Original Article

Investing in Irony? Development, Improvement and Dispossession in Southern African Coal Spaces

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Abstract The natural resource political economy in Southern Africa is booming once more. Central in these dynamics are the practices, promises and consequences of 'investment'. Investment is ubiquitous in neoliberal discourse and has long been used as a synonym for 'development' and 'improvement', though it is also rooted in and often responsible for dynamics of dispossession. This article theorizes the ironic relations between these concepts and investigates them empirically by drawing on and connecting disparate investment spaces. Focusing on the Mozambican coal boom, the article connects the practices, promises and consequences of investment in resettled rural villages in Tete and an investors' conference in a 5-star hotel in Cape Town. It argues that 'everyday-type ironies' are an important way in which tensions and contradictions of capitalist investment are expressed and rendered manageable. 'Investing in irony', however, does not necessarily enhance the stability of the accumulation process. More importantly, the article concludes, it emphasizes its unpredictability.

Dans l'Afrique du sud, la politique économique des ressources naturelles prospère encore une fois. L'investissement – ses pratiques, ses promesses, et ses conséquences – est central à ces dynamiques. L'investissement est omniprésent dans le discours néolibéral et, pendant longtemps, il a été utilisé comme synonyme de « développement » et « améliorèrent », bien que enraciné et souvent responsable des dynamiques de « disposession ». Cette étude théorise sur les relations ironiques entre ces concepts, et les investigue de façon empirique en connectant des espaces d'investissement hétérogènes. Nous focalisant sur le boom du charbon au Mozambique, nous connectons les pratiques, les promesses, et les conséquences de l'investissement contrastant des villages rurales relocalisés à Tete, au Mozambique, et une conférence d'investisseurs à Cape Town, en Afrique du Sud. On argumente que « les ironies quotidiennes » sont importantes pour que on puisse exprimer et gérer les tensions et les contradictions de l'investissement capitaliste. « Investir en ironie», cependant, n'améliore pas la stabilité du processus d'accumulation; plutôt ça souligne son imprédictibilité.

European Journal of Development Research advance online publication, 2 October 2014; doi:10.1057/ejdr.2014.59

Keywords: investment; coal; development; dispossession; irony; Mozambique

Introduction

The Southern African resource extraction sectors are booming once more. Investors, companies and financiers – facilitated by governments – are tumbling over one another to stake claims, win concessions and start new initiatives. Oil exploration in Angola is a prime regional focus of attention, but gas developments in Namibia and Mozambique, oil exploration in Zambia, and coal mining in Mozambique and Botswana are also attracting serious attention. Obviously, these interests are part of a broader renewed focus on the African continent for its resources, as 'traditional' and 'emerging' powers vie for raw materials (Southall and Melber, 2009; Carmody, 2011; Büscher, 2012). In fact, many go beyond a 'renewed focus' to argue that this once 'high-risk investment' territory has become the most promising of all investment opportunities. *African Business*'s editor in chief writes in January 2012 that '2011 looks like being the year that will go down in history as when Africa made the big transition from its chaotic past into a future that is full of promise. The continent has bewildered foreign pundits by the speed with which this final transition was achieved and many still cannot believe the evidence in front of their own eyes' (Versi, 2012, p. 17). Another article in the same issue argues that 'While the Eurozone lurches from crisis to crisis, Africa has been registering record growth levels and has now become the prime focus of investors looking for areas of solid growth to invest in. Africa, until recently on the fringes of world economic activity, has suddenly become the centre' (Siddiqi, 2012, p. 28).

In these jubilant, spectacular discourses, Africa *in general* is 'full of promise' and it is 'investment' and 'investors' that hold the key to 'unlocking' the continent's multiple potentialities. According to UN Secretary General Ban Ki Moon at a June 2013 conference on 'African Development', 'investors and entrepreneurs in Africa and beyond can help realize Africa's enormous potential for green growth'. He explains:

> The African continent as a whole is still marginalized in the global economy. Exports from sub-Saharan Africa make up just 3 per cent of world trade. Africa's share in global foreign direct investment flows is just 3.5 per cent. Most of the continent's trade and investment are still focused on a limited number of commodities exported to a limited number of destinations. Better integrating Africa into the global economy on more favourable terms can help diversify the continent's economies and make them more resilient. Responsible foreign investment holds more potential for Africa than any other source of development capital, including official development assistance. (www.un.org/News/Press/docs/2013/sgsm15070.doc.htm, last accessed 10 June 2013)

It is a familiar discourse, pervasive and repetitive to the point of becoming almost meaningless were it not for the many far-reaching, real-world effects it produces. Yet, this is precisely one of the major issues characterizing 'development' under late capitalism: the combination of many different spectacular, mundane or other strategies in order to maintain its hegemony and open up or intensify spaces and opportunities for capital accumulation. Discourses and practices of investment speak to these dynamics in important and interesting ways, and in this article I aim to investigate them in relation to the current political economy of natural resources, in particular coal extraction, in Southern Africa.

Following the neoliberal, open market and trade policies adopted by most Southern African countries, to attract 'investment' is a key policy goal. In turn, 'investment' – in its most generic sense – has long been used as a synonym for 'development' and 'improvement'. Indeed, part of the 'mundaneness' of investment discourses and practices is how they are presented as 'naturally' good and positive. For a long time, the critical development literature has done much to 'denaturalize' investment discourses in Africa and beyond, especially when it comes to investments in mineral and natural resource extraction (Bebbington *et al*, 2008; Bush, 2008; Graulau, 2008; Luning, 2008; Kragelund, 2009; Himley, 2010; Emel *et al*, 2011; Rajak, 2011; Bryceson *et al*, 2013). In this article, I contribute to this literature by developing an argument around the role of irony in neoliberal resource investment. More specifically, I will argue that forms of irony play an important role in the ways that investment, development, improvement and dispossession are integrated such that it becomes profitable, or at least sensible, to 'invest in irony'. The stark and often ignored contradiction in official development policy and investment discourses that capitalist forms of investment, development and improvement follow and themselves often lead to dispossession (Li, 2007) is something that, I argue, finds ironic expressions in empirical reality, in ways that both strengthen and weaken the stability of capitalist accumulation processes.

This argument is based on findings derived from a broader, ongoing research project on the political economy of energy and natural resources in Southern Africa. Fieldwork and data gathering have been conducted on an irregular basis between 2008 and 2013, with the author spending an average of 3 months per year in Southern Africa in the framework of the project. This article will focus mostly on data from and in relation to coal extraction in Mozambique's northern Tete province. This includes primary and secondary data collected during several fieldtrips to Mozambique between November 2009 and January 2012, especially to Maputo and to the northern Tete province. Akin to Ferguson's (1999, p. 18) fieldwork experience in the Zambian copper belt, these trips left me rather depressed, as I was witness to the negative social and environmental effects of the enormous coal mining investment boom going on in Tete. Yet, this was not because of a dynamic of 'decline' as Ferguson observed in Zambia in the 1980s, but the opposite: fast-paced 'development', large investments and concomitant 'expectations of modernity'. My central aim has been to investigate and empirically connect these developments, investments and expectations.

Due to the intermittent nature of fieldwork, I pursued focused ethnographic engagements in (relation to) particular areas, events and 'spaces' that I believed were important in piecing together poignant aspects of the uneven political economy of natural resource extraction in the region. Some of the starkest of these I present in this article. It contrasts data on the Tete coal boom, in particular the January 2012 riots in a resettled village whose inhabitants had been dispossessed from their land and livelihoods due to coal mining, with an elite investor's conference, the McCloskey South African Coal Exports Conference 2012, held on 1 and 2 February in the luxurious Westin Grand Hotel in Cape Town. These two different faces of the same natural resource boom both show the importance of forms of irony in how investment and development relate to dispossession.

The article will proceed as follows. In the following section, I theorize investment in relation to the concepts and practices of development, improvement and dispossession and show what a focus on irony can contribute to these discussions. The next sections deal with the empirical material from the investors' conference and the Tete coal boom. I conclude by coming back to the main argument around 'investing in irony' and its consequences for the stability of capitalist processes of accumulation.

The Ironies of Investment

In mainstream discourses, especially as they relate to 'developing' areas such as Southern Africa, investment is generally equated with 'development', as also illustrated in the above quote by Ban Ki Moon. Or vice versa: development is increasingly narrowly defined as the outcome of investment and its role in stimulating entrepreneurial activity (Soederberg, 2007). So when the influential 'Commission for Africa' 'in its 2005 report *Our Common Interest*, called for a renewed commitment to promoting growth and prosperity on the continent', one of its principal proposals was 'to establish an investment climate facility that would address barriers to investment in Africa'.[1] Similarly, as noted by Soederberg (2007, p. 482), 'The World Bank's 2005 World Development Report, *a Better Investment Climate for Everyone*' argues 'that economic growth, and therefore a society's standard of living, can only be brought about by facilitating a good investment climate and higher productivity'.

Investment in mainstream neoliberal discourse, in other words, is similar to and contributes to 'improvement', and its connotations of progress, betterment and positive change. Indeed, capitalist investment and development as 'improvement' share a long and closely intertwined history. Meiksins Wood (2002, p. 106) argues that the concept of improvement 'tells us a great deal about (…) the development of capitalism', particularly in the context of seventeenth-century English agriculture:

> The word 'improve' itself, in its original meaning, did not mean just 'make better' in a general sense but literally meant to do something for monetary profit, especially to cultivate land for profit (…). By the seventeenth century, the word 'improver' was firmly fixed in the language to refer to someone who rendered land productive and profitable, especially by enclosing it or reclaiming waste.

This quote is especially interesting in relation to Li's (2007, p. 9) statement that 'the rush to identify hidden motives of profit or domination narrows analysis unnecessarily, making much of what happens in the name of improvement obscure'. This is certainly true and part of this article's argument. Yet, while I agree with the need to look 'behind' improvement (and investment) schemes, I do so explicitly within the framework of the historical origin of the idea and practice of 'improvement', particularly as it was bound up with the 'origin of capitalism' and its 'will to profit'. As Meiksins Wood (2002, p. 106) aptly remarks, 'we might like to think about the implications of a culture in which the word for "making better" is rooted in the word for monetary profit'.

But Meiksins Wood (2002, p. 107) pushes the argument further, emphasizing that ' "improvement" meant, even more fundamentally, new forms and conceptions of property'. With this she means 'capitalist conceptions of property – not only as "private" but as *exclusive*' (ibid, p. 108). This entails *enclosure*, which in turn means 'not simply a physical fencing of land but the extinction of common and customary use rights on which many people depended for their livelihood' (ibid.). This type of enclosure then becomes a form of dispossession, which, as Perelman (2000), Harvey (2003) and others emphasize – and as we shall see below when discussing the effects of investment in Mozambique's Tete province – is a continuous and ongoing rather than a historical process. In turn, this dynamic risks becoming *cyclical* if we follow Li's argument that one of the several 'deeply embedded contradictions' in improvement discourses is 'the contradiction between the promotion of capitalist processes and concern to improve the condition of the dispossessed' (2007, p. 31). Investment as improvement, ironically, is both the cause of and (presented as) the answer to dispossession.

In the process, however, 'investment' – as practice and discourse – remains remarkably disconnected from its effects and meanings. Part of this has to do, I argue, with the difficulty in connecting spaces where investment decisions and discourses originate with the broader spaces where these expressions take effect and acquire yet other meanings (see Rajak, 2011). This difficulty, in turn, derives from the fact that investment decisions are often taken far away from the spaces impacted by these decisions. As cogently argued by Bracking (2012, p. 275):

> Private equity funds do business from afar, with investors pooling their funds, and then Fund Managers invest in other companies, who may then invest in yet others, or set up a corporate entity with the special purpose of actually building, mining or drilling. Distal investment is efficacious for money-holders since, by their nature, energy, mining and infrastructure tend to generate contestation with local communities and environmental activists (…), and involve multiple risks and liabilities, including 'regulatory risk', reputational risk, pollution risks and 'construction overruns, escalating costs, regulatory tussles, opposition from affected communities over resettlement and social and environmental impacts'.

The 'distal' in 'distal investment' is of course not only related to concrete distance in miles or kilometres but, importantly, 'linked to time and to money' (Carmody, 2011, p. 28). That is, the connections between the disparate spaces that make up a particular investment regime together with the powers that actors have to cross or influence these connections are greatly influenced by control over resources (especially money, but also political climate, a national regulatory environment, networks and so on) and time (particularly in relation to those factors that influence the turn-over of investment capital such as infrastructure, the materialities of resources and the presence of local people). In turn, it is these spaces and factors that both greatly influence the distribution of costs and (potential) benefits from investments and obfuscate how this distribution is practically effected. Tracing and connecting these spaces and factors and how they are expressed then becomes crucial in understanding how and why investment remains disconnected from its effects and meanings.

The question of expression is important and links the discussion to the role of irony. Irony is important here in two ways. There is, first, great irony in the fact that investment is both cause and consequence of dispossession. But its role goes one step further. I contend that this first meaning of irony works in conjunction with a second meaning, one that not only accepts but in various ways allows the ‘first irony’ to find expression. This argument builds creatively on Fletcher’s (2013) interpretation of Žižek’s ‘fetishistic disavowal’, which is focused on the broader logic of why neoliberal capitalism not only retains but often expands its legitimacy despite widespread acknowledgement of failure to achieve objectives of development and improvement. Fletcher (2013, p. 806) locates the reason for this contradiction in the argument that ‘neoliberalism’s thwarting of the jouissance it promises merely enhances its appeal by augmenting desire for the elusive fulfillment’. This is an interesting argument worth exploring on the macro-level of neoliberal capitalism as a whole but does not explain what happens on the micro-level, especially in the thick of dynamic day-to-day processes of investment, development and dispossession. These processes, after all, are rarely accurately captured by the term ‘jouissance’, even if the term in the theoretical traditions that Fletcher draws on refers to an ironic type of ‘enjoyment’ that is simultaneously pleasurable *and* painful in its continuous postponement of the fulfillment of the promise. Other logics are at play on this level, logics not primarily motivated by grand desires but by more mundane and subtle needs, such as airing or expressing tensions or contradictions that are otherwise not easily acknowledged. ‘Everyday’-type ironies help to do this, and, I argue, can function as a form of catharsis in which the first irony is both acknowledged and, to a certain degree, rendered manageable.

This argument dovetails with critical commentaries on Corporate Social Responsibility (CSR) that argue that CSR works to instil neoliberal discipline into ‘the social order’ rather than alleviate or tackle the first irony above (Rajak, 2011, p. 13). In her book *In Good Company*, Rajak (2011, p. 239) argues that we need to look at how practices of investment, including their CSR components, work out in social settings across space and time (from boardrooms to mining towns), in order to understand how ‘the moral economy of CSR represents, not an opposition to the contemporary world of corporate capitalism, nor a limit to it, but the very mechanism through which corporate power is replenished, extended and fortified’. This mechanism, Rajak shows, is accompanied by many struggles, tensions and contradictions, yet exactly how these are dealt with, expressed or managed and to what effect is something that occupies her less. The following empirical illustrations related to the coal boom in Mozambique show that irony is one key form of expression of these struggles, tensions and contradictions. Like Rajak, I focus on the ‘high end’ and the ‘low end’ of the coal investment chain, in order to show how different forms of ‘everyday, second ironies’ are enveloped within the broader dynamic of the ‘first irony’. I will start, however, with a brief introduction to the Mozambican coal boom.

The Coal Boom in Mozambique

While the resource sector is still a fairly small part of the Mozambican economy, it is triggering disproportionate amounts of investment such that ‘Mozambique’s new growth model remains based on extractive industries’.[2] Coal and gas developments, especially, are tempting investors’ appetites and are triggering a spur of dynamic activities around exploration, mining, infrastructure, transport development and financial deal-making. According to the 2011 African Economic Outlook:

> Mozambique's growth rate surged to 8.1% in 2010, supported by the gradual recovery of aluminium prices, public investment and FDI inflows. The economy had already proved strongly resilient to the global economic crisis in 2009, despite the sharp 35.7% decrease in aluminium prices, thanks to the USD 600 million investment in the Moatize coal mega-projects, which accounted for more than half of FDI. (www.africaneconomicoutlook.org/fileadmin/uploads/aeo/Country_Notes/2011/Full/Mozambique.pdf, pages 5–6, last accessed 14 March 2012)

Investments in coal are likely to continue playing this role: 'mineral prospects have sustained FDI inflows in spite of the global crisis, and Mozambique is expected to become the continent's second-largest coal producer after South Africa'. Moreover, 'mining projects are generating investment in the transport and communications sectors, which will continue to be the second-largest source of economic growth after agriculture up to 2012' (ibid.). This activity is mostly concentrated in the province of Tete. According to the *Financial Times*, 'Tete is at the heart of Mozambique's nascent coal rush, with the region endowed with one of the world's richest undeveloped coal reserves'. Together with massive new gas discoveries along the Mozambican coast, 'the result is that one of the world's poorest countries has found itself at the centre of unprecedented international investor attention'.[3]

In these and similar reports, Mozambique is increasingly branded as an attractive investment space. In this branding, the government of Mozambique plays a facilitating role (cf. Hanlon, 2004, pp. 619–621). According to the government's Investment Promotion Centre (CPI): 'The diversity and vastness of unexploited mineral resources that the country is endowed with represent major investment opportunities for the exploration, extraction, processing and utilization of various types of resources, of which the most important are natural gas, coal, gold, titanium, ilmenite, zircon, rutile, tantalite, marbles, and precious stones' (www.cpi.co.mz/index.php?option=com_content&view=article&id=63&Itemid=73, last accessed 9 January 2012). But resources alone do not an attractive investment space make. CPI strategically adds that 'taking into account the total liberalization of the energy sector thus allowing private participation, including in the form of public–private partnership, the sector represents a major investment and growth opportunity' (www.cpi.co.mz/index.php?option=com_content&view=article&id=64&Itemid=74, last accessed 9 January 2012). This 'liberalization' is enshrined in Mozambican law, stipulating that local land tenure arrangements can be changed if title is given to foreign investors by the state (República de Moçambique, 2002; cf. Hanlon, 2004)[4], something that has happened in Tete (and beyond) on a large scale over the last decade.

This brings us back to the point by Meiksins Wood (2002, pp. 107–108) that improvement, in this case through investment, fundamentally refers to private and exclusive conceptions of property and enclosure, and hence often, ironically, leads to dispossession. Three contextual issues in relation to the Mozambican coal boom further fuel this 'first irony'. First, according to the national director of the Ministry of Energy, Mozambique does not have the infrastructure or the skills necessary to mine or develop its own mineral and energy resources (see also Baker, 2012), which makes it dependent on outside investors and their 'exclusive conceptions' of private property and profits.[5] A second major issue mentioned by several informants is that the Mozambican government has no idea exactly how many natural and mineral resources the country possesses, nor the means to verify the numbers investors and companies come up with.[6] One informant, the director of a research institute, reckoned that because the government does not have an independent evaluation mechanism to check the resources that companies extract, transport and export, they are forced to rely on company information, leading to enormous loss of tax income. This is corroborated by the first report on Mozambique by the Extractive Industry Transparency Initiative. It revealed that from six international resource extraction companies, the state only received around US$6 million in taxes, which the director believes is 'nothing of course' (cf. Selemane and Nombora, 2011, pp. 8–9).[7]

A third and last contextual issue mentioned by several informants is Mozambique's dependence on South Africa as the regional 'anchor market', both in terms of 'standard setting' in accounting and finance, and as 'end-market' for energy developments in Mozambique. This, one informant reckoned, gives South Africa a lever to control important parts of energy and resource investment and commodity chains, even if these originate in Mozambique.[8] On the basis of this and similar issues in other sectors, Castel-Branco (2010, p. 23) refers to Mozambique as an 'extractive economy', which according to him best captures the 'complex dynamics of dominant economic accumulation in Mozambique over time'.

Of course, this overall picture of how the 'first irony' of investment works is familiar. As Harvey (2006, pp. 91–92) argues, 'the perpetual search for natural resources of high quality that can be pillaged for surplus and surplus value production has […] been a key aspect to the historical geography of capitalism'. What has been researched less, as also argued by Rajak (2011), is how this works out in empirical reality across different investment spaces and how various actors devise different strategies to deal with or manage this 'first irony'.

The McCloskey Coal Conference

At the 'high end' of the coal investment chains are not just the boardrooms of major corporations but also the many elite investment conferences that investors attend. They are prime spaces where international and national coal communities meet and network, talk about market trends and get up-to-date information. As such, they are also prime spaces for ethnographic engagement, though not the 'easiest' ones. First, this is because they are very expensive. The meeting I attended, the McCloskey South African Coal Exports Conference 2012, held on 1 and 2 February in the Westin Grand Hotel in Cape Town, was accessible only after paying the $1598.00 early bird conference fee (normal rate: $1700.00). Obviously, this is a hefty fee, making the decision to attend a difficult one. Together with my funders, however, I decided that these spaces were crucial to understand the political economy of coal investment in Southern Africa and it would therefore be important to attend at least one such conference.[9]

I chose the McCloskey conference based on its timing and the international and South African networks it brought together. I could have chosen others as well. Scarcely a week later, the 'African Mining Indaba' was held in the same venue (www.miningindaba.com/, last accessed 12 January 2012), though its equally hefty fee prevented my participation. Obviously, taking one conference has methodological limits, but judging from their marketing, many of these conferences share similar objectives – most especially greasing the 'wheels of commerce' in certain industries. As such, I believe my exposure at the McCloskey conference was similar to what I could have expected at other such networking events where agents of global circulatory capital mingle with agents of production-oriented capital in order to extend the connections necessary to survive or thrive in the natural resource and mining business.

The McCloskey conference featured many of the familiar 'high-end' elements of capitalist investment. Most obvious was the fact that the conference was held in a 5-star hotel in Cape Town, far away from coal mining activities, but easily in reach for moneyed travellers. The Westin Grand hotel in Cape Town is an incredibly luxurious and expensive hotel where everything is geared towards making an impression of wealth, excess and rational organization (see Figure 1). It is, in that sense, spectacular: a dramatic production of lavishness and grandeur that for 2 short days captures the attention of important and highly mobile investment and government elites. The conference was also exclusive: it took place in the basement and was cordoned off so as to be limited to (paying) participants. Yet, the high-end, 'world class' features of the conference were probably interesting only for the ethnographer; for the conference participants this is simply 'normal' (Sklair, 2000).

Clearly the McCloskey conference was geared towards further opening up Southern Africa for capital circulation, including the provisioning of details that help make investors decide whether to put money into this or that production or distribution project. Indeed, much of the *political* content (unlike the *technical* content related to coal specifications, distribution technicalities and so on) of investment debates was geared to this type of discussion. This brings me back to the earlier statement that investment discourses have to walk a fine line between the spectacular and the mundane. In the conference announcement (Figure 1), as well as during the conference, this was a prime tension that typified this investment space: providing 'factual', technical information and discussing political debates (especially the resource nationalization issue then prominent in public debates in South Africa) with an eye to investment risks on the one hand and promoting markets, countries and/or products as prime investment opportunities on the other. The central question during the conference seemed to be whether one was 'bullish' (optimistic) or 'bearish' (cautious/pessimistic) about particular combinations of investment risks and opportunities.[10]

In this investment space, as is clear from the discussion so far, it seems that there is no room for the social and political–economic contradictions of capitalist investment. Yet, over the course of the conference they did emerge in subtle ways, with two events standing out that I will discuss in the rest of this section. The first of these was the speech of the then Minister of Mining, Ms Susan Shabangu, on the second day of the conference. The speech dealt with the 'government strategy for the future of the South African coal industry', and started out very generally, dealing with topics such as long-term planning for local supplies to the industry, the growth and expansion of the coal industry and the need for the private sector and government to work together. According to the Minister, there were 'positive developments' but also some 'challenges', but through it all she emphasized that 'Government will ensure that the industry thrives'.

All this sounded like a fairly standard policy speech with few surprises, until the Minister's tone suddenly changed. She started talking about the need to address climate change, especially in relation to the 'ground-breaking solutions' that were agreed upon at the Climate Change Conference of the Parties (COP17), held in Durban 2 months prior (although she quickly added that coal will remain part of the economy and that main solutions need to be found in 'clean coal technology'). Next, she suddenly started slamming the sector for being very white and having similar demographics as 'before 1994', for being 'obsessed with bottom-line targets', for not yet having included many women (which must not be 'tokens'), and urging the sector to take 'Black Economic Empowerment' seriously and for safety standards to be further increased. Clearly, the Minister wanted to make a statement that she was not afraid of the sector, as she challenged the participants outright, warning them 'not to undermine government policies'. Most notably, she stated, 'you can keep taking me to court, but I will expose you to the broader realities of the world'.

After the Minister was done, the participants politely applauded, though the irony of this short, black, powerful woman slamming an audience dominated by white, coal industry or investment men was not lost. The tension in the large, air-conditioned room was palpable, yet quickly glossed over by participants asking questions about concerns related to nationalization of mines, industry empowerment objectives, growth targets and so forth. It was clear that she had touched a raw nerve, but many of the issues she mentioned were not or could not be discussed in that setting – at least not in plenary form. Yet at the same time, the Minister's presence in this exclusive

Figure 1: Part of the McCloskey conference brochure. *Source*: conf.mccloskeycoal.com/journals/McCloskey/Conferences/Conferences/attachments/McCloskey%20South%20Africa%20Brochure_WEB.%2021.12.11pdf.pdf.

setting, like the year before and, as the chairman mentioned, hopefully again the next year, showed the power of the sector to get her to be part of its space, where it holds exclusive ownership over key capital assets that the Minister depends on to reach her own targets and policy goals. Allowing her to challenge the sector in a space controlled by the sector also enables the latter to manage certain uncertainties, both on and off the plenary stage.

The second event that stood out was partly triggered by the present author after a presentation on the second day of the conference entitled ‘The success story of Mozambique’. It was presented by Mr Ahriman Suriv[11] of Renaissance Capital, self-described as a ‘leading independent investment bank’ that ‘offers unparalleled financial, investment and management expertise in high-opportunity emerging and frontier markets around the world’ (renaissancegroup.com/OurFirm/AboutUs/, last accessed 28 March 2012). According to Mr Suriv, ‘India and China will not be able to develop if Africa does not unlock its mineral resources’. In this picture, Mozambique is evolving as a major force in the global resource sector, especially coal. Introducing the country, Mr Suriv stated that a major benefit is that Mozambique is coastal (a sea-facing world-class basin), which is good for transport, and that minerals policy development has ‘placed the country’s mining legislation on par with international best practice’. Indeed, he argued that ‘before you take your company to a country you check the mineral law’. When he did so for Mozambique he was happy to learn that since the World Bank had been asked by Mozambique to improve the institutional capacity of the mining sector it is now ‘one of the most competitive in the world’. Mr Suriv reckoned that ‘there is a reason why so many billions are invested in Mozambique: there is abundant reserves and coking coal’, which has attracted the ‘majors’, including Rio Tinto, Jindal and Vale and others. According to him, Vale is the ‘most advanced’: ‘when Vale gets ready to get rolling they do get rolling’.

Mr Suriv also had an eye to Mozambique in all of this, which he discussed under the heading of ‘downstream development’: ‘there is a lot of spin-off benefits for Mozambique, that Mozambique is going to enjoy’. Among these, he understood the fact that several companies told him that ‘they are going to build power plants’. He continued, ‘this region is going to need a lot of distribution to get the energy out of the country, but this is going to be hugely beneficial for Mozambique’. At the same time, he was careful (somewhat ‘bearish’) and a next slide asked the question: ‘50 mnt [*million tons per annum*] by 2025?’ His own answer: ‘it seems unlikely that Mozambique will deliver serious tonnages due to the mismatch between mine plans and reality’. In all bulk projects, he stated, it is typically the government that leads infrastructure, but many countries in Africa do not have the capacity so they look to the private sector to share the burden. Still, Mr Suriv believes that governments must take charge, adding that ‘you need good institutions, good government and good governance’. He concluded that ‘overall the region has a great future’; ‘this is overall one of the best mining developments in Africa over a long time’. ‘The potential spin-offs are good, and what was only 20 years ago a basket case is now seeing lots of investment’.

After the presentation, there was space for questions. I asked how the recent Cateme riots in Tete – which will be discussed in the next section – would impact on investments in coal, and Mr Suriv’s opinion about the general situation with problematic population resettlements in Tete province. This question seemed to unsettle both Mr Suriv and the audience, and I immediately felt exposed as someone who was not part of the sector and brought up tensions that were best left unmentioned. Mr Suriv answered without looking at me: ‘Yeah, Vale and Jindal will have to resettle people and quite a number’. He added that ‘Mozambique will have to resolve it by itself’ and ‘resettlement is always a painful issue’. He acknowledged that there has been quite a transformation in Tete, and ended by saying, ‘it is not going to be painless’. He then quickly moved on to the next question.

Clearly in Mr Suriv’s presentation there was a detachment from Mozambique as a country where people live with their own ‘expectations of modernity’ and how investments impact on them. Mozambique is simply a space that has become attractive, whereby different ‘variables’ need to be taken into account in order to make investment profitable. Local people are one of these ‘variables’, but they were hardly referred to during the presentations, or indeed any other presentation during the conference. Thus, the question I posed was uncomfortable, and led Mr Suriv to shift the burden of responsibility for the dispossessed due to the investments he is promoting to the Mozambican state. This, however, is not to say there was no talk of taking responsibility for both the ‘promotion of capitalist processes and concern to improve the condition of the dispossessed’ (Li, 2007, p. 31). During the conference, ample reference was made to improvement and development arising out of coal investments. In fact, many presenters stated – often matter of factly – that coal mining was a prime method to guarantee regional development and improvement. One even stated – in response to worries over climate change-related regulations – that investment in coal could be the ‘cleaner and greener’ development option if enough money were to be invested in appropriate technology and measures to improve efficiency. At the same time, many clearly did not believe this rhetoric, or at least attribute it much significance, and continued to bring the debate back to the above-mentioned political and technical content that dominated the conference. As such, the seemingly jubilant celebration of coal investments as a prime way to achieve development and improvement became what I stated earlier about Ban Ki Moon’s remarks about investment, namely, a familiar discourse, pervasive and repetitive to the point of becoming rather meaningless were it not for the many far-reaching, real-world effects it produces.

This, then, was another way in which the irony associated with investment was expressed in the McCloskey space: as pervasive and repetitive investment-as-improvement-and-development discourses against the background of all attendants knowing that the meaning of these discourses is ultimately about the ‘far-reaching, real-world effects’ they produce. The meaninglessness of the rhetoric, in other words, is inversely related to – and arguably necessary for – the deep meaning attributed to its real-world effects, even if, or perhaps especially because of the fact that, the attendants also fully realize that these are ‘not going to be painless’. Improvement and making things better, they intuitively know, ultimately comes down to – and is measured by – the ‘will to profit’. Pervasive and repetitive discourses, then, become another way to manage the tensions and ironies in the investment-development-dispossession dynamic, or at least in the space of this elite investor’s conference. How this works out quite differently on the ground in Tete is what will be discussed next.

Tete and the Cateme Riots

Tete has become a typical ‘primary commodity supply zone’, which according to Bridge (2001, p. 2154) is:

> constructed by expert discourses relating to mineralogy, mineral economics, and law; by the implementation of technologies that locate, evaluate, and process nature into separable, extractable categories; and by the actions of the state which mediate this capitalization of production conditions by normalizing discourses of growth and development, and by disciplining those discourses and actions that oppose insertion into the world economy as a commodity space.

The above discussions already provided good examples of these expert and normalizing discourses of investment, how they open ‘commodity spaces’ and how they are believed to lead to ‘development’ and ‘improvement’. Yet, when looking more closely into what ‘investment’ brings in Tete, it is – contra Sebitosi and Graça (2009) – clear that there is little to be jubilant about.[12]

According to a local employee of one of the big mining companies, Riversdale, the company has a social programme, but it is not enough; ‘it solves the problem of today, but does not invest in […] the future'.[13] Indeed, speaking to six local employees of several of the big mining companies (Riversdale from Australia, Vale from Brazil and JSW from India), they had surprisingly similar stories. The majority of them had worked for GPZ, the government land tenure and surveillance office, before this office was, according to one of them, abolished under 'structural adjustment'. Paid for by the state, they had built up intimate knowledge of the land and the resources in the province, which are now utilized by international private companies for prospecting coal and dealing with community tenure rights. In interviews, all were highly critical about the long-term prospects for Mozambique, and arguably with good reason. While some workers may undoubtedly receive some benefits, the experience of other mining developments (particularly the inevitable decline period after the boom) shows the intense precariousness of ethnographic realities of workers and administrators negotiating rapid cultural, economic and socio-political changes.

In an interview, the director of the Tete 'Direcção Provincial Dos Recursos Minerais E Energia' talked about some of these changes. Initially he stated that the government can handle the intense dynamics triggered by the coal investment boom, but it soon became clear that this is anything but the case:

> Tete was not constructed to become a very big town, and thus also not to deal with all problems. The urban structure is not well done, but we have to get ready. Sanitation will be a big problem. People from Beira, Nampula, etc., go to Tete to make money – prostitution, drugs, criminal activity, everything will happen, so we have to be very prepared, otherwise some very big disasters will happen.[14]

Indeed, in much of the rest of the interview, the Director was anxious to share with me his worries about the socio-economic effects of the coal boom in Tete, as were other informants. In one of the first studies on the impact of coal mining in Tete, Mosca and Selemane (2011) echo these concerns by stating that Vale and Riversdale are having little impact on poverty levels in the province, and are arguably making them worse.

One of the ways in which things were made worse for local people is resettlements due to coal mining. One of these resettlements and the riots to which they led will inform the rest of the discussion in this section. It concerns the village of Cateme, where between November 2009 and April 2010, 717 families were resettled to because they lived on a rich coal deposit close to Moatize, the town they depended on (cf. Selemane, 2010, pp. 21–22). This coal deposit was bought and subsequently mined by Vale who, together with the Mozambican government, were responsible for resettling the villagers to Cateme, some 45 km away from Moatize. This proves that 'the mobilization of space for the purposes of its production makes harsh demands', as Lefebvre (1991, p. 336) argued, though as Coelho (1998) shows, land in Tete has long been subject to different kinds of production and forms of resettlement in colonial and post-colonial times (see also O'Laughlin, 1996).

As a consequence of this particular resettlement, the Cateme villagers suffered challenging livelihood transformations such as lack of access to markets and other facilities, higher transport costs and diminished agricultural yields.[15] They were promised compensation but this proved wholly inadequate and after approximately 2 years of trying to get Vale and the government to keep their promises, they expressed their frustrations in January 2012 – several weeks before the McCloskey conference – by blocking the railway line used for coal transport. The state's response was to send the secret police to physically assault several community members, after which order was (at least temporarily) restored and coal transport resumed.[16]

The key message in the riots was meant for Vale and the government, namely, for them to realize that they should 'improve' their practices of improvement and development since the material conditions in Cateme were not acceptable for the resettled villagers. From discussions with government officials, this seemed to be a surprise for the government and for Vale: they

Figure 2: Cateme village picture (photo by author).

thought that the resettlement village was better for the villagers than what they had before, and included all amenities they needed: modern-looking housing, wide, modern-looking streets, water points, a school, a market, electricity and more (see Figures 2 and 3). In reality, the houses built for the villagers lacked a solid foundation and started showing cracks; the roofs were often leaking, and the electricity provided was too expensive for most villagers, especially because of loss of livelihood and income opportunities after resettlement.[17]

Clearly, then, the riots were a major expression of the tensions in the investment–development–dispossession nexus – an expression that is of course familiar from other cases of mining investment around the world (Bebbington *et al*, 2008). The irony in this story is therefore not that the mining company Vale and the Mozambican government did not see it in this way, and merely cracked down violently on the disturbance of the circulation of coal capital. That, too, is unfortunately an all too familiar response (Rajak, 2011). What is interesting in terms of irony in this case is precisely how Vale and the government tried to prevent any riots or unrest by ensuring that development and improvement were carried out according to high standards. As stated above, they tried to build Cateme into a 'model' village with all the amenities that could possibly be needed for decent livelihoods.

In so doing they went beyond livelihood amenities and facilities and moved into the moral domain of trying to teach the villagers proper manners and values. They did so by putting up several signs around the village, reminding people of important moral concerns and duties. One sign was about not throwing trash on the floor (Figure 3), which was ironic considering that many villagers felt that they were treated as 'trash' by the company and the government. Yet, the most remarkable sign was one next to the fancy artwork at the entrance to the village, which instructs Cateme villagers to 'take care of their environment' (Figure 4). This, of course, is an acute contradiction: an international coal company telling dispossessed resettled villagers to 'take care of the environment'. Hence, behind the most visible irony of resettled villagers being violently disciplined for demanding better 'improvement and development' are smaller ironies through which the tensions of investment are expressed. In aiming to provide for a seemingly ideal resettlement village that goes beyond providing appropriate amenities, Vale and the Mozambican government lost sight of how messages directed towards cleanliness and environmental health

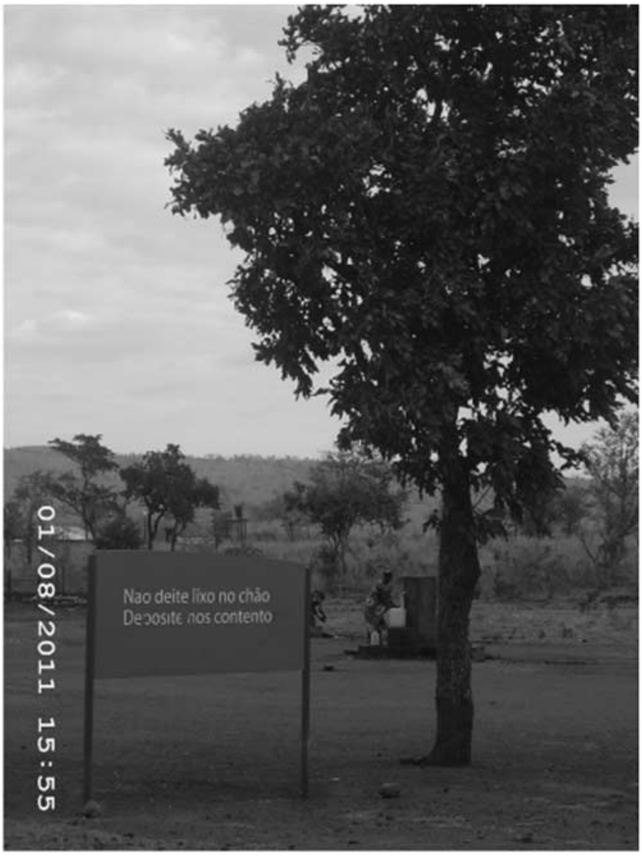

Figure 3: Sign in Cateme village (photo by author).

Figure 4: 'Take care of the environment' entrance sign for Cateme, Mozambique (photo by author).

provided ironic and contradictory signals to the villagers. They had ‘invested in irony’ in order to enhance the stability of the accumulation process but this had the opposite effect on the villagers, as the signs to them expressed the much larger irony of the necessity of their dispossession for the exclusive gain and profits of distant investors.

Conclusion

Capitalist investment discourses and practices are full of irony, yet not often recognized or analysed in this way. But just as Chouliaraki (2013) argues that irony forms a central element in humanitarian imaginaries and practices of development and improvement, so it similarly plays a central role in investment imaginaries and practices. In the illustrations presented here, it was shown that the great irony of investment as cause and consequence of dispossession is rarely openly expressed, but rather that smaller, ‘everyday’-type ironies do the job. These ‘second-order ironies’, I argued, function as a form of catharsis in which the first irony is both acknowledged and given a place. Investing in irony, therefore, is profitable: it ‘offloads’ investments’ contradictions and thereby acknowledges tensions and gives them a place in the accumulation process. Indeed, I have argued that to a certain degree these ‘everyday’-type ironies help render manageable the tensions that accrue from the capitalist accumulation process.

However, as the illustrations also showed, this conclusion about manageability does not mean that it enhances the *stability* of the capitalist accumulation process. As we saw in the second illustration in Cateme, the exact opposite ensued and tensions in fact increased, leading ultimately to the January 2012 riots that needed to be violently suppressed in order to again guarantee the stability of capitalist accumulation. Now, of course, as Harvey (2006, p. 95) and many others have forcefully argued, the capitalist system is ‘contradictory and inherently unstable’ so it was never to be expected that the accumulation process would become more stable due to increased manageability. What a focus on irony in these everyday dynamics adds to the literature, then, is to help us to understand more precisely how the tensions and contradictions in the larger, more well-known irony of investment as cause and consequence of dispossession are expressed and dealt with by different actors.

Here, the empirical illustrations bring out another important conclusion, namely, that while ‘investing in irony’ may be profitable in order to give tensions and contradictions a place in the accumulation process, different actors invest and respond to these ironies in different ways, making the accumulation process not just ‘inherently unstable’ but also ‘inherently unpredictable’. Being aware of this point is of profound importance, I argue, as it counters the oft-seen tendency in critical analyses to attribute an all-encompassing and all-powerful teleology to capitalism that simply does not exist (cf. Huber, 2013). Investing in irony is therefore not just profitable but also unpredictable, which opens important political space through which the seeming inevitability of processes of dispossession and the political economic system that generates them can be challenged.

Acknowledgements

The author would like to thank all those who helped during field research, especially the staff and director of IESE in Maputo and staff at Justica Ambiental. This article was made possible through financial support from the Department of Geography, Environmental Management and Energy Studies of the University of Johannesburg. The author is grateful to the Department, particularly Professor Harold Annegarn, for their support.

Notes

1. www.icfafrica.org/icf/54/icf-background/, last accessed 7 March 2012. The facility has three main objectives: 'Build the environment for investment climate improvement', 'Get the investment climate right' and 'Encourage business to respond by improving Africa's image as an investment destination'.
2. www.africaneconomicoutlook.org/fileadmin/uploads/aeo/Country_Notes/2011/Full/Mozambique.pdf, page 3, last accessed 14 March 2012. See also Castel-Branco (2010, pp. 54–55).
3. www.ft.com/cms/s/0/7e201c78-6b6a-11e1-ac25-00144feab49a.html, last accessed 15 March 2012. See also other, similar reports: mobile.bloomberg.com/news/2011-12-13/mozambique-ports-grow-with-rio-tinto-appetite-for-coal-freight and www.miningweekly.com/article/mozambique-poised-for-mining-growth-with-116bn-project-pipeline-2011-10-19, last accessed 9 January 2012. All this is not to say that the boom is a smooth process, as became clear in August 2014, when The Africa Report noted that 'Coal has fuelled Mozambique's recent breakneck growth, but creaky transport infrastructure and civil conflict now threaten to hamper the sector's expansion'. See www.theafricareport.com/Southern-Africa/infrastructure-obstacles-slow-mozambiques-coal.html, last accessed 15 August 2014.
4. With thanks to Louis Brito of IESE (personal communication, 23 January 2012, Maputo, Mozambique) for pointing this out to me.
5. Interview Director, Ministry of Energy, 13 November 2009, Maputo, Mozambique.
6. This is also recognized by the 2012 African Economic Outlook for Mozambique: www.africaneconomicoutlook.org/en/countries/southern-africa/mozambique/, last accessed 23 June 2013.
7. Interview Director, Social and Economic Research Institute, 23 January 2012, Maputo, Mozambique.
8. Interview staff officer electricity utility UTIP, 8 February 2010, Maputo, Mozambique.
9. I did manage to negotiate a discount. After discussing with her 'superiors', the Sales Executive (conferences) was able to offer me the rate of $1350.00, which, it was emphasized, 'is a one off price exclusively for you' (E-mail, 22 November 2011).
10. Many presenters spoke in these terms, explicitly expressing their 'identity' as bullish or bearish.
11. Not his real name.
12. See also this Al Jazeera documentary about coal mining in Tete: english.aljazeera.net/video/africa/2010/09/201091617515142358.html, last accessed 16 July 2014.
13. Interview staff officer Riversdale, 30 July 2011, Tete, Mozambique.
14. Interview director of the Direcção Provincial Dos Recursos Minerais E Energia of the Governo Da Província de Tete of the República de Moçambique, 30 July 2011, Tete, Mozambique.
15. This is what people told me during my visit in July/August 2011, but see also Selemane (2010, pp. 22–24) where the same issues are mentioned. See also this video uploaded by JA!: www.youtube.com/watch?v=ZiEM1xOm3bw.
16. Interview, NGO staff officer, 26 January 2012, Maputo, Mozambique. See the following reports in the media: af.reuters.com/article/topNews/idAFJOE80A00M20120111; allafrica.com/stories/201201131463.html and allafrica.com/stories/201201130340.html, last accessed 14 March 2012. See also the report by the NGO, including some pictures: www.facebook.com/notes/justi%C3%A7a-ambiental/o-que-vale-o-desenvolvimento-/343036745715865, last accessed 6 July 2012.
17. Personal observations and local interviews, 1 August 2011, Cateme, Mozambique (see also Selemane, 2010).

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