

Chagos Islands Deal Worth the Cost, Says Former Foreign Office Chief

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London, July 1, 2025 A former senior UK diplomat has defended the high cost of a proposed deal with Mauritius over the Chagos Islands, calling it a fair price for maintaining access to one of the world's most important military locations.

Sir Douglas Harrison, former Permanent Secretary at the Foreign Office, said during a speech in London that the expected £450 million compensation package is a “reasonable cost for the best defensive real estate on the planet.” The deal would resolve a long-running dispute with Mauritius while allowing the UK and US to continue military operations from the key base on Diego Garcia.

“This is about more than land,” Harrison said. “Diego Garcia gives the UK and its allies a vital strategic position in the Indian Ocean. That’s something you can’t replace.”

The Chagos Islands, part of the British Indian Ocean Territory, have been under UK control since the 1960s. However, the UK's hold on the territory has been challenged for years. In 2019, the International Court of Justice ruled that Britain's continued administration was illegal and that sovereignty should return to Mauritius.

The UK has since entered negotiations to settle the issue, with reports suggesting a deal may include financial compensation for Mauritius and former Chagossian residents who were displaced decades ago.

Critics argue that the UK should not pay to keep military access to a territory the United Nations has already ruled it must return. But Harrison said that the strategic value of Diego

Garcia, especially in a time of global tension, justifies the deal.

“Maintaining influence in the Indian Ocean matters now more than ever,” he added. “If we walk away, others will fill the gap.”

Mauritius has indicated it would be open to a lease-back arrangement, allowing the UK and US to continue using Diego Garcia for military purposes even after sovereignty is transferred.

Talks are expected to continue into late 2025, with a final agreement likely by early 2026. The deal would mark a significant step toward resolving a decades-long dispute while keeping Britain’s global defence ties intact.

“It’s not just a payment,” Harrison concluded. “It’s an investment in long-term security and international cooperation.”