one of the trials in High Court on 28 May 1981, Kandi Ahmad Ismail was found guilty of hiding information about some contacts in Male of former President Ibrahim Nasir. Ali Salim was sentenced the same day for misleading the authorities about arms caches that were to be used in the coup.³³

Former President Nasir, now living in Singapore, has denied his complicity in the attempted coup. An investigation by Parliamentary Committee into the charges of corruption against Nasir found him guilty on eight counts. This also reveals Nasir's business interests in the Maldives and his misuse of office to further his own trade interests. These revelations create doubts about the role of Nasir.

33. Asia Year Book, 1982, p.200.

The 1988 coup attempt was the most serious and the bloodiest in its nature. On 3 November 1988, about two hundred mercenaries equipped with modern AK-47 rifles and other sophisticated weapons attacked the Presidential palace and the headquarter of the National Security Service (NSS), the tiny security force of the Maldives. They killed 19 guards in the operation and captured radio and television stations. Fortunately President Gayoom could not be found in his palace as he went to a safer place. The mercenaries did a blunder by not snapping international communication line which enabled President Gayoom to appeal to Sri Lanka, India, the US and Pakistan for help. Rajiv Gandhi government of India responded quickly and sent immediately 300 paratroopers to save the Maldives from the mercenaries and to make a neighbouring country secure in the time of need. Later on, about 1300 more Indian naval soldiers joined 'Operation Cactus' - code name given to this mission. The sophisticated air transport aircraft IL-76, AN-32, fighter Mirage-2000 etc. and INS Betwa and INS Godawari - two naval ships - were used in this operation.

The Indian soldiers captured 'Progress Light', the naval boat carrying the mercenaries. The investigation revealed that Abdulla Luthfee in collaboration with

another business-man Sagar Nasir hatched the plan in a poultry farm in Sri Lanka and hired the mercenaries from the People's Liberation Organisation of Tamil Ealem , a Tamil Separatist Group of Sri Lanka. Luthfee along with Sagar Nasir was quoted as telling the Press Trust of India (PTI) that the coup attempt was masterminded by Uma Maheswaran, leader of People's Liberation Organisation of Tamil Ealem (PLOTE) who wished to seize the Maldives because of its rich investment possibilities. PLOTE, however, denied any involvement.

Media reports suspected the hand of former Maldivian President Ibrahim Nasir behind the conspiracy. However, Nasir who is a permanent resident of Singapore since 1978 denied any such involvement.³⁴

Till now, no final report about the conspiracy has come out. But the aborted coup attempt has shown the extreme vulnerability of the Maldives, which cannot defend itself even against a small mercenary force and had to depend for its security on some other country. Because of limited resources and manpower, the mini-states cannot chalk out a plan to foil such a mercenary attack on their own. Asked about future strategy to combat such a situation, the Foreign Minister Fathullah Jameel responded in a general fashion:

34. For details of the Coup Attempt, see Asia Year Book 1989, pp.174-77, and Alok Mukerjee, "Anatomy of Operation Cactus," Mainstream (New Delhi), 27(3), 3.12. 1988, pp.11-12.

We will have to assess the potential dangers and take appropriate steps, The possibilities of raising a trained defence (force) could be considered but in no case can a defence system ensure protection from this kind of action unless there is a very elaborate system. That calls for a lot of resources, which a country like Maldives may not have.³⁵

From the coup attempt of 1988, the fact comes out that domestic turmoil in a neighbouring country can cause much harm to a mini states. The disgruntled elements of a neighbouring country can be used as mercenaries to subvert the political stability of a mini state.

Foreign Policy

The Maldives follows a non-aligned policy in its foreign affairs and has good relationship with her neighbours of South Asia and the Islamic world. Through suave but skillful diplomatic efforts the Maldives has been able to continue her good relationship with both the Super Powers and other major powers of the world, while at the same time having her non-aligned posture continued on some contentious issues like the Indian ocean, the North-South relationship and the New International Economic Order, arms control and disarmament etc. She is one of the tiniest members of the United Nations and its other agencies (UNICEF, UNDP, UNESCO etc.) as well as various committees on the international problems.

35. Alok Mukerjee, *ibid.*, p.12

Therefore under the prevailing circumstances, the Maldives does not face direct threat to her territorial integrity. The international community today possesses the might of public opinion and therefore no alien business company can pose a direct threat to the Maldives in such a brazen manner as a British firm in February 1983 did. This firm had the audacity to tell the Sultan that, "whether Your Highness likes it or not, there will be a coal depot in the Maldives Islands."³⁶ But a Multinational Company supported by a super or major power, a mercenary force hired by disgruntled elements and supported by some major power etc. can do much harm and make the mini-state insecure. Not more than lodging a protest can be done when a Super Power violates her territorial integrity. An air space violation of the Maldives by a low-flying surveillance plane identified as American in April 1977 is an evidence.³⁷ Fortunately, the Maldives does not have any experience of political interference by a Multinational Company in recent times. However, as already noted, sometimes she had to grant more concessions to fishing companies of Japan, when they showed their inability to run their business with the Maldives in the face of a slump in the world demand of the fish.

36. Ibid., p.12

37. Asia Year Book, 1978, p.257.

Greater dependence on other countries not only for economic development (and the survival of the economy), and for territorial security against any armed attack but also for the conduct of foreign affairs adds to the vulnerability of the Maldives. Because of shortage of skilled manpower for conducting foreign affairs and the resource inadequacy, the Maldives has to depend on the friendly country's diplomacy even where her vital interests are involved. However, in recent years the permanent representative of the Maldives at the UN - the post once held by the present President Gayoom - has also taken keen interest in the matters of foreign relations. Apart from the UN, the Maldives has only one embassy, called High Commission, at Colombo.

In the foregoing pages, security of Maldives has been discussed at length both from the point of view of structural dimensions with the imperatives of socio-economic development and the international dimensions. Next chapter shall deal with the position of the Maldives in the existing world security arrangements and look for some viable alternatives for ^{the} best possible security of mini state.

Chapter III

SECURITY ARRANGEMENTS AND THE MALDIVES

The world today is said to be based on the sovereign equality of states. Even then, the mini states, as the previous chapter shows in case of the Maldives, find themselves insecure. This requires an analysis of different security arrangements with reference to the specific problems of the Maldives and such other mini states. In the ongoing discussions, security arrangements under the UN, the Balance of Power System, the Commonwealth and the Regional Groupings; and policy measures like neutrality and non-alignment will be examined.

United Nations and Security

Like the Maldives, which is a member of the UN since 1965, other mini states hope to secure themselves under the UN auspices. Since the UN was created with a view to ensure peace and security for all the states, big or small, the UN Charter makes a number of provisions in this connection, the method of collective security being the most important among them. The Charter offers peaceful methods like enquiry, mediation, conciliation, judicial settlements etc. for resolving of a dispute. In case of non-compliance by a disputing party, coercive methods like economic and other sanctions as well as military action to

stop war and restore peace can be applied by it. Therefore, the UN's instruments, if effectively applied, can prevent violence and restore peace without much difficulty. However, the built-in constraints of the UN do not allow it to be effective to provide security to the mini states. These constraints stem from the provisions of veto and the implications of the Article 51 of the Charter.

Veto provision of the Security Council do not allow the UN to take appropriate measures immediately and efficiently in order to save a victim mini state from the aggressor, because it is very difficult, if not impossible that interests of all the veto-wielding members coincide.

Article 51 of the Charter says, "Nothing in the present charter shall impair the inherent right of individual or collective self-defence if an armed attack occurs against a member of the UN, until the Security Council has taken the measures necessary to maintain international peace and security..."¹

One important implication of this Article for the mini states with negligible military force is that, though there is right of individual self-defence in case of an external aggression, it is meaningless for them as they

1. K.P.Saksena, United Nations and Collective Security: A Historical Analysis (New Delhi, 1974), p.406.

cannot survive till the UN help comes. This is so, because the Security Council's own Rules of Procedure hinders it to act quickly enough, even in cases where interests of all the veto-wielding countries coincide. Thus, in absence of any contingency arrangement the mini states are left defenceless in case of any sudden external or mercenary attack.

The collective security under the charter remained a dead-letter most of the times. Even the system of UN Peace-keeping evolved in its place is dependent on the consent of the warring parties and can be set up only after the beginning of armed clashes. Moreover, the UN peace-keeping forces are not designed or equipped (except in the unique case of the Korean war) to enforce a solution; their primary role being maintenance of ceasefire until the negotiations for settlement complete.² However, the Charter does not prevent steps to be taken in anticipation of breach of peace and it would have been better for the security of the mini states, if the UN could take these steps.

The Palme Commission's Report contains some interesting and useful suggestions for strengthening the UN Security system. In response to a request of one of the disputing

2. Ibid., pp.267-73.

parties, the Security Council should take up three consecutive steps: (a) a fact-finding mission, (b) a military observer team and (c) a UN military force within the likely zone of hostilities to act as a 'visible deterrent to a potential aggressor.'³ Fact-finding and gathering of intelligence are essential means of anticipating a crisis at an early stage. This along with introduction of the UN force before the outbreak of armed clash, can prevent war and ensure a mini state against an external attack.

Intervention

Sometimes this step is taken by a friendly neighbour or a Super Power in order to save a mini-states. But more often, there appear instances of interference in domestic affairs of a mini state, which is not allowed by the International Law. The UN allows only collective-intervention on very limited grounds e.g. to end major human right abuses (like apartheid, suppression of right to self-determination etc.). However, intervention by a single country on these grounds is widely tolerated, notwithstanding legal difficulties. But in some cases intentions of intervening country may be pernicious. Therefore it requires a strict framework of completion of the task of ending the human right problem

3. Common Security. A Programme for Disarmament. Report of the Palme Commission (London, 1982), p.130.

under supervision of the UN, or the Commonwealth, so that the mini state continues to be safe. The Maldives, being a Democratic Republic, has no such human right problem.

A question of legality of the US intervention in Grenada after the coup (in 1983) arose. The point of controversy was whether the US intervention was justified on the ground of an appeal of the Governor General of a deposed government.⁴

Operation Cactus

Experts opine in context of Indian Resure Operation 'Cactus' in the Maldives that the swift completion of the task of restoring President Gayoom to the power and catching the mercenaries was crucial for India. Indian action would have become infructuous, since it would have amounted to aggression on a foreign country, had Gayoom been ousted through the coup attempt. India's step was purely on the basis of an appeal from a head of the state; had the position changed, matter would have become immensely complicated.⁵

Balance of Power

Article 51, by implication allows military alliances for collective self defence. In other words, as the second

4. Sheila Harden, Small is Dangerous, 1985, pp.66-69.

5. Alok Mikherjee, Anatomy of Operation Cactus, Mainstream (New Delhi) 27(10), December 2, 1988, p.12.

best, the charter recommends a system of 'Balance of Power' to ensure the security of states.

The pertinent point in context of the mini states is whether they should join a military alliance led by a Super Power in order to secure themselves. Many Western scholars opine that they should join. But scholars like Maniruzzaman believe that successful operation of the Balance of Power for providing security to mini states in Europe cannot be applied to the Third World mini states in present circumstances. He points out that the change of the nature of world politics from 'European' to 'Global, rise of the Third World mini states, spectacular progress in the area of communication and defence and the absence of a balancer make the concept of 'Balance of Power' ineffective today.⁶

On the basis of Alan Dowty's catalogue of 125 great power guarantees to the small states to come to rescue in the time of need, Maniruzzaman concludes that only fifty per cent of the guarantees by treaties actually worked when the test came.⁷ Apart from the fifty per cent risk of non-fulfilment of the treaty obligations, the other dangers of a

6. Talukder Maniruzzaman, Security of Small States, Canberra Papers on Strategy and Defence, no.25, 1982, pp. 37-51.

7. Ibid.

Third World mini state entering into a Super Power alliance are the loss of sovereignty (though theoretically independent) and alien socio-cultural encroachment resulting into internal upheaval endangering the systemic stability. The former was evident in the sufferings of the Maldives under the British protection and the latter in the fall of the Shah of Iran. Therefore, the alliance of a mini state with a Super Power has a high social and political cost. In this context the golden words of Gamal Abdul Nasser, is worth remembering, 'An alliance between a big power and a small power is an alliance between the wolf and the sheep.'⁸

Neutrality and Security

This is another means through which security can be enhanced. Some mini states could manage to declare themselves neutral (as Malta did in 1979) and persuade other states to recognize their neutrality. This option is not available to all states because of the unlikelihood of their neutrality being recognized by others, even by the neighbouring states. Without such recognition neutrality serves no purpose. The failure of Prince Sinhanouk of Cambodia in 1960s to secure such recognition is a case in point. The Commonwealth Consultative Group has suggested that the Security Council should accord recognition to the declaration

8. Quoted by Rothstein, in Alliance and Small Powers, 1968, p.117.

of neutrality by the small states. The group observed,

Security Council recognition would not provide an actual guarantee of neutrality status, not carry any protective weight in a military sense. But it would have the effect of making the small states as it were a nominal word of the 'Council' and as such could, in certain circumstances, act as a useful additional political deterrent against aggression.⁹

Non-alignment and Security

Neutrality means aloofness from the happenings of international politics and passivity in taking side in the conflict between the right and the wrong. The Third World mini states with a desire to play important role in the world politics generally prefer non-alignment to neutrality. The Maldives is also a non-aligned country. Non-alignment, like neutrality, does not subscribe to bloc politics of the Super Powers. However, unlike neutrality, the non-alignment plays a role in world politics by retaining independence of decision making through judging every issue on its merit. Presently having 102 members the Non-aligned Movement (NAM) is considered the largest peace movement on the earth. It works through the method of persuasion. Having almost completed its task of decolonization with the freedom of Namibia in 1989 its main objectives are disarmament and development

9. For details see Maniruzzaman, n.6, pp.16-21.

10. Quoted in M.S. Rajan "Small States and the Sovereign Nation-State System, International Studies, 25(1), 1988, p.18.

with democratization. In initiating the North-South dialogue for justiciable demands of the Third World and pursuing it vigourously it has played the main role.

The NAM is quite sympathetic towards the issue of security of the mini states. Adoption of non-alignment by the mini states (and even without acceptance of regular membership of the NAM, such as Kiribati and Nauru) has proved to be an effective measure to counter an external military or political threat in many cases. But the NAM can neither provide a greater security nor take a contingent military action against military or mercenary invasion by an erring power, because it has no such mechanism. It is a political movement, which utilizes the UN and such other forums for propaganda in favour of just causes of the mini states. The mini states like Belize, Cyprus and Guyana have been greatly benefitted from the support of the NAM in their efforts to protect their right to self-determination and resist territorial claims of the neighbours.

The Commonwealth and Security

The Maldives is a member of the Commonwealth. Out of Commonwealth's 49 members, 27 are mini states having less than one million population. It has given considerable support to the mini states in alleviating their special problems, and has set up time and again committees to discuss

security problems of mini states. So far it has played a limited military role. But its role in training personnel (both military and civil) of the mini states, setting up technical assistance fund, legal advisory service etc. for the mini states are commendable. The Maldives, being a member of Commonwealth has been benefitted from its services.

Valuable recommendations for the security of mini states were made by the Commonwealth Group set up after the Grenada incident. However, the Commonwealth seeks effective actions of the UN in combating the threat to a mini state, and for this wants UN to be suitably organised.

Mercenaries

As far as the threat of mercenaries to the mini states is concerned, the Commonwealth Group has suggested the device of effective sanctions by the UN against a defaulter state from where the mercenaries activities to destabilize a lawful government of a mini state continue.¹¹ It also suggested that there should be a contingent task force to combat such a mercenary attack. This type of arrangement needs cooperation of the local or regional states' organisations. In this context, General Inderjit Singh Rikhye's suggestion to make a Commonwealth Peace Keeping Force taking contingents from

11. Sheila Harden, n.4, pp.66-69.

all or most of its members instead of a standby force, is worth considering to save mini states from any external invasion.¹²

Aid for Development

The mini states economic vulnerability has already been discussed in Chapters I & II. The developmental imperatives of the mini states need a lot of aid from the international community. Despite being put under the least developed countries and requiring much attention from the international financial agencies, the Maldives lacks adequate fund for development. An idea of Official Development Assistance to the Maldives for the period 1980-86 can be had from Table 6, Appendix III. The attitude of the developed countries seem not to be upto the mark for the Least Developed Countries. Only six out of 18 DAC member countries could provide the official target of 0.15 per cent of their GDP as ODA to the Maldives.¹³ The Maldives aid receipts came mostly from the OPEC member countries (refer to Table 3, Appendix III).

The country is perpetually under the debt burden and a major amount of the Gross National Product which should have

12. Ibid., p.109.

13. Economic and Social Survey of Asia and Pacific, 1987, p.44.

gone for development purposes are spent on debt service. In 1984, 28.5 per cent of the exports of goods and services or 55 per cent of the GNP were spent for debt-servicing (see Table 4, Appendix III).

Apart from these, the trade barriers, especially the fixation of quote for the import of 'clothes' under the Multi Fibre arrangements, and in other manufactured items put by the developed countries have detrimental effects on the economy of the mini states like the Maldives.

The Maldives could never recover the shipping losses starting in 1982 due to the UNCTAD resolution on the third party lifting. The total loss between 1982 and 1984 was \$ 14 million. It is a big loss for a country whose GDP ranges between \$ 32 million to \$ 55 million. The developmental efforts of the country was spectacular and there happened to be a high growth rate between 1980-85. However, this had many social effects on the country like the tightening of the labour market. The expansionary fiscal and monetary policy which was an imperative due to high rate of growth resulted into external trade imbalances. Generally, the country suffers from the shortage of foreign exchange giving way to the black economy.¹⁴ Most mini states remain

14. K.S. Ramchandran, 'Maldives: An Assessment,' Financial Express, New Delhi, January 3-4, 1988.

heavily dependent on the exports of their primary commodities than on manufactures. Generally, one commodity covers 90 per cent of export earnings. Thus, stable prices have been regarded as vital for reasonable economic planning, let alone for growth and development. The West, however, sees calls for stable prices as calls for higher prices.

Few of the existing international commodity agreements have been of particular assistance to the mini states. They have either been dominated by the big producers or have been ineffective in the face of big consumer countries. The hopes pinned on UNCTAD's Integrated Programme for Commodities have been dashed not only because of opposition from many Western countries but also because of continued divisions among developing countries themselves. The Maldives suffered heavy losses due to the fish price fluctuations in the late seventies and early eighties.

The IMF's Compensatory Financing Facilities and System of Stabilization of Export Earnings (STABEX) scheme of Lome Conventions are disappointing for the mini states as the former is chained under strict guidelines of the IMF, tied aid and complex procedures, while the latter suffers from the paucity of funds from the European Community.¹⁵

Thus, apart from the aid for the development, the mini states require expert technical and financial advices

15. Sheila Harden, n.4, p.92.

in order to make the functioning of the economy smooth. Although the World Bank (through IDA), FAO, IMF, UNICEF etc. have taken various special steps to enhance the sustained development of these countries, more attention is required in the area of development of trade and management of the economy without a threat of exploitation by the developed world. A code of conduct for the Multinational Companies functioning in the mini states is required and supervision by an elected body of UN members must ensure the security of the state against destabilization.

Emphasizing the importance of economic development as a major point of security of the mini states the Maldives President Gayoom said,

If more Grenadas are to be avoided, the very best manner in which the long term security of the Commonwealth's small states can be obtained is to introduce without delay economic and trading reforms in the international market place which will, in turn introduce economic justice and equity...¹⁶

And he added:

economic development... is the frontline battle... Remove the threat and the debilitating effect of poverty, and the first - the most important - battle will be won, and quite possibly the war. It will be never enough, or indeed good enough, for the small states of the Commonwealth to be just well defended bastion of poverty.

16. Ibid., p.8.

Need for Regional Groupings

So far various security arrangements under the aegis of the United Nations, its specialized agencies and the Commonwealth, including the policy measures for the mini states (like neutral or non-aligned or aligned) have been discussed. Though the motives of the UN and the Commonwealth to help the mini states cannot be denied, at functional level their inability to provide such a help in the time of need due to their built-in constraints cannot be doubted. In fact, many a time regional arrangement in concurrence with the UN helps to diffuse the crisis. The UN Charter (chapter VIII) authorises regional arrangements relating to the maintenance of International Peace and Security provided these are consistent with the purposes and principles of the UN. It also lays down that no enforcement action shall be taken at a regional level without the authorisation of the Security Council and that the Security Council "shall at all times be kept fully informed of activities undertaken or in contemplation under regional arrangements by regional agencies for the maintenance of international peace and security" (Article 54).¹⁷

As peace and security of a mini state in particular and the region in general depends not only on the strategic

17. Saksena, n.1, p.407.

aspects but also on the socio-economic-political aspects, the regional groupings can provide a viable option in this direction. In fact, regional arrangements have proved more reliable in many cases than other measures, although some inherent weaknesses of such organisations had contributed to their failures sometimes. Arab League Security Force in Kuwait, the Arab Deterrent Force in the Lebanon, the OAS Inter-American Peace Force in the Dominican Republic and the OAU Peace-keeping force in Chad are some of the successful peace-keeping examples through regional arrangements.¹⁸ Mediation and conciliation, however, are the more favourite methods pursued by regional organisation. Sometimes, regional peace-keeping efforts are often hampered not only by political differences and different strategic perceptions of the member states but also by lack of funds as in Chad. The Palme Report stressed the need to develop close cooperation between the UN and Regional Organisations designed to provide UN financial and logistical support to back up regional security measures.¹⁹

Despite all these, the regional organisations have immense capability to successfully promote the socio-economic political environment of the region through

18. Sheila Harden, n.4, p.110.

19. Report of the Palme Commission, n.3, p.130.

cooperation, thereby preserving independence, peace and security of all the states including the mini-states. In case of contingency, like attack by mercenaries, natural calamities etc. chances of successful rescue operations without delay by a regional organisation's forces or by a member state's security forces at the request of the victim state or with the consent of the regional organisation are more than any other arrangement from outside. This is simply because of the closeness from the spot and awareness with the language, people and the interiors of the region. For the patrolling of the EEZs of the mini island states of the region adequate arrangements can be made through cooperation among the member states of the region, by creating a regional force for such a purpose working under the supervision of the regional organisation. Negotiations for creating such sub-regional security arrangements in the Caribbean and the South-Pacific have been very promising. Regional cooperation organisations fitted with mechanisms of conflict control and mediation can quell peacefully any intra-region conflict among neighbours even when a big state is involved with a mini state and dispel intentions of aggression or intervention of a mini state in the region by any outside power. The mobilisation of the

victim will certainly caution, if not always deter, the external power.

If a regional organisation is to ensure the security of its smaller members, it must fulfil two basic requirements, firstly the relationship between the members of the region must be normal, if not entirely friendly and secondly, the regional organisation must be visibly and demonstrably independent of Super Powers.²⁰ The first condition means absence of mistrust and fear among the smaller members from the big members of the region, while the second condition implies that neither the organisation, nor any of its members, be seen as a proxy to any Super Power in cold war politics of the world.

During the first two decades after the cold war, the military-strategic-dimensions of the regional groupings involving a Super Power directly or indirectly was distinctly visible for example ⁱⁿ Rio Pact, OAS, CENTO, SEATO. Even those regional groupings which were proclaimed to have an economic objective were also explicitly concerned with the cold war politics, for example, Colombo Plan for South and South East Asia (1950), Regional Cooperation for Development

20. Bhabani Sen Gupta, "Regional Organisations and the Security of Small States," in Hafiz and Khan, eds., Security of Small States (Dhaka, 1987), pp.263-64.

for Pakistan, Turkey and Iran (1966). The second generation regionalism, which came after the first, was largely backed and promoted by the Non-Aligned Movement and the UN, although in some cases the organizations had strategic tinge.²¹

At functional level regionalism means collective action at regional level to secure national goals. The second generation regionalism generally relied on the economic and social aspects of cooperation as the first step of collective action. The main emphasis lay on reducing or side-tracking political aspects (of strains) by initiating regional action on non-political and non-controversial issues at lower or any other appropriate and possible level of decision-making authority. The resulting complex web of productive and mutually advantageous inter-relationship which is likely to have different patterns and contents in different situations can bind the regional state-actors into a system of interdependence. Such interdependence is expected to keep political and strategic conflicts subdued in the region. Once mutual trust among the member states of the region is established, the level of cooperation can be pushed

21. S..D. Muni and Anuradha Muni, Regional Cooperation in South Asia (New Delhi, 1984), pp.5-7.

to higher stage and apart from the social, economic and cultural relations, cooperation in the field of strategic security of the region can be started.

In case of the Association of South East Asian Nations (ASEAN) and Gulf Cooperation Council (GCC), the cooperative endeavour developed out of the fear of a common adversary (China in case of ASEAN and fear of the Communist encroachment in case of GCC). Despite being dubbed as basically social and economic cooperation as the main objective, their 'pro-Western' orientation is not hidden. Bhabani Sen Gupta observes that in case all the members of a regional group feel threatened from a common adversary, their own inequalities remain subdued, the small member states even feel secure in the relative strength of the larger ones.²²

SAARC: Regional Grouping

A regional association of seven South Asian countries - Maldives, Bhutan, Sri Lanka, Nepal, Pakistan, Bangla Desh and India known as the South Asian Association for Regional Cooperation (SAARC) was institutionalised in 1985. There are three important aspects of the global and regional

22. Gupta, n.20, p.264.

context: (i) deteriorating international economic climate for South Asia resulting from the breakdown of the North-South dialogue giving way to develop a thinking for South-South Cooperation, (ii) the emergence of like-minded Western oriented regimes in South Asia in 1977, and opening up prospects of greater regional interaction in various fields; and (iii) the strategic fall out due to development in Afghanistan since 1978 and consequent Soviet intervention and the fall of Shah of Iran followed by Iran-Iraq war making South Asian security vulnerable. All the three aspects created an urgent need for the South Asian countries to think of coming together.²³

After several rounds of protracted negotiations for almost five years, it was found that the prospects and imperatives of cooperation in non-controversial areas of mutual interest, such as education, environment, trade, water management, health, aviation, soil-conservation, cultural exchange etc. were preferable to the doubts on success of such a regional organisation. The doubts were because of fear of political and economic domination by the 'Big Brother', India, among the smaller members of the region, strained political climate of the region mainly

23. S.D.Muni, "Confidence-Building Exercise," World Focus (New Delhi), vol.10, no.1, January 1989, p.3.

because of different strategic perception and rivalry between India and Pakistan, greater inequalities of the size and level of development among the states of the region, wide variation in the nature of polity and government in the member states. The SAARC has to its credit Emergency Food Reserve, an Agriculture Information Centre (in India), Audio-Visual Exchange and a Human Resource Development Centre (proposed to be set up in Islamabad). The SAARC study groups on environment and on the 'causes and consequences of natural disasters' etc. are working and are expected to give recommendation for cooperation in these areas.

However, bilateral issues between the member-states, especially between India and Pakistan, India and Sri Lanka, and India and Nepal have had a bad impact on the smooth progress of the SAARC programmes. Theoretically, it had been agreed that bilateral and contentious issues would be dealt bilaterally and would not come on the agenda of the SAARC, and emphasis would be given on non-controversial but development-oriented areas of common concern. Moreover, decision would be taken unanimously by the members. However, during the last five years the history of the SAARC shows that bilateral issues with India were brought by Pakistan and Sri Lanka on the SAARC forum affecting its smooth functioning. In fact, because of political antagonism

between India and Pakistan 'the agreement on curbing terrorism' approved by the SAARC Summit in 1987, despite being ratified by the legislatures of the member states has not become a practical reality and still baffles the Indo-Pak relations.

Thus, the persistence of political strain is considered as the first argument against the success of the SAARC. However, the political strains are not unique to the SAARC only. They are also found in other regional groupings. Yet, they strengthen rather than weaken the case for cooperation. As Corea put it:

It is not the wish of the countries of the region, neither its people, nor its governments, that these conflicts continue. They are debilitating, wasteful of resources and a hindrance to development. Regional cooperation is an offset to these tensions, a means of moderating and dampening them and of building confidence.²⁴

The second argument against regional cooperation in South Asia is disparity in size, political system and the level of development of the member states in the region. While India is the biggest and the Maldives is the smallest in the region, Pakistan, Bangladesh and Nepal may occupy middle position. Bhutan and Sri Lanka are the small

24. Gamini Corea, "Regional Cooperation in South Asia: Perspective and Prospects", South Asia Journal, vol.1, no.2, July-September 1987, p.3.

members. Although there is now democratic upsurge in all other countries with exception of Bangladesh, Bhutan at the time of institutionalisation of the SAARC, all the other members except India, Sri Lanka and the Maldives there was no democratic set up. Similarly while India and Pakistan can be termed as more developed countries, remaining countries of SAARC are less developed. Such a disparity has no parallel except in the Council of Mutual Economic Assistance. However, this should not hamper the road of cooperation, because the smaller countries will have economic benefits through product differentiation, market expansion and comparative cost advantage. Large country like India can find new opportunities through preferential access to a sizeable and growing regional market. Cooperation should not be limited to trade only.

The third argument is based on the low level of intra-regional trade and the lack of complementarities. The extra-regional exports declined from 5.1 per cent to 3.6 per cent in 1985, while the total intra-regional imports declined from 3.0 per cent to 1.9 percent over the same period. It means that low-level of trade within the countries of the region are due to the low level of development and also due to lack of cooperation. The product planning can benefit all the states of the region

and export of common products through a common-channel will strengthen the capacity of the regional organisation for collective bargaining.

On the basis of foregoing aspects, the prospects of cooperation in relation to the developmental imperatives of the Maldives need to be discussed. Following areas may be considered important for cooperation which are beneficial for Maldives in particular and for the region in general.

Regional Pool of Man Power Resources

One area in which the Maldives lacks very much is man-power resources. Other small countries of the region such as Bhutan and Nepal also face problems of trained manpower, lack of vocational institutions etc. So far, only bilateral relation with India has contributed to train Maldives personnel and provide education to her students in India. But there is need to take a holistic perspective in view of special features and requirements of the countries concerned. A concrete step towards the improvement of man-power has been taken in 1988 SAARC Summit. It has envisaged to set up a Human Resource Development Centre in Pakistan. A programme for SAARC by 2000 A.D. has also been discussed and was named 'SAARC-2000: Basic Needs Perspectives.' This will cover an area of vast proportions since all South Asian nations in varying degrees face problems of massive population

and related problems of food, clothing, shelter, education, primary health care, population planning and environmental protection. It was in this context the year 1990 was also declared as SAARC year of Girl Child.

Cooperation in Fisheries

The scope for cooperation is almost unlimited in fishing industry. It may cover the sphere of training for building and maintenance of boats and boatyards, supply of engines, manufacture of nets, tackle and lines, buoys, and other safety mechanism, ice-factories for raising fish storage capacity of boats. Technical assistance in exploration and research of sea resources, their preservation, stock-preservation, fish-processing and packaging are some of the areas in which cooperation will be beneficial. Particularly India's experiences in these areas will be fruitful. Marketing and trade of fish is another area which has immense potential of cooperation. In such a case, regulation and production of fish will require regional planning. By doing this, the Maldives can be safe from the threat of exploitation by foreign companies engaged in fish trade and the fluctuations of price.

Cooperation in Agriculture

Cooperation in this area is essential to meet more and more of the local needs to substantially bridge the

the import-export gap. So far as Maldives is concerned, among the areas of cooperation are information exchange for improved coconut production, horticulture, vegetable gardening, grain and rice production, pest-control and disease control etc. This apart, necessary inputs can also be provided by other countries of the region.

Moreover, expansion of agriculture in the Maldives at this stage may provide an alternative area for absorbing displaced labour, as that of women in fishing industry with switch-over to fresh fish and use of freezing vessels to replace traditional practice of processing fish for export.

Cooperation in Transport and Tourism

Shipping is the profit making industry of the Maldives. Although its development in recent years has been remarkable, as mentioned earlier, bilateral and regional cooperation in this field may cause cost-reduction and thereby profit-expansion. This may include exchange programmes for low cost ship-building for a proper mercantile navy and regional security measures for shipping traffic. The success of the Maldives may also hold the scope for training personnel of other countries in high profit shipping of goods. In strengthening intra-Maldives transports, cooperation has greater potentialities.

Tourism is another area which can be one of the main planks of regional cooperation. For this, there is need for cooperation through funding and expertise in development and maintenance of tourist spots along with some institutional measures. President Jaywardhane of Sri Lanka once suggested a sectoral convertibility of Indian and Sri Lankan currencies. Though this has not materialised, the idea still bears weightage and all the countries of the region can seriously think over the convertibility of the currencies. This may be ultimate goal of a successful regional cooperation. For the present, the countries can do a lot to attract tourists of the region such as by scrapping the visa provision, as has recently been done by India and Maldives in bilateral travel.

Cooperation in Environmental Protection

The Maldives has a fragile eco system. The developmental efforts have posed serious threats to the ecological balance endangering the coastal environment with its living and non-living resources, regime of mangroves and coral reefs of the island-nation.²⁵ The survival of the

25. V.Asthana, T.N.Khoshoo and N.D.Jayal, "Regional Cooperation for the Protection of Coastal Environment in South Asia," South Asia Journal (New Delhi), vol.3, no.1, and 2, July-December 1989, pp.109-20.

country depends on the protection of environment and regional cooperation can be the only way to endeavour in this direction because proximity binds all the countries of the region under similar ecological conditions, and thus, a country cannot remain unaffected from the disaster in a neighbouring country. The smaller countries of South Asia can be greatly benefitted from the experiences of Indian research in environmental protection and ecological balance.

Prospects for Trade Expansion of Maldives

As already mentioned, the major export items of the Maldives are fish and marine products: skipjack, tuna, reef-fish, cowrie-shells, red coral etc., garments and mica, and major import items are consumer products: rice, wheat, sugar, other food items to tobacco and beverages etc., petroleum products and intermediate and capital goods: machinery and transport equipment, crude material, inedible oil except fuel, chemicals, cement, steel, paper etc. However, South Asia absorbs only 10-15 per cent of Maldivian exports, while less than 10 per cent of import requirements of the latter were being supplied by the former. Till 1981 (up to which data are available), except India, the Maldives had a trade imbalance with other countries of the region (Table 7, Appendix III). In 1983, 15.7 per cent of Maldives' exports went to Sri Lanka while 0.2 per cent to

India. But this percentage decreased further in 1984 with Sri Lanka accepting only 10 per cent of Maldivian export and India 0.5 per cent. The other South Asian countries such as Pakistan, Nepal and Bangladesh are not mentioned at all in this statistical account.²⁶ Rest of the export are directed to the US, Thailand, Canada, Japan etc. (Table 8, Appendix III). Of the regional countries, Sri Lanka is the chief outlet for Maldivian fish and fish products. Of the extra-regional countries, the U.S. and Canada have been absorbing for several years manufactured products and garments. Thailand is the major importer of fresh skipjack. According to 1985 trade statistics Thailand absorbed 29.4 per cent of Maldivian exports superceding the United States (24.3 per cent). The next big trading partner of Maldives is Japan (10 per cent absorption of Maldivian export in 1985).²⁷

Regarding imports, Sri Lanka supplies tea, vegetables and fruits and petroleum while India supplies medicines and salt. Maldives obtains most of its requirements from extra regional sources. Rice is obtained from

26. E.T.Foneska, "Maldivian Economy Today and Prospects for Trade Expansion," South Asia Journal, 2(2), 1986, p.178.

27. Ibid., p.184.

Burma; flour, sugar, textile, canned goods, electrical items, building-materials and petroleum products are purchased from Singapore and the EEC. The port of Singapore assumes the role of an assembly point and goods manufactured in Japan, Korea, Taiwan, China, India, the EEC and some East European countries like Yugoslavia are conveniently imported through this point.

Experts opine that there is possibility of increasing production of sea-resources (presently only 25 km. of surrounding sea is explored by Maldives), mineral resources (like mica) and manufactured products of Maldives through economic and technological cooperation among the member states of the SAARC. Trade can be promoted through liberalisation of the barriers among the countries of the region. Trade liberalisation which implies the relaxation of tariff and non-tariff trade barriers can take any form, e.g., a Customs Union or a Free Trade Area or Preferential Trade Agreement. While a customs union through economic integration of the region may be a long-term ideal, a preferential trade agreement among the members can be a better starting point at this juncture. This will clear the doubts and pave the way for a higher stage of economic integration. Also, there appears to be no paucity of complementarities in the region. Trade should be expanded

in cotton and jute productions, different varieties of textiles and garments, beverages, canned fish and engineering goods. In products, like fish and garments, which are produced in many countries of the region and are major export items, it is possible to find markets among the countries by way of differentiating the products, for example, canned fish of Maldives may find a market in Pakistan, Bangladesh, India and Bhutan. Further in such products an 'Exporting Pool' can be established to have a better bargaining power vis-a-vis other countries outside the region.

In order to effect such a cooperation suggestions put forward by Foneska are worth consideration:

(i) Products by product liberalisation of trade be initiated first; (b) Ground rules of negotiations for trade liberalisation should be finalised to ensure so that there would be no non-tariff barriers. The less developed member nations should be given a longer time period to dismantle trade-barriers and the provisions pertaining to dumping and countervailing taxes on subsidised exports; (c) A coordinating secretariat need to be set up to monitor the progress achieved; (d) The ultimate stage would be a multilateralisation of these separate agreements; (e) As products of export and import interests can alter in a dynamic trading situation, it

may be necessary to get the trading partners to trade up to certain minimum limits fixed in monetary terms.

Some other measures of trade liberalisation and expansion are (a) Better information flow: The Maldives has experienced information and communication bottlenecks while dealing with some of the South Asian countries. The Maldives obtains most of its requirements from Singapore because the latter offers a wide assortment of goods and also because of the expeditious disposal of trade inquiries and of cargo. It is said that even Indian 'Usha' fans are procured from Singapore. Hence, there is a need for better information channel to the Maldives.

(b) Harmonisation of documents and custom valuation;

(c) Harmonisation and planning for meeting the increased demand of products after trade expansion;

(d) Market sharing agreements and specialisation of product by different countries;

(e) Payment agreements - countries running into deficit in trade should have access to finance. As financial flows from developed countries would be less, it is necessary to establish a common bank.

Other Areas of Cooperation

Other forms of cooperation include technology transfer, weather reporting, research in the field of natural disasters, alternative forms of energy, small scale industries, etc. Indian assistance can be very useful in all

these fields. The SAARC Agricultural Information Centre in Bangladesh and the SAARC Meteorological Research Centre in India are working to provide valuable information to the countries of the region. India has provided valuable technology to Maldives about solar energy. With Indian help 'Air Maldives' was started. Currently Indira Gandhi Memorial Hospital is being constructed and equipped by India. Indian cooperation in the reception and recording of meteorological data to Maldives and rebroadcast of Doordarshan programme by Maldives with the help of Indian National Satellite are on the cards.

The cooperation is not limited to economic and social affairs only. Cultural exchanges are equally useful in bringing the people of different countries of the region together. This apart, South Asian Games, the Audio-Visual Programme etc. are other areas where cooperation is welcome.

By now it is clear that solution of various problems of the mini states can be possible at regional level through cooperation among the member countries. The Palme Commission has also recommended cooperation of regional groupings especially in areas of intelligence, warning and conducting rescue operations by the UN in case of any threat to the mini states. Role of regional groupings in confidence building among the mini states through cooperation in economic field is very useful.

Once confidence is built up among the members through cooperation, even the political questions will be resolved easily, and the thinking will be directed towards protection of the region through a common security force. Till that time it is the bilateral diplomacy and friendly relations, which serve the purpose of ensuring the safety and security of mini states. In this context, Indian rescue operation 'Cactus' in the Maldives in 1988 is a case in point.

The Maldives, through the use of skilful diplomacy has been able to fetch liberal grants and aid for development not only from the countries of SAARC but also from the US, USSR, Japan and the Gulf countries. At the same time, she has been playing an important role as a responsible member of the UN and its specialized agencies, various committees of the UN, the Non-Aligned Movement, the Commonwealth and the SAARC. It is thus obvious that while the responsibility to protect a mini state from territorial and economic insecurity lies on the clusters of organisations like the UN, the regional groupings and the Commonwealth, it is the diplomacy of the mini state that protects her in the turbulent waters of world politics. As Maniniruzzaman sums up:

Since the small states by definition lack an adequate traditional war capability, they must make up for their deficiency by excellence in diplomacy.²⁸

28. Maniniruzzaman, n.6, p.25.

CONCLUSIONS

Commenting on the position of the mini states in the existing international environment, Secretary General of the Commonwealth, Sir Sridath Ramphal, said,

The world is happy to acknowledge that small is beautiful. Small states in particular know that it is. But they above all know that small is also weak and fragile; that they live in a world where the weak are not regarded for the beauty of the smallness, but are ignored, imposed upon and generally discounted.... If small is beautiful - and if Keats was right that 'beauty is truth, truth beauty' - then let the truth about the special needs of small states be better told and better known so that truth might inform action to improve even on beauty.¹

In the foregoing chapters an attempt has been made to narrate the weaknesses and the needs of the mini states, especially in context of the Maldives. The Maldives suffer from most, if not all, of the problems of a mini state which make it insecure. The definition of a mini state itself indicates its inherent vulnerabilities, which coupled with the threats from external environment create conditions of insecurity. Most of the problems of the mini states are due to their small size. However, their geographical location, weak economic resources and underdeveloped political and economic systems also make them vulnerable to internal and external pressures. The mini states of the Third World having a colonial legacy are the worst victims

1. Sridath Ramphal, "Small is Beautiful but Vulnerable," Round Table (1984), no. 292, pp. 370-371.

of economic and political vulnerabilities in comparison to their Western counterparts. Therefore, the mini states find it impossible/impracticable to exercise their rights as sovereign states, even though the international community is theoretically based on the sovereign equality of the states.

The mini states are found to be dependent mainly on one form of economic activity. In the Maldives, fishing has been the main economic activity for centuries. Fisheries not only provides an important staple food item to the population, but also substantially contribute to the Gross National Product (GNP) because of its importance as main foreign exchange earner. Inability to conduct fish trade with other countries on its own has compelled the Male government to depend on the alien traders (Borah traders) for help in the Sultanate period. These traders not only monopolised in the rice-fish (exchange) trade, but also took undue advantage of their position by exercising considerable influence and interference in local politics. In fact, the Male government preferred to seek the Dutch protectorate in order to save itself from the punitive incursions and fish plunders by the notorious Mappillas and sought British intervention to ward off political interference by the Borah traders during the Sultanate

period. The Maldives even today depends on some foreign companies for fish trade, who are found to have taken undue economic advantages, though not political, by threatening to quit.

Apart from the fisheries, two other sectors: tourism and shipping have recently developed substantially and are major contributors to the GDP. However, they are subject to fluctuations due to changes in international environment. The Maldivian fishing industry suffered losses due to a slump in international demand and fluctuations in price in the early eighties. In the same period the shipping industry suffered heavy losses due to the UNCTAD Resolution on the third party lifting and the Iran-Iraq war. In fact, the instability of prices of exportable commodities, protectionism practised by the developed Western countries and heavy dependence of the Maldives on import of essential consumer items have added dangerous dimensions to her economy. The ever-increasing external debt burden, the adverse balance of trade situation and a fairly high percentage of the GDP going on debt servicing etc. are some of the manifestations of economic vulnerabilities of the Maldives.

Unlike other South Asian states, the Maldives has only one ethnic group practising one religion i.e. Islam and speaking one language: Divehi. This makes the Maldives free of ethnic tension or conflict. However, repercussions

of the centralised political authority, despite democratic system, may take any time a dangerous course by creating social and political tensions. Unequal distribution of the fruits of development coupled with some local issues may generate a sense of relative deprivation in the southern atolls and any ambitious person taking advantage of slight variation in language and life-style of the southern people (from those of the northern people) may exploit the situation in a way disadvantageous to the unity and integrity of the Maldives. Developmental imperatives in a situation of limited resources need implementation on a priority basis, and this too, creates developmental disparity among the atolls. There are some problems which occur during the course of developmental efforts. They include environmental degradation and ecological imbalance, human, animal and plant diseases, malnutrition etc. They may prove fatal for a country with small population. This apart, the Maldives may face a problem of cultural degeneration (which might arouse political dissension against the ruling regime) because of the free life-style of the Western tourists staying on different island resorts.

The coup attempts by the hired mercenaries in recent years, the 1988 attempt being the most serious, have manifested the defencelessness of the Maldivies in such situations.

Because of the limited trained personnel and limited resources a mini state like the Maldives cannot afford militarily to withstand a threat of the dimensions of 1988 coup attempt in which around 200 mercenaries with modern weapons attacked the government installations, unless a security arrangement for immediate military help with the cooperation of the countries of the region is made. The seat of political power of a mini state like the Maldives attracts any over-ambitious person, who wishes to make personal wealth. He tries to gain the political power by hook or by crook, and when he fails to get it through democratic method, he may attempt a coup. Fortunately the Maldives does not face any territorial dispute with its neighbours. However, its territorial boundaries are not safe from incursions by pirates, drug-traffickers, plunderers and other countries' merchant vessels which illegally catch fish in Maldivian waters, as it lacks resources and manpower to guard its expanded EEZ. Added to this, the remoteness of the Island-Republic makes it vulnerable to the after-effects of any possible nuclear-waste-dumping in the sea near its shores. Besides, there lies a threat of submergence of the Maldives into the Ocean after a century due to rise of sea-level because of green house effect.

The Maldives is situated in a strategically significant location in the Indian Ocean. The southern island of Gan had actually been used as a staging post by the British Royal Force until 1965. The Super Powers are still allured by the strategic importance of the Maldives for their operations in the Indian Ocean, and attractive proposals for leasing the Gan Island have been offered to the Male government. But having experienced a threat of disintegration from southern atolls (the secessionist movement was induced by the Britishers living at Gan) during the 1960s, the Male government is extremely cautious in leasing Gan island to any of the power involved in the cold war politics, although, there appears now Cold War coming to an end. Besides, this would also put aspersions on the non-aligned policy consistently followed by the Maldives. However, as long as the Indian Ocean is not declared a zone of peace and made free of Super Powers' military presence, the Maldives cannot feel safe and secure.

In view of economic, political and territorial vulnerabilities of the Maldives and higher degree of dependence for her survival, what Sir Sridath Ramphal said about the mini states is very much true about the Maldives:

Sometimes it seems as if small states were like small boats pushed out into a turbulent sea, free in one sense to traverse it, but without oars or provisions without compass or sails; free also to perish or perhaps to be rescued and taken on board a larger vessel.²

Every country must take some primary steps to secure itself and the mini states are no exception. The steps a mini state should take may include a creating and maintaining a viable political system in which people's grievances are expressed freely and met appropriately by the government, a planned strategy for development and a good diplomatic skill in conducting foreign policy. It is evident that systems which do not allow for grievances to be aired and to be satisfied, are likely to lose popular support; they may also alienate potential aid donors. Therefore, democratic system is the best for it also possesses enough resilience to accommodate occasional internal jerks due to political dissensions without systemic instability.

However, the mini states cannot hope to secure themselves without international cooperation. At least, three major areas require international arrangements: firstly, to make the mini states economically viable; secondly, to provide mechanisms of quick help in the

2. Ibid., p.370.

time of an external or mercenary attack or coup, and thirdly, to devise mechanisms for ensuring territorial inviolability of the mini state. Any assessment of the existing security arrangements must take into account the extent of freedom of action enjoyed by the mini state in that arrangement because the mini states are much anxious to secure themselves and safeguard their freedom of decision-making.

External aid and international trade environment are two important issues in the economic dimension of the mini state's security. Though the Maldives has been put under the category of the Least Developed countries, the conditions and the volume of external aid, both bilateral and multilateral, have been inadequate to its needs (Chapter III). The donor countries and the agencies should consider the special problems and needs of the mini states and plan their aid programme, according to the priorities. In case, Multinationals are given the responsibility to develop certain sectors of the economy, appropriate regulatory mechanisms should be devised by the UN to check any misuse of position by the Multinationals, which may prejudice the security of the mini state. Fortunately, the Maldives has not experienced the trauma of any ill-intentioned Multinationals till now. However, caution must be taken in this regard.

The trade-environment is also not favourable to the Maldives. The protectionism of the western countries destroys the hopes generated by their material and technological aid to her for developing manufacturing sector, especially textiles. Other issues related with trade and aid are covered under the North-South dialogue. The deadlock in the dialogue needs to pierce through. Until the dialogue comes to some fruitful conclusions, some immediate measures should be taken to help the mini states in order to save them from starvation and from being bankrupt. Trade preference and price compensatory scheme, in case of a fall in the international price of the exportable commodities of the Maldives in particular and the mini states in general, may be two of several such measures.

The infructuousness of being an ally of a Super Power by a mini state for the sake of defence has already been discussed in the previous chapter. A military alliance is also contrary to the policy of non-alignment, practised by the mini states like the Maldives. The UN collective security system, due to the existence of built-in restrictions, finds itself unable to provide quick help to the mini state in case of an external attack or a mercenary coup; although some sort of status quo has been provided through its peace-keeping operations after the eruption of the

hostilities. Because the Maldives and other mini states have no capability to defend themselves in case of an external attack, immediate introduction of combating force is required to ensure their security which the UN under existing conditions cannot provide. The regional arrangements would be much beneficial in this condition. However, the role of the UN becomes important as it may provide moral support to the regional grouping and the victim state and by imposing sanctions on the erring party on the recommendation of a fact-finding committee quickly instituted by it.

The mini states have special advantages in joining regional organisation both for the reason of status and security. Regional conflict in the developing world can be contained, reduced and perhaps stopped by strengthening regional cooperation. Perception of threats originating from big neighbours can best be combatted through the development of regional cooperation because security is best and most effective when it is shared and a balance of strength is maintained which is sufficient to make a nation feel secure and to discourage aggression. In any regional setting no state can be secured and at rest, if its neighbours feel insecure. The advantages which the Maldives can have by strengthening the SAARC have already been discussed. The economic security through trade

expansion can be procured most efficiently by the Maldives in the SAARC. If the SAARC is strengthened, it can handle the situation of a mercenary attack or coup in any state of the region more efficiently than any other agency. Any external power will think twice while thinking of an attack on any country of the region, because it will have to face a combined military response of the region. Maritime territorial security through patrolling of the EEZ of the region, and of Maldives in particular, can best be ensured by the SAARC if the cooperation is pushed to the higher stage and confidence among the member states is consolidated. Moreover, the problems of environmental degradation, drainage and drinking water, transportation, communication, population planning, disease-control, weather-prediction and prediction of natural disasters etc. are some of the areas in which the SAARC can contribute a lot.

The Commonwealth has initiated some useful programmes like instituting Technical Cooperation Fund, Legal Advisory Service, training the personnels of the mini states of the Commonwealth etc. A suggestion for creating a contingency force of Commonwealth for peace-keeping in the disputes of mini states has been made a few years ago. However, any Commonwealth initiative for the security of the mini states will require the cooperation of the regional grouping because the Commonwealth expands over a large area.

Therefore, the mini states can do away with most of the fears related with their security by joining and strengthening a regional organisation. If the SAARC enjoys the confidence of all its members and goes for a higher degree of cooperation, the Maldives can shed the fears of insecurity. However, until such situation is materialised, good neighbourly relations and skilled diplomatic endeavours are the most vital instruments for the security of the Maldives. The Male government has been able to persuade the international community and the multilateral financial institutions to consider its special needs and played important roles in the UN and its specialized agencies and successfully conducted its foreign policy without making any foe, only through the use of diplomatic skill. An example of balanced foreign policy and tactful diplomacy of the Maldives is that it has good relationship with both the Arab states and Israel. Good neighbourly relationship with all the South Asian states in general and India in particular has benefited the Maldives in the time of need, as is evident from the Indian Rescue Operation, code-named 'Cactus', in Maldives in November 1983.

It seems that presently the idea of democratising the entire global order has grown into a powerful social

and political force under the impact of Glasnost and Perestroika initiated by the Soviet President Gorbachov. The world is heading for rationality from orthodoxy and for cooperation from conflict. People are gradually realising that security of some states cannot be ensured at the expense of the others. With the changes taking place on international plane one wishes that the international community will seriously think over the insecurity of the mini states and devise ways and means to make them secure through consensus. By doing so, the world can be made better, safer and peaceful.

APPENDICES

Appendix ITable - 1

GDP and Per Capita GDP of Maldives: 1980-84
 (at 1982 constant prices)

	1980	1981	1982	1983	1984	% rise over 1980*
GDP (Rf.M)	374.19	417.59 (11.6)	444.68 (6.5)	461.87 (3.9)	536.50 (16.0)	43.3
Population	153,000	157,800 (3.1)	162,800 (3.2)	167,900 (3.1)	173,200 (3.1)	13.2
Per capita GDP (in RF)	2445	2646	2731	2750	3097	26.6
Per capita GDP (in US \$)	349	378	390	393	442.4	26.7

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Notes: Figures in parenthesis indicate annual growth rate percentage
 US \$1 = 7 Rufiya (RF) (since May 1985 on a floating rate)

*This column is worked out by the author

Source: Statistical Year Book of Maldives 1985, p.108.
 Taken from E.T.Foneska, "Maldivian Economy Today and Prospects for Trade Expansion," South Asia Journal 2(2), 1988, p.108.

Appendix ITable 2

Sectoral Contribution to GDP, 1984 (in million dollars)

Sector	Value	Percentage contribution
Agriculture	68.25	13.01
Fisheries	88.21	16.81
Coral and Sand	6.52	1.24
Construction	40.62	7.75
Manufacturing and electricity	25.03	4.77
Distribution	53.31	10.14
Transport	18.77	3.58
Tourism	72.14	13.75
Real Estate	25.85	4.92
Services and Banking	31.12	5.93
Government	94.89	18.20
TOTAL	524.66	100.0

Source: Ibid., p.109.

Appendix ITable 3Distribution of Labour Force, 1980-1990
(in thousands)

	1980	1985	1990
A. Labour Force	66.3	79.1	91.5
B. Distribution by Occupation			
Agriculture	6.7	7.3	7.5
Fisheries	29.2	28.7	28.2
Manufacturing	14.5	19.4	25.6
Construction	3.1	4.7	5.5
Electricity	0.2	0.4	0.6
Commerce	2.0	2.5	4.2
Transport and Storage	3.3	4.8	6.4
Services	5.3	7.0	8.0

Source: **Statistical Year Book of Maldives**, Taken from
ibid., p.109,

Appendix IITable 1Daily Per Capita Protein and Calorie Supplies
of Maldives

<u>Years</u>	<u>Protein (gms)</u>	<u>Calories</u>	<u>Normative requirement</u>
1975	62	1750	2210
1980	54	1980	2210
1985	55	1950	2210

Source: Economic and Social Survey of Asia and the Pacific 1987, p.48.

Appendix II

Table 2

Education (Year Beginning February of the Year Stated)

	1976	1977	1978	1979	1980	1981	1982	1983
Number of schools:								
Pre-school		2	-	-	-	-	1	1
1st level	-	4	3	-	-	-	-	-
Teaching Staff								
Pre-school	-	27	32	-	-	-	-	-
1st level	-	29	49	-	-	-	-	-
Students enrolled								
Pre school	-	1258	1257	-	-	-	2570	2908
1st level	1597	2747	2662	-	-	-	4514	5060
2nd level	-	-	-	-	998	1217	1870	2756
General	525	-	-	-	275	1116	1466	2344
Vocational	-	-	-	-	123	101	404	412

Source: Statistical yearbook for Asia and the Pacific 1986-87, p.283.

Data not available for the years 1984-86.

Appendix II

Table 3

Medical Facilities

	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986
Number of Medical Personnel										
Physicians	9				8	12	17	20		
Dentists	1									
Nursing Personnel	34				105	76	112	73		
Midwives	177				159					
Others										
Population per physician	15888					212	235	245		
Number of Hospitals and Beds										
Hospitals	1									
Beds	40									
Population per bed	3500									

Source: Statistical Year Book for Asia and the Pacific 1986-87, p.283.

Appendix IIITable 1

Maldives: Value of Exports and Imports
(in million dollars)

Year	Export	Import	Balance of Trade
1979	6	20	-14
1980	10	29	-19
1981	9	31	-22
1982	10	43	-23
1983	13	57	-44
1984	18	53	-45
1985	23	53	-30
1986	25	55	-30

Source: UNCTAD Handbook of International Trade and Development Statistics, 1987, p.8

Appendix IIITable 2

Annual Average Growth Rate of Exports and Imports
(in per cent)

Year	1978-79	1979-80	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
Export	50.0	66.7	-10.0	11.1	30.0	38.5	27.8	8.7
Import	66.7	45.0	6.9	38.7	32.6	-7.0	0.00	3.7

Source:- UNCTAD Handbook of International Trade and Development 1987,
 pp. 20-21.

Appendix IIITable 3Total Financial Flow to the Maldives (in Million Dollars)

Years	From Multi-lateral Agencies Largely Financed by OPEC Countries	Bilateral Finance from OPEC Countries	Year	From Multilateral Agencies Largely Financed by DAC Countries	Bilateral Finance from DAC Countries
1979	0.4	3.6	1970	0.1	0.3
1980	0.7	16.6	1975	1.0	2.0
1981	4.9	5.7	1981	2.1	2.8
1982	0.8	1.5	1982	2.1	0.9
1983	0.5	3.9	1983	3.7	3.2
1984	0.6	0.3	1984	3.5	3.4
1985	0.1	-0.4	1985	3.5	6.9

Source: UNCTAD Handbook of International Trade and Development Statistics 1987, pp.356, 361, 368 and 374.

Appendix IIITable 4

Long Term Debt and Its Ratio to GNP, Debt Service and Its Ratio to GNP and to Export of Goods and Services of the Maldives

Years	GNP*	Debt Outstanding		Debt Service		
		Total amount in million dollars	In percentage of GNP	Total Amount in million dollars	In percentage of export of goods and services	In percentage of GNP*
1975	17.02	1	3.7	-	-	-
1980	23.33	27	115.7	0	0.6	-
1982	32.35	44	136.0	2	2.9	6.18
1983	40.35	54	133.8	5	6.8	12.39
1984	43.34	58	133.8	24	28.5	55.37
1985	52.84	68	128.7	11	12.4	20.80

* These two columns are worked out by the author.

Source: UNCTAD Handbook of International Trade and Development Statistics, 1987, pp. 403-409

Appendix IIITable 5

Fish Production by Type and Utilisation, 1980-84
(in thousand metric tons)

Items	1980	1981	1982	1983	1984
Exports	22.7	19.9	16.7	15.1	26.7
Local Consumption	11.9	15.0	13.6	23.4	28.4
Total Catch	34.6	34.9	30.3	38.5	55.1
Skipjack	23.6	20.9	15.6	19.7	32.1
Yellowfin Tuna	4.2	5.3	4.0	6.2	7.1
Other tuna related species	2.6	3.2	4.0	5.6	5.0
Other marine fish	4.2	5.5	6.7	7.0	11.0

Source: Ministry of Fisheries, The Maldives 1985. Taken from Gunnar Haaland, 'Centralised Political System and the Evolution of Socio-Economic Dualism in the Maldives.' Journal of Social Studies (38), October 1987, Dhaka, p.142.

Appendix IIITable 6

Net Disbursement of the ODA to the Maldives
 1980-86 (in million dollars)

Year	1980	1981	1982	1983	1984	1985	1986
ODA	6.3	6.6	3.9	7.4	6.2	10.5	16.0

Source: Economic and Social Survey of Asia and the Pacific,
 1987, p.44.

Appendix IIITable 7

Trade Balance with Individual South Asian Countries
(in thousand US dollars)

Countries	1979			1980			1981		
	Export	Import	Balance	Export	Import	Balance	Export	Import	Balance
Sri Lanka	918	1170	-252	1738	1230	508	1480	1960	-480
India	16	1890	-1874	66	-	66	20	-	20
Pakistan	2	780	- 778	-	250	-250	-	180	-180
Bangladesh	-	10	- 10	-	-	-	-	-	-
TOTAL	936	3850	-2914	1804	1480	324	1500	2140	-640

Source: Statistical Year Book of the Maldives, 1984, p.138.
Taken from E.T. Foneska, The Maldivies Economy today
and prospects for trade expansion, p.178.

Appendix IIITable 8Major Exports of Maldives by Country of Destination
(in Thousand US Dollars)

Country	1980		1981		1982		1983		1984	
	Value	Per cent	Value	Per cent	Value	Per cent	Value	Per cent	Value	Per cent
Japan	4888	62.8	5338	61.7	3347	34.1	2552	19.0	1069	6.0
Sri Lanka	1738	22.3	1480	17.1	2063	21.0	2112	15.7	1771	10.0
USA	2	0.03	1250	13.9	3109	31.7	5575	41.4	6877	39.0
Singapore	422	5.4	204	2.4	263	2.7	694	5.1	328	1.9
USSR	60	0.58	165	1.9	93	0.9	90	0.7	-	-
Jamaica	-	-	137	1.6	-	-	-	-	-	-
Saudi Arabia	116	1.5	39	0.5	157	1.6	372	2.8	68	0.4
France	214	2.7	26	0.3	-	-	3	0.02	-	-
India	66	0.8	20	0.2	26	0.2	28	0.2	81	0.5
Taiwan	228	2.9	12	0.1	9	0.09	24	0.2	-	-
United Kingdom	36	0.5	11	0.1	48	0.5	101	0.7	4	0.02
West Germany	-	-	7	0.08	21	0.2	3	0.02	116	0.7
Hong Kong	-	-	5	0.05	123	1.3	129	1.0	186	1.0
Pakistan	-	-	-	-	2	0.02	-	-	-	-
Belgium	-	-	-	-	-	-	-	-	-	-
U.A.E.	-	-	-	-	41	0.4	-	-	-	-
Malaysia	8	0.1	-	-	43	0.4	-	-	84	0.5
Sweden	-	-	-	-	89	0.9	55	0.4	-	-
Thailand	-	-	-	-	364	3.7	1057	7.8	5722	32.5
Holland	-	-	-	-	-	-	520	3.9	-	-
Netherland	-	-	-	-	-	-	150	1.1	170	1.0
China	-	-	-	-	-	-	6	0.04	-	-
Switzerland	-	-	-	-	-	-	-	-	1140	6.5
Canada	-	-	-	-	-	-	-	-	9	0.05
TOTAL	7778	100.0	8649	100.0	9798	100.0	13471	100.0	17625	100.0

Source: Customs, Male, Taken from E.T. Foneske, *ibid.*, p.179.

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