

# Tiny Rowland: No longer the "Unacceptable Face of Capitalism"

Jean Shaoul  
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Rowland 'Tiny' Rowland, former boss of Lonrho, the African-based mining conglomerate, has died at the age of 80.

Obituaries of the man once dubbed by Conservative Prime Minister Sir Edward Heath as the 'unacceptable face of capitalism', described him as one of a dying breed of buccaneer entrepreneurs such as media mogul Robert Maxwell and financier Sir James Goldsmith. Rowland was, in many ways, the real face of capitalism, bereft of the cosmetic niceties in which it is usually dressed.

Rowland's goal was to make money, and lots of it. He let nothing and no one stand in his way. He did not seek the approval of the establishment, nor honours from it. Politicians and governments existed for no other purpose than to enable him to make a killing.

The most fulsome tributes to Rowland came from African politicians, including South African President Nelson Mandela and former Zambian President Kenneth Kaunda. After he was elected, Mandela awarded Rowland the country's highest honour. He said, 'He made an enormous contribution, not only to South Africa, but to the whole of Africa.'

This is not surprising. Rowland was one of the first businessmen to befriend the emerging nationalist movements in Africa and disparage colonial rule. It was widely assumed that he owed his 'success' to his willingness to bribe the newly elected post-colonial governments. When a biography exposed this as his *modus operandi*, he did not offer to refute it. He played a key role in brokering the Lancaster House talks of 1979, which settled the political future of Rhodesia and led to the formation of Zimbabwe, in order to secure Lonrho's financial interests.

Tiny Rowland was born Rowland Walter Fuhrhop in 1917 in an internment camp in India. His father, a

wealthy adventurer, was German and his mother Anglo-Dutch. After the First World War, the family returned to Germany where Rowland went to school and later joined the Hitler youth movement.

In 1934, the family moved to Britain where he was sent to board at a minor private school. There his experience in Hitler's youth movement proved useful when he joined the school's Officer Training Corps and became a corporal.

After leaving school, he joined the family merchanting business. When war broke out, his brother, who had returned to Germany, joined the Wehrmacht and fought in Hitler's army throughout the war. The British once again interned his father.

Despite becoming a British national and changing his name, Rowland was interned with his father and other German-born immigrants on the Isle of Man. He spent three months in the Peel camp for high-risk Nazi sympathisers. Although he denied any such sympathies, his wartime records are still a secret. His subsequent history suggests that he may have become a British spy. Certainly his fellow detainees thought he was an informer.

After the war, he left Britain to seek his fortune in Africa, leaving behind an unpaid tax bill. Settling in Southern Rhodesia, dubbed as 'God's own country' by white businessmen and landowners, he set about a series of business ventures that were to bring him to the attention of Angus Ogilvy. Later to marry into the British Royal family, Ogilvy was seeking someone to run the mining company, London and Rhodesian Mining and Land Company, later renamed Lonrho.

Despite his dubious background, Rowland passed the scrutiny of a senior Lonrho director, Sir Joseph Ball, a former member of the British secret service MI5 who played a key role in Home Defence during World War

## II.

Rowland transformed Lonrho into a major corporation. At its peak in 1989, Lonrho's profits were £272 million, up from a mere £158,000 in 1961, the year he joined the company. His method was to jet round Africa, buying up African mines through his connections with local politicians whom he did not hesitate to bribe. His biggest coup was the acquisition of the Ashanti gold mines in Ghana, largely thanks to Lord Duncan Sandys, a former Conservative cabinet minister who was chairman of the company.

Rowland ran the company as his personal fiefdom, with scant regard for the wishes of his co-directors and contempt for what limited financial rules there were. He drew no distinction between Lonrho's and his own money. His wheeling and dealing, and particularly the purchase of rights to the Wankel (rotary) engine, led to huge debts.

When forced to bring prominent non-executive directors onto the Lonrho board to supervise the company, Rowland simply ignored them or lied to them. He made sure he got his own way by granting share options to the chairman, Alan Ball, and executive director, Ogilvy, which made them dependent upon him. It was the ensuing boardroom row and unsuccessful attempts to dislodge him that led to Heath's famous remark in 1973.

Undeterred by the slap on the wrists by the British establishment, Rowland turned to new sources of financial support in the Middle East, then experiencing a boom based on the rise in oil prices. It was at this point that he teamed up with a fellow wheeler and dealer, Mohamed Al-Fayed, who was even more ruthless than Rowland.

He had bought up a string of newspapers in Southern Africa to smooth the way for his predatory operations and silence any opposition. He proceeded to do the same in Britain, becoming chairman of the Sunday newspaper, the *Observer*, in 1983.

When Al-Fayed out-manoeuvred Rowland over the acquisition of the famous Knightsbridge store, Harrods, Rowland pursued a relentless vendetta against the Al-Fayed brothers in the media and the courts. He spent £25 million of Lonrho's money in the process.

He used his connections with the ruling political circles to force a Department of Trade and Industry investigation into the Al-Fayeds' takeover of Harrods.

Although the report was never published, Rowland managed to get hold of a copy and brought out a special issue of the *Observer* on a Thursday to publish its findings.

The chief beneficiary of Lonrho's profits was Mr. Rowland himself, owning as he did 20 percent of the corporation's shares. But in the 1990s, Lonrho faced an entirely different situation. The African states on which his profits relied were in a state of political turmoil, which hit Lonrho badly. A boardroom coup managed to kick Rowland upstairs in 1994, with a handsome pay-off of £2.7 million. There followed a break-up of the corporation, to the considerable profit of all the shareholders, including Rowland, who had kept a 7 percent stake.

Rowland's career personifies that of capital the world over. His methods are standard practice today, and no contemporary politician would bat an eyelid. In so far as he was then the 'unacceptable face' of capitalism, it was because Rowland did not take the customary care to don the disguise of aristocratic 'concern' and 'responsibility' perfected over decades by the British ruling class. That mask has long since been discarded, as Thatcher and her successors celebrated the ruthlessness and selfishness of corporate money-grubbing.

See Also:

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