REVIEW OF AFRICAN POLITICAL ECONOMY, 2017
VOL. 44, NO. 151, 104–121
http://dx.doi.org/10.1080/03056244.2017.1295367

Mozambican economic porosity and the role of Brazilian capital: a political economy analysis

Isabela Nogueira[a], Ossi Ollinaho [b], Eduardo Costa Pinto[a], Grasiela Baruco[c], Alexis Saludjian[a], José Paulo Guedes Pinto[d], Paulo Balanco[e] and Carlos Schonerwald[f]

[a]Institute of Economics, Federal University of Rio de Janeiro, Rio de Janeiro, Brazil; [b]Free University Finland, Helsinki, Finland; [c]Institute for Applied Social Sciences, Federal Rural University of Rio de Janeiro, Rio de Janeiro, Brazil; [d]Centre for Applied Social Sciences, Federal University of ABC, ABC Region, Greater São Paulo, Brazil; [e]Department of Economics, Federal University of Bahia, Salvador, Brazil; [f]Department of Economics and International Relations, Federal University of Rio Grande do Sul, Porto Alegre, Brazil

ABSTRACT

After two decades of high growth and increased levels of foreign investment, Mozambique continues to face serious problems in reducing poverty. This article investigates the characteristics of Brazilian aid to and investment in Mozambique and scrutinises how these activities relate to the Mozambican growth. Combining the literature on the porosity of Mozambican growth with an analysis of the class dynamics of Brazilian accumulation, this article identifies the class fractions that sustained the Brazilian neo-developmental attempt and their capital internationalisation into Africa. Moreover, it empirically details their role in giving form to porosity in the Mozambique economy and promoting private gains at the expense of social losses.

KEYWORDS
Mozambique; Brazil; foreign direct investment; international aid; economic porosity

La porosité économique du Mozambique et le rôle du capital brésilien : une analyse d'économie politique

RÉSUMÉ

Après deux décennies de forte croissance et de niveaux élevés d'investissements étrangers, le Mozambique continue à faire face à de sérieux problèmes pour réduire la pauvreté. Cet article étudie les caractéristiques de l'aide et de l'investissement brésiliens au Mozambique et examine la manière dont ces activités sont en lien avec la croissance mozambicaine. En combinant la littérature sur la porosité de la croissance mozambicaine avec une analyse des dynamiques de classe de l'accumulation des richesses au Brésil, cet article identifie les classes qui ont soutenu la tentative « néo-développementaliste » du Brésil et l'internationalisation du capital en Afrique. De plus, l'article détaille de manière empirique leur rôle dans la formation de la porosité dans l'économie mozambicaine et dans la promotion des gains privés au détriment des pertes sociales.

MOTS-CLÉS
Mozambique ; Brésil ; investissement étranger direct ; aide internationale ; porosité économique

CONTACT Isabela Nogueira isabela.nogueira@ie.ufrj.br

Introduction

The landscape of foreign investment and development assistance in Africa has been changing fast in recent years, bringing major shifts in the economies of once aid-dependent countries like Mozambique. Because of the extraordinary expansion in exploitation of natural resources, notably minerals and gas, foreign direct investment (FDI) surpassed aid levels in 2011, for the first time in the history of independent Mozambique. The trend has continued and in 2013 FDI was 2.5 times the volume of aid, representing almost half of Mozambique's gross domestic product (GDP). This implies that some major changes may be occurring. The first is that the role of aid is changing, in part because new donors (such as China, India and Brazil) have emerged and also because development assistance is becoming more openly blended with private investment. Second, the linkages between domestic and foreign capital have been amplified and strengthened, solidifying sectorial and social disarticulations and bringing about what the Mozambican economist Carlos Nuno Castel-Branco (2014) characterises as a growth pattern with a high level of 'economic porosity', leading to private gains for very few people and large social losses.

The Mozambique economy has indeed been growing extremely fast, but it has retained only a small part of its surplus domestically. Whatever it does retain is highly concentrated in the hands of a few. For over two decades, since shortly after the end of its civil war, the Mozambique economy has been growing on average by 7.5% a year, one of the fastest rates in sub-Saharan Africa. Yet poverty levels have not been declining, because agricultural production per capita has stagnated and no significant numbers of jobs have been created (Jones and Tarp 2013; Cunguara 2012; Cunguara and Hanlon 2012; AEO 2013). Growth has been determined by extractive mega-projects in aluminium, coal and gas run by foreign investors supported by the Mozambican state. These projects are capital intensive, rely heavily on imported intermediates, have low rates of reinvestment and high profit repatriation to the investing country. Furthermore, they create very few jobs and have few linkages to Mozambique's national industries or even to the public budget, due to widespread tax exemptions (Castel-Branco 2014, 2013, 2010; Virtanen and Ehrenpreis 2007).

Brazil occupied a major place in this investment expansion, as Portuguese-speaking countries have traditionally been the first destination of Brazilian corporate capital moving to expand internationally, into Africa. In 2009, Brazil took the place traditionally occupied by Portugal and neighboured South Africa, and became the leading source of FDI entering Mozambique, a position it kept for the next three years (until 2012). Brazilian development cooperation with Mozambique emerged in the context of this intense investment penetration, and some important development programmes were subordinated to this extractive dynamic, offering support to the expansion of foreign corporate business that intensified porosity, as this article will explore. Since 2013 the Brazilian role as both investor and donor has very rapidly lost relevance again as Brazil's economy submerges into severe political and economic crisis, development cooperation activities lose resources, and Brazilian companies freeze their internationalisation efforts.

This article investigates the characteristics of the recent boom in Brazilian investments and aid to Mozambique and scrutinises how these two interact with the Mozambican accumulation pattern. Combining the recent literature focusing on the porosity of

Mozambican economic growth with an analysis of the class dynamics of recent Brazilian capital accumulation, this article shows that the class fractions that sustained the Brazilian neo-developmental attempt were perfectly mirrored in the movement of Brazilian capital into Africa. It also empirically details their role in giving form to porosity through several mechanisms that undermine the capacity of the state to redistribute the surplus value.

Below, the article is organised as follows. In the next section, we briefly present the theoretical concept of porosity that guides our understanding of the Mozambican accumulation pattern, also offering an overview of foreign (and specifically Brazilian) capital in Mozambique. The subsequent section details the class dynamics of the Brazilian neo-developmental attempt, presenting the tripod that sustained the political front in Brazil and their relationship to the capital accumulation pattern of Mozambique. Next, we empirically scrutinise the intersections between corporate investment and development cooperation interests in the mining, infrastructure and agricultural sectors, pointing to the magnet-like effect of Brazilian capital and the blending of multiple instruments. We also give empirical examples of how the extraction of the surplus from the economy has taken place in the form of social expropriation from the working class, capital outflow abroad and concentration of capital in the hands of a few, domestically. The final section summarises the main conclusions. This article draws mainly on secondary sources and has benefited from 41 semi-structured interviews and from multi-sited ethnographies conducted in the Mozambican provinces of Maputo, Nampula and Niassa (the last two are part of the Nacala Corridor) in March–April and October 2013.

The economic porosity of the Mozambican social system of accumulation

After two decades of rapid economic growth and one of the highest rates of FDI in sub-Saharan Africa, the Mozambican economic 'miracle' has not improved living conditions for the vast majority of the population. On the contrary, poverty increased slightly during the last decade, precisely when economic growth accelerated to around 8% per year. The latest available data, from 2008/09, show that 54.7% of Mozambicans live on less than US$0.60 per day, in comparison with the official poverty rate of 54.1% found in the 2002/03 survey (Ministry of Planning and Development 2010). Even orthodox multilateral institutions such as the African Development Bank and the Organisation for Economic Co-operation and Development (OECD) agree that 'the capital-intensive nature of Mozambique's growth has as yet created limited jobs and has had a less-than-desirable impact on poverty reduction' (AEO 2013). Such an alarming failure to reduce poverty urges us to understand the ways in which the surplus has been generated, reinvested and appropriated in Mozambique.

Castel-Branco (2014, 2013, 2010) characterises the dynamic of the Mozambican economy as 'economic porosity'. Through this conceptual framework, he argues that the current political economy is a result of both a transfer of surplus abroad and of a particular social system of accumulation that expropriates from the state and imposes social austerity and wages below subsistence costs on the labour class. Mozambican porosity is thus characterised by three interlinked processes. The first of these is an effort to maximise the inflow of foreign capital without any conditionality, leaving the channels for the outflow of surplus abroad wide open. Second, the foreign capital and the formation of a national capitalist class are blended, leading to a drastic concentration of the surplus that remains in the country – a process quite evident in the recent surge in numbers of millionaires in Mozambique. The third characteristic is a generalised social expropriation of surplus from the working class, as the state imposes strict austerity to compensate for the loss of surplus that goes abroad, promotes the mercantilisation of public services and leaves to the rural families part of the responsibility to feed the wage-earning workers.

It should be clear that porosity does not refer only to the outflow of surplus due to the extraction of wealth by multinational companies through licit (fiscal incentives, profit repatriation, non-reinvestment of profits) and illicit means (capital flight), even though this outflow does play a large role. A core element in porosity is its social dynamics. The emerging class of national capitalists is eager to promote expropriation of state assets to maximise FDI and commercial loan inflows, thus allowing the outflow of surplus value to take place smoothly. At the same time, these emerging capitalists are engaging with foreign capital to make private gains. The Mozambican state and its capitalists are promoting a primitive capital accumulation in the form of a rapid privatisation of mineral and energy reserves and the related infrastructure. They achieve this by granting fiscal advantages to large corporations and by adopting a very liberal stance to capital flows. All these are made in exchange for the creation of a national capitalist class based upon an extractive, porous and narrow-based economy. In Castel-Branco's (2014, S28) words, the social dynamics of the porous economic system explain 'the government's preference for social porosity and private appropriation of surplus', suggesting that 'the porosity of the economy plays a strategic role in accelerating private capital accumulation, which has become the focus of public policy and its interaction with private capital.'

Economic porosity leads to 'social losses' and 'private gains' (Castel-Branco 2014). More specifically, it means that the economy faces considerable difficulties in retaining uncommitted surplus that could be used for creating public and private productive linkages and investments. The state also loses its ability to mobilise resources and to pursue broader social and economic goals despite increases in the available surplus. Studying the Latin American context decades before, Ruy Mauro Marini (2005) called a similar historical process a 'social and sectorial disarticulation', in which the consumption and circulation spheres were separated, the economy did not create sufficient productive linkages, and exploitation took place at very high levels, at the same time as the process of accumulation was going on. In other terms, the transfer of surplus from the periphery to the centre and the concentration of what was left in the hands of a few local capitalists led to a 'super-exploitation of labour' and to economic disarticulation. Importantly, for Marini, such a process was made possible because domestic demand was not relevant for the process of national capital accumulation.

The intensification of financial speculation is another consequence of porosity. The global framework under which Mozambican porous dynamics take place is shaped by financialisation, or by the structuring the real economy in accordance with financial interests and under the state's regulatory auspices (Fine 2012). In Mozambique, as the extractive system limits business to a narrow range of activities, the opportunities in the banking market have been concentrated in the extractive system itself, property speculation, and public debt bonds (Castel-Branco 2014, S42). Public debt has been growing much faster than GDP in the past decade – at around 10% a year in the case of foreign public debt and 30% a year for domestic public debt. Debt is used to subsidise large-scale extractive capital. At the same time, it expands the possibilities for financial speculation as a result of the increasing use of bonds as a means of financing the state. The low cost of private investments (low expropriation costs, indebtedness carried out by the state), combined with the freedom to easily convert gains in the financial market, has also created a lot of room to speculate with natural resources. Combined, these issues have increased the vulnerability of the economy and led to a growing perception that Mozambican growth is exhibiting several of the characteristics of an economic bubble (Castel-Branco 2015).

Magnitudes of foreign capital: FDI and aid

Mediated by the state and in conjunction with local emerging capitalists, multinational financial capital (in the form of FDI in natural resources) has had a crucial role in shaping Mozambique's current accumulation pattern. The FDI that enters Mozambique is characterised by several factors, one of them being the absolute lack of conditions and a drastic degree of freedom. This is in contrast to countries like China, where the entrance of foreign capital has been tied to several obligations, such as technological transfer, limits on profit repatriation and capital control, targets for employment generation, geographical and sectorial allocation, etc. In Mozambique, the environment for foreign capital is as liberal as possible. Mega-projects enjoy fiscal exemptions, legal shortcuts and operational facilities that no other economic entities have access to (Mosca and Selemane 2011). Because of the lack of capital controls, profit repatriation has become a burden and the main cause of deficits in Mozambique's capital account. On average, mega-projects reinvest only 3–5% of their earnings into the Mozambican economy (Castel-Branco 2014). Illicit capital flight, in its turn, has been calculated to represent around 5% of Mozambican GDP annually (Fjeldstad and Heggstad 2011).

Extensive tax exemptions are another key (licit) mechanism for allowing outflow to take place smoothly. It is perverse both because of the immediate losses and because of the long-term effects. Between 2008 and 2012, the three oldest mega-projects in Mozambique – Mozal (aluminium), Sasol (natural gas) and Kenmare (heavy mineral sands) – contributed more than 20% to GDP but less than 2% to the total fiscal revenue of Mozambique. Castel-Branco (2014) calculates that the losses of potential revenue caused by incentives and non-taxed speculation in natural resources were equivalent to 13% of public revenue between 2005 and 2013. Once productive linkages are difficult to form due to the technological sophistication of capital-intensive extractive industries, a major mechanism for creating linkages with the domestic economy would be through the fiscal system. Yet the national government continues to resist this course of action, insisting that the society must manage its expectations around the results of mega-projects.

Before the surge in FDI, foreign capital had been present in independent Mozambique mainly in the form of foreign aid. Aid had had its role in the porous system either in the form of mitigating the impact of the state's social austerity or through helping private capital to penetrate the economy more smoothly. Even before the end of the civil war in 1992, Mozambique was already an aid-dependent country, with foreign assistance reaching as much as two-thirds of its GDP (Plank 1993). However, in recent years, while the total volume of so-called official development assistance (ODA), that is, aid given by OECD countries, has stabilised around US$2 billion, the volume of foreign investments has boomed. In 2013, ODA reached US$2.3 billion and FDI reached US $5.9 billion, 43% of Mozambican GDP (see Figure 1).

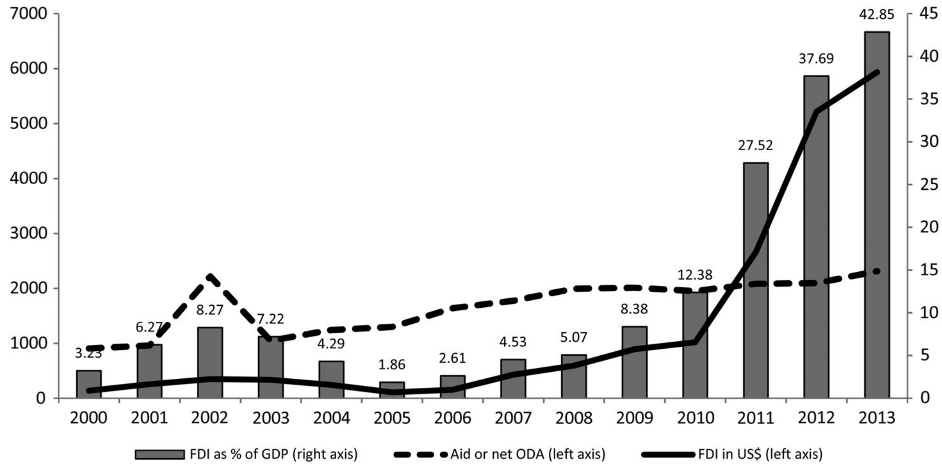

Figure 1. Mozambique: FDI shown both as a percentage of GDP and in US$ millions; and net ODA (in US$ millions), 2000–2013. Sources: OECDstat, UNCTADstat and Banco de Moçambique.

Brazilian investors played a major role at the beginning of this investment escalation. In 2009, having invested US$375 million, or 42% of the total influx of FDI into Mozambique, Brazil became the country's largest source of foreign investment for the first time in history, taking the place traditionally occupied by Portugal and South Africa. For the following three years, Brazil remained in first place, and its FDI rose to US$1.3 billion in 2012, representing 25% of total FDI entering the country. In 2013, this impulse vanished and Brazil dropped to 17th place (Banco de Moçambique 2009, 2010, 2011, 2012, 2013). The volume of Brazilian aid had always been much more modest, but also experienced some expansion until 2013. There is no public historical account of Brazilian cooperation expenditure by country, but the Brazilian Cooperation Agency's (ABC's) expenditures on technical cooperation in Mozambique (around 20% of the total) can offer a pointer: they rose from US$524,000 in 2008 to US$3 million in 2013 (Personal correspondence with ABC staff member). Nevertheless, just like FDI, cooperation expenditure vanished in 2014 as the political front that sustained the Brazilian accumulation pattern and its capital internationalisation was dismantled and the country sank into political and economic crisis (Pinto et al. 2016).

Going abroad: the class dynamics of Brazilian internationalisation in the 2000s

Brazilian capital in lusophone Africa is not a novelty. In the 1970s, when Brazilian foreign policy tended towards 'autonomy through diversification' (Vigevani and Cepaluni 2007), searching for south–south alliances that could reduce the north-south asymmetries, Africa was one of Brazil's priorities. Indeed, the Brazilian government recognised the independence of lusophone Africa even before Portugal, and was thus granted privileged access to Angola's oil fields and its construction sector (Saraiva 2002; Nogueira and Virtanen 2015). As with all the historical examples, the expansion of Brazilian capital into Africa in the 2000s, in the form of FDI, took place with state support. This time the high commodity prices gave Brazilian extractive companies a new impulse to go abroad. This section details the class-structured dynamics of Brazilian accumulation during the 2000s and highlights the specific political economy that underpinned the Workers' Party (*Partido dos Trabalhadores*) administration and induced capital expansion abroad, including into Mozambique.

The Workers' Party gave explicit support to the opening of new markets and to the penetration of emerging countries by Brazilian investments. It has been claimed that the foreign policy of Lula's government (2003–2010), and some of its spillovers during Dilma Rousseff's first term (2011–2014), inverted the subservient neoliberal logic of its predecessor and supported the search for south–south alliances that would help shape a multi-polar world. These policies had several contradictions, such as a conservative economic agenda combined with an increasingly neo-developmentalist foreign policy (Barbosa, Narciso and Biancalana 2009). Yet, some clear incentives for Brazilian capitalists to internationalise could be easily detected. In addition to several new embassies and presidential missions in Africa, each of these mixing diplomacy with business interests, a novelty in the recent state activism was to blend investments with aid, or to use state-sponsored development cooperation projects for facilitating the penetration by Brazilian capitalists and technology, as will be discussed. Also, Brazil's national development bank (BNDES) offered funding with generous interest rates to 'national champions', hence supporting the consolidation of large national groups and stimulating their expansion abroad.

Foreign policy, nevertheless, was influenced by the interests of the dominant sectors (power bloc) in the neo-developmental front (Boito Jr and Berringer 2013). To understand this, it is important to identify the political forces that sustained Brazilian accumulation dynamics under the Workers' Party before the crisis began in 2013. One political front was formed by the capital-intensive industrial commodity sector (centrally the mining company Vale), the agricultural commodity sector (those involved in the soya complex, including meat producers) and the construction sector (Odebrecht, Camargo Corrêa, Andrade Gutierrez, Queiroz Galvão, OAS). These are the same Brazilian companies that have expanded into Mozambique. Their capital accumulation was intense during the Workers' Party neo-developmental age. The profit rate of the largest 500 non-financial companies increased to 11% during Lula's government (2003–2010), compared with 3.5% between 1997 and 2002. The profitability of the six largest construction groups increased from 10.2% between 1997 and 2002 to 15.9% in Lula's second term (2007–2010). It is not a coincidence that the non-financial segments that most increased their economic and political power under Lula were the industrial commodity bourgeois, the grand agribusiness bourgeois and civil construction – segments that strongly contributed to Lula's electoral campaign (Teixeira and Pinto 2012).

Labour unions and social movements formed the second pillar of the Workers' Party political front (Boito Jr. 2012). Their support was ensured through credit expansion for families, real wage increases for the labour class, and minimum income schemes for those excluded from the formal labour market. As a result, domestic demand largely increased, poverty was rapidly reduced, and income distribution improved – although we do not have the data on the richest 1% to securely ensure a consistent improvement in the national distribution. Curiously enough, the Workers' Party kept the banking-finance fraction – the third pillar of its political front – intact in its neo-developmental dynamics of accumulation. Under Lula, the banking-finance fraction kept its hegemonic position in conducting macroeconomic policy, in guaranteeing its very high rates of profitability, and in conducting a general process of financialisation that opened possibilities for other fractions to follow the dynamics of fictitious capital (Boito Jr. 2012; Teixeira and Pinto 2012).

This tripod of fractions from the national bourgeois with political support from the labour class and under the hegemonic control of the banking-finance fraction, was made possible by virtue of certain specific external conditions. The increase in commodity prices, the improvement in the terms of trade for Brazilian exports, and international liquidity due to low interest rates in central economies vitally reduced Brazilian external and fiscal restrictions. These conditions allowed a fast expansion of domestic demand without relevant structural transformation in the productive sector or in the orthodox macroeconomic management of the country. During Lula's government, interest rates were kept at extremely high levels, thus increasing profitability in the banking-finance fraction. Combined with the high interest rates, the overvaluation of the currency (which was used to curb inflation) effectively inhibited the national industry from innovating. It is thus not a surprise that such a political front did not last. And this is not only because the external conditions have radically changed. Once Dilma's government tried to confront the established banking-finance fraction (from mid 2011 until the beginning of 2013), a neoliberal front constituted by the financial capital, the national industrial bourgeoisie and the middle class rapidly took shape and dismantled the neo-developmental arrangement (Pinto et al. 2016; Singer 2015). As the old political front melted away, the banking-finance fraction kept its hegemonic position – and high profit rates – amid the severe economic and political crisis.

Brazilian capital in Mozambique: accumulation, porosity and the state

This section empirically scrutinises the expansion of Brazilian capitalists during Brazil's neo-developmental period, characterising their particular behaviour once consolidating their presence in Mozambique and tracing the linkages to Mozambican economic porosity. We illustrate the magnet-like effect of corporate capital and Brazilian state support for the internationalisation of its national capitalists. We also show how Brazilian capital is linked to the dynamics of Mozambican porosity – through its capacity to send the surplus abroad, through its links with the national bourgeoisie and through social expropriation from resettled communities.

Brazilian capital in Mozambique: strategically interconnected and an instrument for porosity

The mining company Vale was a major catalytic force of attraction, having established a Brazilian pole for investment around its vast operations of mining and logistics in northern Mozambique. The group's local subsidiary operates the Moatize coal mine and, in a partnership with Mitsui, the second-largest Japanese trading house, controls the Integrated Logistic Corridor of Nacala. This corridor is one of the country's three main corridors designated for development by the Mozambican government. Vale calls its activities in Mozambique 'integrated mine-plant-railway-port coal operations' (Vale 2014, 1), synthesising the centrality of logistics. Such export-oriented infrastructure could also be of great use for other extractive industries and for agribusiness corporate investors, consolidating a commodity-induced export baseline. As the impressive export-oriented infrastructure was built, it attracted the attention of large-scale agribusiness investors during the global commodity boom. In order to offer the institutional and technological support needed for agribusiness expansion, a major technical cooperation programme called ProSAVANA has been attempted in the very same area. Nevertheless, by the end of 2014, only one agribusiness group (AgroMoz) with Brazilian presence (through Grupo Pinesso) was known to have consolidated its presence in this region – and arguably with no support from ProSAVANA (see Figure 2).

Coal mining has become the fastest growing segment in Mozambique in recent years due to the significant reserves discovered in the interior and northern province of Tete. These operations synthesise the extractive mega-projects logic that guarantees Mozambique's current high levels of GDP growth: 1. concentration on the production, commercialisation and export of primary products without any processing; 2. weak connections within the domestic economy; and 3. very high level of porosity due to the difficulties of retaining revenue domestically (Castel-Branco 2013).

Vale's activities in Mozambique started in 2004, when the company won the concession to explore Moatize (I and II), which is estimated to be the fourth biggest coal reserve in the world and the biggest in Africa. Investment for the construction of Phase I totalled US$1.6 billion. Production started in 2011, with yearly production planned to reach 11 million tonnes in 2013 (Phase II should double this figure by 2017) (Vale 2011; Massingue and

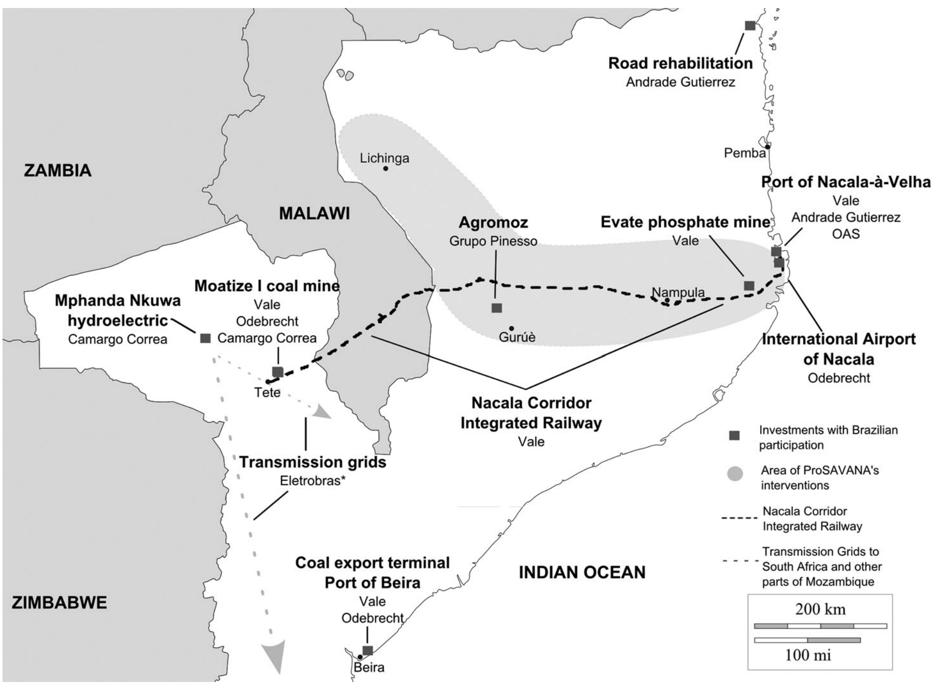

Figure 2. Brazilian current and planned* investments in mining, infrastructure and agribusiness in Mozambique: interventions and Brazilian companies involved. Source: map produced by the authors (2015).

*Note: Eletrobras' operations were under negotiation and planned to start in 2015. Vale's operations in Evate do not have a disclosed starting date.

Muianga 2013; Campbell 2014). However, because of infrastructure bottlenecks, exports were kept below one-third of the capacity in 2013. Once all the coal extracted is automatically directed to foreign markets, production is kept well below potential because of the difficulties of getting it to a sea port with sufficient capacity to handle the volume (Vale 2011; Campbell 2014).

In order to overcome the infrastructure bottlenecks, Vale has been investing heavily in the Integrated Logistic Corridor of Nacala, a combined railway and port system. The transport corridor consists of 912 km of railways, of which 230 km is new construction and 682 km is rehabilitation. The corridor will allow the coal leaving Moatize to cross Malawi and reach the coveted port of Nacala, the deepest natural portion on the east coast of Africa. Around this port area, Vale is constructing the maritime terminal Nacala-à-Velha, a large-scale export terminal for coal. Since 2012, Vale has controlled the whole railway system in Malawi through Central East African Railways and the railway system in the Nacala Corridor through the North Development Corridor in Mozambique. The Nacala Corridor will have a transport capacity of 18 million tonnes of coal a year, four times more than that of the Beira Corridor, the current export channel. Total investment for this integrated logistic is estimated to be US$4.4 billion (Vale 2012). At the end of 2014, due to falling commodity prices, Vale made an agreement with Mitsui for an equity infusion. Vale sold 15% of its stake in Moatize, reducing its holding to 80%, and half of its stake in the Nacala Corridor infrastructure, reducing its holding to 35%. Vale now shares control of the Nacala Corridor logistic system with Mitsui while continuing to be the main controller of the Moatize mine (Humber and Spinetto 2014).

Like all foreign mega-investors, Vale enjoys several tax benefits that lead to 'social losses' in Mozambique. Its profit repatriation and dividends are not subject to any taxation and its corporate income tax rate is 15 basis points below the standard corporate rate (down from 32% to 17%) for its first 10 years of coal extraction (2011–2021). It has also benefited from a 50% discount on the purchase tax on real estate. Vale was also exempted from several other taxes or duties, such as customs and stamp duties and even value-added tax (VAT). This means that the acquisitions of all services related to drilling, exploration and construction of infrastructures (including international acquisitions) are exempted from VAT. Foreign employees working for Vale also do not have to pay income tax (Mosca and Selemane 2011; KPMG 2013).

The biggest Brazilian construction companies – Odebrecht, Andrade Gutierrez-Zagope, Camargo Corrêa and OAS – have rapidly expanded their activities in northern Mozambique, favoured by Vale's operation in Moatize and its logistics system. Odebrecht led the consortium (which included Camargo Corrêa) responsible for building Moatize I, constructed the coal terminal in the port of Beira, and was awarded a contract from the Mozambican government for converting an old military base into Nacala International Airport (both funded by BNDES). The building of the port of Nacala-à-Velha for Vale is being undertaken by Andrade Gutierrez-Zagope in a partnership with OAS, an investment estimated at US$1.6 billion. In the southern province of Maputo, the company leads the consortium that has been granted the contract for the construction of the Moamba Major dam, another infrastructure project that receives a large part of its funding from BNDES (Mozambique 2011; Zagope 2011).

The political connections between Brazilian investors and Mozambican elites and the export-oriented purpose of their activities are also clear in another large-scale investment that is expected to take place soon in Tete Province, close to Moatize. Camargo Corrêa has a 40% share in the Brazilian-Mozambican consortium that will develop and implement the Mphanda Nkuwa hydroelectric power plant on the Zambezi River, expected to be the second biggest hydroelectric plant in Mozambique by 2017. The consortium includes Eletricidade de Moçambique (20% share) and Insitec (40%), an investment group owned by Mozambican ex-president Armando Guebuza, who stepped down from office in 2014 but still continues to have enormous political power. Construction work was planned to start in 2015, and investment was estimated at US$4.2 billion. Although part of the energy produced may be used in Mozambique, the first goal of Mphanda Nkuwa hydroelectric was to export energy to South Africa. The Brazilian state company Eletrobras was also negotiating for a shareholding in Mphanda Nkuwa and in the construction of the transmission grids to supply both the internal market and South Africa (Isaacman and Morton 2012; Macauhub 2015).

Penetration by Brazilian capital, especially around Vale's operations, was followed by intense 'social expropriation' and severe conflicts with local communities. The displacement process undertaken by Vale, which resettled 1365 households between 2009 and 2010, was carried out under extremely poor conditions. According to a Human Rights Watch (HRW) report (2013, 8 and 17), in Cateme, one of the resettlement sites provided by Vale, it is acknowledged that farmland is 'unproductive, unsuitable for growing their staple crops of maize and sorghum, and unable to support their typical second harvest of vegetables'. The report also cites 'serious problems with the availability and accessibility of water for both domestic and agricultural use'. At a second resettlement site, an urban village called 25 de Setembro, households have to rely on non-agricultural livelihoods as they did not receive any farmland as part of their compensation, even if they had farmed previously. The long-term sustainability of the village is in doubt, as jobs generated by Vale during the construction phase were largely short-term contracts (HRW 2013, 16–17). The general background of the resettlement process is one of very limited democratic participation marked by 'insufficient communication between the government and the mining companies with resettled communities' (HRW 2013, 6). Throughout 2012–13, conflicts culminated in at least three community blockages of the railway that transports the coal extracted by Vale, all followed by police repression of the protesters.

State support through loans and technical cooperation

BNDES was active in offering loans to the Mozambican government for projects undertaken by fractions of the Brazilian power bloc. In a media interview, it was revealed that up to 2014 the bank had a portfolio of US$800 million reserved for operations in Mozambique in the form of approved loans contracted and under analysis for projects carried out by Brazilian companies (Góes 2014). In the case of Nacala International Airport, out of a total of US$200 million invested by Odebrecht, BNDES provided US $125 million. Odebrecht also benefited from credit lines worth US$80 million to finance imports from Brazil needed for the construction of the coal terminal at the port of Beira and the airport itself (Góes 2014; Odebrecht 2013). For the construction of the Moamba Major dam, carried out by Andrade Gutierrez-Zagope, BNDES was expected to finance US$350 million of the total US$460 million project, which would be its largest loan to Mozambique (Góes 2014).

A second type of support from the Brazilian state was given in the form of development cooperation projects or aid. Some commentators have argued that Brazil and other emerging donors often mix aid with other flows, thus bringing about the 'blending' of various instruments by designing development programmes that, from the beginning, integrate technical cooperation with investments and trade (Mawdsley 2012, 135–136). Since the investment boom took over Africa, mixing aid, liberal investment frameworks and trade seems to be being promoted as a desirable practice by the club of donors, as it has been synthesised in the 2011 Busan High Level Meeting as 'development effectiveness' (Nogueira and Virtanen 2015). But it must be mentioned that the behaviour of Brazil as a donor is extremely varied, and not all programmes are blended with private initiatives. This reflects Brazil's own political diversity and the tensions within the power bloc that oriented foreign policy under the Workers' Party.

Currently, the biggest cooperation initiative with Brazilian involvement in Mozambique is ProSAVANA, a 20-year-long agricultural development programme in the Nacala Corridor. It is a trilateral initiative being carried out by the governments of Mozambique, Brazil and Japan. The programme aims to rapidly increase agricultural productivity and to establish associated agro-industrial plants, notably through a large technological and modernisation effort. For the first phase (eight years) it has a total budget of around US$36 million (Nogueira and Ollinaho 2013). The integration of small local producers with large-scale investors is expected to be done through contract farming, a business model in which a large plantation or agro-processor (usually foreign) buys a certain commodity from outgrowers under terms previously defined in a contract. As a development strategy, contract farming implies a series of risks and disruptions to local communities and to food security, most of them ignored in ProSAVANA project documents (Nogueira 2014).

Mining and agribusiness investors have converging interests in Mozambique, notably through the establishment and use of an export-oriented infrastructure that facilitates their access to Asian markets and through the creation of demand for and supply of certain products, such as chemical fertilisers. In this context, ProSAVANA emerged as a development cooperation programme that facilitates the technological and institutional environment necessary for the entrance and expansion of agribusiness investors. In an interview with one of the authors, a former director of ABC made clear the centrality of foreign investors to ProSAVANA's approach:

> The three of us, Mozambique, Brazil and Japan, had discussed that we would stimulate the introduction of investors at a certain point. They would use the knowledge that was being transferred to a great extent with the following aim: to transform Mozambican agriculture into a productive agriculture. It was important that the private sector from the three countries, or whichever wanted to, should enter the project […]. [The aim] was to transfer applicable knowledge that wouldn't just stay in the laboratory. (Interview with former ABC director, 4 March 2013)

Vale's connection with ProSAVANA started in 2010 before the programme was formally launched. Vale sponsored the first agro-climatic zoning study, designed to assess the agricultural potential of different regions in Mozambique. These studies were requested by the Brazilian Ministry of Foreign Affairs, sponsored by Vale, and executed by a team from FGV Projetos, the same consulting company that later became responsible for preparing Brazil's share in the ProSAVANA Master Plan (Interviews with FGV Projetos staff member on 18 March 2013 and 3 June 2013). Early draft documents from the Brazilian Ministry of Foreign Affairs and from ProSAVANA emphasise the benefits that would accrue from construction of the railway infrastructure once 'the Nacala port has advantage of its natural depth and location close to Asia', indicating ProSAVANA's export bias (MRE 2013, 36; ProSAVANA-PD 2013, 4–26). The Evate mine, the largest phosphate deposit in Mozambique, is another Vale investment that should benefit from the establishment of an agribusiness base in the Nacala Corridor. Phosphate is a raw material needed for fertiliser production. Vale owns the mine concession and has been considering the construction of a complex in the neighbouring district of Nacala-à-Velha for the production of fertilisers (Schlesinger 2013).

Agribusiness relations with ProSAVANA are multiple. When the programme was launched, an investment seminar organised in São Paulo to 'sensitise investors', dealt with investment opportunities in Mozambique. Both ABC and agribusiness representatives gave keynote speeches (Schlesinger 2013, 34; Clements and Fernandes 2013). In the *Investment guide for Mozambique*, the Brazilian Ministry of Foreign Affairs puts 'commercial agriculture' at the top of its lists of 'significant commercial opportunities for the Brazilian business community'. According to the guide, studies conducted for ProSAVANA 'have confirmed the availability of land with good potential' (MRE 2013, 35–36). The studies were conducted by the Brazilian Agricultural Research Corporation (Embrapa), the research institution responsible for the technological component of ProSAVANA. Embrapa's Maputo coordinator has confirmed that the Brazilian contribution is to test and transfer Brazil's 'first-class' technology, which will be employed most of all by Mozambican entrepreneurial and foreign corporate investors that are entering the Nacala Corridor:

> We are testing the best materials here, technologies that make intensive use of inputs, first-class technology, mechanised. We believe there will be growing demand for this technology once there is a growing movement of Mozambican, South African, Brazilian and Chinese producers going there and they want to produce using advanced technology, with high productivity […]. Our position is to help Mozambicans because we understand that by helping them we'll also have gains. We openly talk about building a win–win relationship. (Interview with Embrapa staff member on 14 March 2013)

Brazilian investors would not have been the only beneficiaries of the ProSAVANA interventions but they were thought to be a main group. The Mozambican focal point appointee in Nampula reported that 'Brazilian investors are the ones that come in large numbers within the scope of ProSAVANA' (Interview with ProSAVANA focal point in Nampula on 21 March 2013). At least three Brazilian agribusiness companies were waiting for approval of their DUAT, the state-granted land use right, by mid 2013 (Interview with official from the Mozambican Ministry of Agriculture on 9 April 2013). Nevertheless, by the end of 2014, only one Brazilian company was identified in ProSAVANA's target area (Clements 2014). Grupo Pinesso, the second biggest soya producer in Brazil, formed a partnership with Grupo Américo Amorin (Portugal) and Intelec, another holding owned by the Mozambican ex-president Guebuza that was already in partnership with Camargo Corrêa. The partnership produces soya, corn and cotton on 10,000 hectares in the district of Gúruè (Clements 2014; Hanlon and Smart 2012).

The technological and institutional support given by ProSAVANA is also linked to financial investors. The Nacala Fund, an investment fund developed by the Brazilian consulting company FGV Projetos, was marketed as offering 'investments with low risk and high return', once risks are minimised by ProSAVANA's 'institutional package' (FGV Projetos 2012, 58). Registered in Luxembourg, the Nacala Fund aims to raise US$2 billion in 10 years to finance agribusiness investors along the corridor (initially soya, corn and cotton). It has already selected 10 Brazilian agribusinesses that should each work in cooperation with four medium-sized Mozambican agricultural producers (Interview with FGV Projetos staff member on 3 June 2013).

However, ProSAVANA also became the Brazilian development cooperation programme that was most contested by Mozambican civil society, due to fears related to land grabbing, resettlements, reduced food security and growing inequalities. For the first time in the history of Mozambique, 23 national and 42 international organisations wrote an open letter to the Mozambican president and the heads of state of the two donor countries (Brazil and Japan), demanding an 'immediate suspension' of all activities under the programme. The letter was the culmination of a series of public denouncements made individually by the Mozambican civil society against ProSAVANA, which was seen as having 'defects' in design and implementation, such as 'irregularities in the alleged process of public consultation and participation; serious and imminent threat of usurpation of rural populations' lands, and forced removal of communities from areas that they currently occupy' (Open Letter 2013).

In reaction to heavy criticism of its export-oriented emphasis and claims by social movements of land grabbing, social exclusion and food insecurity, ProSAVANA has made attempts to deny its relationship with corporate investors and to emphasise the integration of local smallholders into future value chains. Public talks and documents make some important changes in rhetoric. Strong opposition coupled with Brazilian retreat from development cooperation have led to the apparent paralysis of the programme and to a general sense of failure. At this point, it is difficult to foresee whether ProSAVANA will ever take forward any relevant intervention. And it seems that the Mozambican government is already trying to disseminate new development initiatives for the region, all carrying the same extractive logic (UNAC and Grain 2015).

Conclusions

Foreign capital has been a major force in shaping the Mozambican extractive growth pattern. This article has investigated the role played by booming Brazilian investment and a linked technical cooperation programme in the growth of the Mozambican accumulation pattern, up till 2013. We have shown that the three fractions of the national bourgeoisie that constituted the productive dimension of the Brazilian neo-developmental attempt – the capital-intensive industrial commodities sector, agribusiness and the construction sector – were the same fractions that promoted capital expansion into Mozambique. Operating in the same way as they do in their own country, they formed strategic alliances and functioned as magnets, attracting each other to their operations in mining, construction, electricity and agricultural sectors around the Nacala Corridor. They received state support for their international efforts in the form of loans, diplomatic activism and technical cooperation. And they were highly capitalised due to the combination of their dominance in Brazilian accumulation dynamics in the 2000s and the commodity boom of the same period.

Brazilian capital reinforced Mozambican economic and social porosity through the transfer of surplus abroad (in the form of several tax benefits, an export-oriented infrastructure, and few national links), political connections (explicit in the case of AgroMoz and Mphanda Nkuwa) and correlated wealth and income concentrations, and general expropriation from the labour class (including in the form of resettlements in very poor conditions). Mobilisation in Mozambique against Brazilian investments and the major development cooperation programme, ProSAVANA, has been strong, including severe social conflicts. But as the Brazilian presence lessens, the Mozambican state seems to be searching for alternatives for both capital and technical cooperation, based on the same porous logic.

The collapse in commodity prices and the crisis of Brazilian accumulation, including the rupture in the neo-developmental political front, has led to a complete paralysis of Brazilian capital expansion in Mozambique. All the signs indicate that such paralysis will continue for a long period, as political reorganisation may take some time to take form. Once it does, it is likely that the forces from the right will be even more dominant. The Brazilian case sheds important light onto the limits and contradictions of financially based and non-radical neo-developmental attempts. They are seriously limited in their capacity to promote structural change in their national political economy and are closely aligned with the porous accumulation dynamics of other peripheral countries.

Acknowledgements

We thank the 33 respondents that kindly shared their time with us during the fieldwork.

Disclosure statement

No potential conflict of interest was reported by the authors.

Funding

The fieldwork was funded by an International Short Visit grant from the Fonds National Suisse de la Recherche Scientifique (FNS). The first two authors also benefited from a Swiss Government Excellence Scholarship during their post-doctoral research at the University of Geneva.

Notes on contributors

Isabela Nogueira is Professor of Political Economy at the Federal University of Rio de Janeiro (UFRJ) and a member of the Group for Applied Marxist Analysis (GAMA).

Ossi Ollinaho is a PhD candidate at Aalto University, Finland.

Eduardo Costa Pinto is Professor of Political Economy at the Federal University of Rio de Janeiro (UFRJ) and a member of GAMA.

Grasiela Baruco is Professor of Political Economy at the Federal Rural University of Rio de Janeiro (UFRRJ) and a member of GAMA.

Alexis Saludjian is Professor of Political Economy at the Federal University of Rio de Janeiro and a member of GAMA.

José Paulo Guedes Pinto is Professor of Economics and International Relations at the Federal University of ABC (UFABC) and a member of GAMA.

Paulo Balanco is Professor of Economics at the Federal University of Bahia (UFBA) and a member of GAMA.

Carlos Schonerwald is Professor of Economics at the Federal University of Rio Grande do Sul (UFRGS) and a member of GAMA.

ORCID

Ossi Ollinaho http://orcid.org/0000-0003-0929-0895

References

AEO [African Economic Outlook]. 2013. *Country-Note: Mozambique*. Paris: African Economic Outlook.

Banco de Moçambique. 2009, 2010, 2011, 2012, 2013. *Boletim Anual de Balança de Pagamentos*. Maputo: Banco de Moçambique.

Barbosa, A., T. Narciso, and M. Biancalana. 2009. "Brazil in Africa: Another Emerging Power in the Continent?" *Politikon* 36 (1): 59–86.

Boito Jr., A. 2012. "Governos Lula: a nova burguesia nacional no poder." In *Política e classes sociais no Brasil dos anos 2000*, edited by Boito Jr. and Galvão, 67–104. São Paulo: Alameda Casa Editorial.

Boito Jr., A., and T. Berringer. 2013. "Classes Sociais, Neodesenvolvimentismo e Política Externa nos Governos Lula e Dilma." *Revista de Sociologia e Política* 21 (47): 31–38.

Campbell, K. 2014. "Brazil's Vale gives Assurances on Commitment to Mozambique." *Mining Weekly*, January 31. http://www.miningweekly.com/article/brazilian-miner-gives-assurances-about-commitment-to-mozambique-2014-01-31.

Castel-Branco, C. N. 2010. "Economia Extractiva e Desafios de Industrialização em Moçambique." *Cadernos IESE 1*. Maputo: Instituto de Estudos Sociais e Econômicos.

Castel-Branco, C. N. 2013. "Reflectindo sobre Acumulação, Porosidade e Industrialização em Contexto de Economia Extrativa." *Desafios para Moçambique 2013*. Maputo: Instituto de Estudos Sociais e Econômicos.

Castel-Branco, C. N. 2014. "Growth, Capital Accumulation and Economic Porosity in Mozambique: Social Losses, Private Gains." *Review of African Political Economy* 41 (Supp.): S26–S48.

Castel-Branco, C. N. 2015. "Desafios da sustentabilidade do crescimento económico – uma 'bolha económica' em Moçambique?" In *Desafios para Moçambique 2015*. Maputo: Instituto de Estudos Sociais e Econômicos.

Clements, E. A. 2014. "Brazilian Policies and Strategies for Rural Territorial Development in Mozambique: South-South Cooperation and the Case of ProSAVANA and PAA." Master's thesis presented to the Post-Graduate Program of the São Paulo State University. Presidente Prudente, Brazil: São Paulo State University.

Clements, E. A., and B. M. Fernandes. 2013. "Land Grabbing, Agribusiness and the Peasantry in Brazil and Mozambique." *Agrarian South: Journal of Political Economy* 2 (1): 41–69.

Cunguara, B. 2012. "An Exposition of Development Failures in Mozambique." *Review of African Political Economy* 39 (131): 161–170.

Cunguara, B., and J. Hanlon. 2012. "Whose Wealth is it Anyway? Mozambique's Outstanding Economic Growth with Worsening Rural Poverty." *Development and Change* 43 (3): 623–647.

FGV Projetos. 2012. *Agricultural Investment in Africa: Brazilian Expertise to Promote Sustainable Agriculture Investments*. Presentation to the G-15 Training Workshop: Best Practices on Renewable Energies, Dakar, November 5–7.
Fine, B. "Neoliberalism in Retrospect? It's Financialization, Stupid." In *Neoliberalism and Developmental Politics in Perspective*, edited by C. Kyung-Sup, L. Weiss and B. Fine, 51–69. London: Palgrave MacMillan.
Fjeldstad, O.-H., and K. Heggstad. 2011. "The Tax System in Mozambique, Tanzania and Zambia: Capacity and Constraints." *CMI Report*, no. 3. Bergen: Chr. Michelson Institute. Available at: https://www.cmi.no/publications/file/4045-taxation-mozambique-tanzania-zambia.pdf
Góes, F. 2014. "Empreiteiras competem com chinesas na África." Valor Econômico, June 6. http://www1.valor.com.br/empresas/3590804/empreiteiras-competem-com-chinesas-na-africa.
Hanlon J. and T. Smart. 2012. "Soya Boom in Gúruè has Produced Few Bigger Farmers – So Far." Report No. 1, *Small Farmers or Big Investors: The Choice for Mozambique*. London: Open University.
HRW [Human Rights Watch]. 2013. *What is a House without Food? Mozambique's Coal Mining Boom and Resettlements*. Human Rights Watch.
Humber, Y., and J. Spinetto. 2014. "Mitsui buys $763 million stake in Vale's Mozambique venture." *Bloomberg*, December 9. https://www.bloomberg.com/news/articles/2014-12-09/mitsui-pays-763-million-for-stakes-in-vale-africa-coal-project
Isaacman, A., and D. Morton. 2012. "Harnessing the Zambezi: How Mozambique's Planned Mphanda Nkuwa Dam Perpetuates the Colonial Past." *International Journal of African Historical Studies* 45 (2): 157–190.
Jones, S., and F. Tarp. 2013. "Jobs and Welfare in Mozambique." *Working Paper* 2013/045. Helsinki: World Institute for Development Economics Research (UNU-WIDER).
KPMG. 2013. "Mozambique – Country Mining Guide." No publication location: KPMG International.
Macauhub. 2015. "New Dams Add 3,600 Megawatts of Power Production in Mozambique." Macauhub, March 25. http://www.macauhub.com.mo/en/2015/03/25/new-dams-add-3600-megawatts-of-power-production-in-mozambique/.
Marini, R. M. 2005. *Dialética da dependência*. São Paulo: Expressão Popular.
Massingue, N., and C. Muianga. 2013. "Tendências e Padrões de Investimento Privado em Moçambique: Questões para Análise." In *Desafios para Moçambique 2013*. Maputo: Instituto de Estudos Sociais e Econômicos.
Mawdsley, E. 2012. *From Recipients to Donors: Emerging Powers and the Changing Development Landscape*. London: Zed Books.
Ministry of Planning and Development [MDP] 2010. *Poverty and Well-being in Mozambique: Third National Assessment*. Maputo: Direção Nacional de Estudos e Analise de Politicas (DNEAP).
Mosca, J., and T. Selemane. 2011. *El dorado Tete: os mega projetos de mineração*. Maputo: Centro de Integridade Pública.
Mozambique [Republic of]. 2011. *Barragem de Moamba-Major e obras conexas: estudo de pré-viabilidade ambiental e definição do âmbito*. Maputo: Ministry of Public Works and Housing.
MRE [Brazilian Ministry of Foreign Relations]. 2013. *Guia de Negócios Moçambique*. Brasilia: Ministério de Relações Exteriores.
Nogueira, I. 2014. "ProSAVANA e os riscos omitidos da produção sob contrato." In *Competitividade e Transformação do Setor Agrário em Moçambique*, edited by J. Mosca, 63–84. Maputo: Editora Escolar.
Nogueira, I., and O. Ollinaho. 2013. "From Rhetoric to Practice in South-South Development Cooperation: A Case Study of Brazilian Interventions in the Nacala Corridor Development Program." *Working Paper*. Geneva: Institute of Socioeconomics, University of Geneva.
Nogueira, I., and P. Virtanen. 2015. "Emerging and Traditional Donors in the 'Post-Busan' Context: Assessing Brazil's and Finland's Cooperation Practices in Mozambique." *Forum for Development Studies* 42 (3): 415–440.

Odebrecht. 2013. "Relatório Anual 2012." http://www.odebrecht.com/pt-br/comunicacao/publicacoes/relatorios-anuais.

Open Letter. 2013. "Carta Aberta para Deter e Reflectir de Forma Urgente o Programa ProSavana." Maputo, May 28. http://farmlandgrab.org/22136.

Pinto, E.; Pinto, J.; Baruco, G.; Saludjian, A.; Balanco, P.; Schonerwald, C. and Nogueira, I. 2016. "A economia política do governo Dilma: acumulação, bloco no poder e crise." *Texto para Discussão* n° 4/2016, Rio de Janeiro: Instituto de Economia da Universidade Federal do Rio de Janeiro.

Plank, D. 1993. "Aid, Debt, and the End of Sovereignty: Mozambique and its Donors." *Journal of Modern African Studies* 31 (3): 407–430.

ProSAVANA-PD. 2013. *Agriculture Development Master Plan in the Nacala Corridor in Mozambique: Report No. 2: Triangular Cooperation for Agricultural Development of the Tropical Savannah in Mozambique*. Downloadable from GRAIN article, "Leaked ProSAVANA Master Plan Confirms Worst Fears", April 30, 2013. http://www.grain.org/article/entries/4703-leaked-prosavana-master-plan-confirms-worst-fears.

Saraiva, S. 2002. "Política Exterior do Governo Lula: O Desafio Africano." *Revista Brasileira de Política Internacional* 45 (2): 5–25.

Schlesinger, S. 2013. *Cooperação e investimentos do Brasil na África: O caso do ProSAVANA em Moçambique*. Maputo: Fase.

Singer, A. 2015. "Cutucando onças com varas curtas: O ensaio desenvolvimentista no primeiro mandato de Dilma Rousseff (2011–2014)." *Novos Estudos* 102: 43–71.

Teixeira, R., and E. Pinto. 2012. "A economia política dos governos FHC, Lula e Dilma: dominância financeira, bloco no poder e desenvolvimento econômico." *Economia e Sociedade* 21 (S): 909–941.

UNAC and GRAIN. 2015. *Os Usurpadores de Terras do Corredor de Nacala*. Maputo and Barcelona: União Nacional dos Camponeses and GRAIN.

Vale. 2011. "Vale Initiates Mining Activities at Moatize mine, in Mozambique." Press release, May. http://www.webwire.com/ViewPressRel.asp?aId=137191.

Vale. 2012. "Vale Launches Cornerstone for Railway in Malawi." Press release, December. https://article.wn.com/view/2012/12/10/Vale_launches_cornerstone_for_railway_in_Malawi_Vale_SA/.

Vale. 2014. "Vale Capital Expenditure 2014." Press release. http://www.vale.com/EN/old-investors/old-investments/Capex/Capex/120213Capex2014_i.pdf.

Vigevani, T. and G. Cepaluni. 2007. "Lula's Foreign Policy and the Quest for Autonomy through Diversification." *Third World Quarterly* 28 (7): 1309–1326.

Virtanen, P., and D. Ehrenpreis. 2007. "Growth, Poverty and Inequality in Mozambique." *Country Study* 10. Brasilia: International Poverty Centre and United Nations Development Programme.

Zagope. 2011. "Annual Report 2011." https://www.yumpu.com/en/document/view/30467701/41-zagope.