

Bitter dregs in a planter's life – How the shock of nationalisation touched one family

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BY DEE GIBNEY IN LONDON

When the telephone jangled in the Connolly household at six a.m. on a bright July morning in Sri Lanka's magnificent hill country, Ruth Connolly put down her cup of coffee and picked up the phone. It wasn't an unusual hour for a telephone call. Everyone is up with the sun in these lush rolling hills, one of the best tea growing regions in the world.

A few minutes later, Mrs. Connolly slowly put down the telephone and looked out over the manicured garden to the glistening blue hills beyond, looking but not seeing. The family's life was about to change forever.

Ruth and Ben Connolly manage one of the country's largest publicly owned tea estates – a recent merger of two estates, employing 1,700 and 1,500 workers respectively.

Ruth has lived in Sri Lanka for 20 years. Ben, although British, was born in Sri Lanka. Their two children, a 17-year-old boy and 15-year-old girl were born in Sri Lanka. The family's life, from their home to their work and friends, is inexorably Sri Lankan.

And now in one telephone call they have been "advised" to start packing. The Connollys are one of the families caught in Sri Lanka's tangled web of nationalization under Prime Minister Sirimavo Bandaranaike's economically stifling socialist policies, introduced by her late husband, former Prime Minister Solomon Bandaranaike, and which she continues to uphold.

Sri Lanka has a total of about 600,000 acres of tea-growing land and 650,000 of rubber. Of this, about 200,000 acres of land are owned by 70 to 80 British companies – 150,000 acres of which produce tea and 50,000 acres, rubber.

The British are the only known foreign owners on the island, controlling about one quarter of the country's tea plantations which account for a third of the annual 450 million pound tea output.

Rumours of nationalization had been circulating for some time. The uneasiness began with the Land Reform Act passed in 1972 which changed the country's name from Ceylon to Sri Lanka, declaring it a republic and prohibiting individual ownership of more than 50 acres of land. This set the stage for the take-over of all privately owned estates putting them in the hands of "rupee" companies whose ultimate ownership is uncertain.

Experience with the nationalisation of key sectors of the economy such as banking and insurance (begun by Mrs. Bandaranaike's husband) has so far, according to both Sri Lankan nationals and expatriates, meant everything from mismanagement and bureaucratic interference and ineptitude, to corruption with huge drops in production and an ever worsening foreign exchange problem.

The British press have referred to the "death throes" of the British owned plantation industry in Sri Lanka. The upheaval has aggravated the most serious internal crisis yet faced by Prime Minister Bandaranaike's coalition government during its five years of leftist rule. With the bill to nationalise company owned tea, coffee and coconut plantations passed, the government is now poised to begin taking over more than 60 British owned plantation companies.

Until January 1, 1975, the boards of all the British owned tea companies were in the U.K. But the Sri Lankan government declared they had to be transferred to Sri Lanka and comprised of Sri Lankan residents. Shares would continue to be held by the holding company in the U.K. But the actual tea estates would be incorporated and registered in Sri Lanka, making them subject to that country's laws. The take-over was underway.

This news was first announced to the Association of British Interests in Ceylon and to the British High Commission in a statement from the Sri Lankan Ministry of Planning and Economic Affairs) in mid-July.

According to the Ceylon Daily News a government spokesman announced that the plantations would be nationalised with compensation – but the tea companies have been kept in the dark as to the terms.

The publicly owned estate managed by the Connollys was built in 1948. Ben Connolly, the son of a tea planter, learned the business, serving a five year apprenticeship, part of the age-old indenture system, earning virtually nothing while learning every step of the process by actually performing all the jobs. After gaining experience in tea estate administration he became managing director of a publically owned estate in 1956. In April this year the estate was amalgamated with another that was losing money. His expertise was needed to get the failing company back on its feet.

"Most of these estates were started and built up by the people who came (to Sri Lanka) at the turn of the century," Mrs. Connolly explains. "I'm very proud of the work we have done.

"In our case the company has poured just about everything back into it, making it one of the most modern in the country so there's tremendous interest in it."

The government is likely to take over the administration of the estates while the question of payment and compensation are threshed out. Sri Lanka is suffering from a critical foreign exchange problem so compensation would be in the form of worthless government bonds issued in rupees, in effect keeping the proceeds of any land acquisition in the country.

British business observers have little confidence that compensation (worth between £7 million and £14 million) will be paid to the 60 tea companies any time soon. Sri Lanka is almost bankrupt and speculation is that, having received tacit agreement from the British government to proceed with the nationalisation, Prime Minister Bandaranaike will have to request Britain for financial aid to pay compensation.

Whitehall has been notably silent on the issue leading some political commentators in Colombo to say that the British government is helping Sri Lanka to move quickly against the tea companies to which they have already committed £8 million in direct aid.

But now the big question is the publicly owned estates – like that managed by the Connollys who have invested 20 years of their lives in its development and successful production.

“Rumour has it that Mrs. Bandaranaike and the Bank of Ceylon do not want this but these take-overs were part of her platform when she came to power,” says Mrs. Connolly.

“We suspected it was coming – we just didn’t think it would be so soon. Mrs. Bandaranaike’s term of office is up in 1977, and the fact we can’t ignore is that this is in her manifesto.”

The agony Mrs. Connolly says is not so much the nationalisation itself as the tension of the wait, the not knowing where they stand.

“I think our young ones feel especially bad about it. They go back to school in England in a few days and they’re wondering if these are the last days they will ever have in the home where they grew up.”

The Connollys have no home or property in Britain. And they stand little chance of employment in unemployment wracked Britain.

“All our life’s work has been the exact science of running a tea estate with its delicate balance of cross-cultural relations, agricultural expertise and mechanical engineering. I’m not sure how we can apply that to life in current day Britain,” says Mr. Connolly.

I first met Mrs. Connolly a month after the government statement was issued. The occasion was a midnight barbecue and dance. The waves of the Indian Ocean gently brushed the shore as people of all nationalities danced to a lively band under the stars or chatted in small groups seated at tables beneath a huge canopy near the beach. If there was a crisis brewing in these people's lives, it was not evident that night.

A handsome, warm woman, Mrs. Connolly talked about her family's uncertain future, the lines of the past month's worry etched in her serene face.

"I was terribly depressed after that call," she says, smiling sadly. It was just two days before the children were to return home from school in England. I wasn't sure what to do. I started to pack. I did one crate. But I've since unpacked it. We just don't know do we?"

A week later I visited the Connollys at their home high up in the Nuwara Eliya hills, heart of the tea growing region. I had toured one other tea factory – a government sanctioned "model" estate near Kandy which tourists are shown. Little more than a dank, poorly lit barn, it was no match for the Connollys' pristine steel and concrete facility with state-of-the-art processing equipment. Even the workers looked healthier.

"I guess the government doesn't really believe we are all that necessary," Mrs. Connolly says sadly. "You can have all the knowledge in the world when it comes to running a tea estate but if you can't get the work done, it's knowledge wasted."

"An unprecedented way with the workers" is what characterizes Ben Connolly's management style according to those who know him. If there is a problem in a worker's family, Ben Connolly is more often than not consulted. If a village celebrates a religious rite Ben and Ruth Connolly are invited to bring honour to the occasion.

One happened to be taking place the day of my visit. They invited me to accompany them to a Tamil village ceremony thanking the deities for rain. The entire village appeared to be in a communal trance, dancing unharmed through red hot coals, some sustaining body piercings with large hooks, all with no apparent harm.

It's part of the rhythm of life for the Connollys so closely are they integrated into the fabric of the society of the country they love. Now there is nothing they can do but wait. I spoke to Mrs. Connolly again in August.

"Hope springs eternal," she says. She paused frequently to watch her children play tennis on the lawn with a group of school friends from nearby estates.

“It’s such an incredibly beautiful country. You get up in the morning and you can decide between golf in an English climate or a tropical coast an hour’s drive away. There’s fishing in mountain streams, hiking, boating and mountain climbing. All our friends are here and our livelihood is here. Ben is terribly upset. He’s said little these past few weeks.”

She tries not to think of what they do if the inevitable happens.

“I try to think of it this way. We are not nationals and we have been treated well. Other planters (nationals) have not been allowed to leave. Yet we have been able to travel every two years for three months at a time and we are allowed exchange for a passage. Our children are educated overseas.

“All this must cause resentment among the Sri Lankans living here who do not have these privileges. What can I say? This is still our home . . . I just don’t know what we will do.”