

Minilateral Trade and Resource Coalitions: Legal Legitimacy and Diplomatic Effectiveness in a Fragmenting Global Economy

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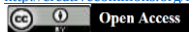
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ABSTRACT

The increasing use of small-group trade, investment and critical-resource coalitions reflects a significant transformation in international economic diplomacy. As consensus-building within universal institutions becomes more difficult, states are increasingly turning to minilateral arrangements designed around shared strategic interests, supply-chain security, market access, technology, investment and critical minerals. While such arrangements may offer speed, flexibility and stronger bargaining coordination, they also raise questions concerning their compatibility with international trade law, treaty obligations, transparency, inclusiveness and the legitimacy of decisions affecting states outside the coalition. This article examines the legal foundations and diplomatic effectiveness of emerging minilateral trade and resource coalitions, with particular attention to their implications for developing countries and Africa. Using a qualitative documentary research design, the study analyses WTO rules, international treaty law, African Union and AfCFTA frameworks, official policy documents, international economic reports and relevant academic literature. The article finds that minilateral coalitions are not inherently inconsistent with multilateralism or international law; their legality depends substantially on their legal form, substantive obligations, implementation and relationship with existing commitments. Their diplomatic effectiveness, however, depends on whether they generate bargaining leverage without deepening exclusion and fragmentation. The article therefore argues for a complementary model in which minilateral coalitions remain open, transparent, legally disciplined and connected to broader multilateral and regional institutions. Four recommendations are proposed to strengthen legal compliance, institutional coordination, African bargaining capacity and pathways from selective cooperation towards broader international economic cooperation.

1.0 Introduction

International economic relations are increasingly characterised by a tension between the universal aspirations of multilateral institutions and the practical attraction of smaller coalitions capable of reaching agreement among fewer participants. The post-1945 international economic order was constructed around institutions and legal frameworks intended to reduce discriminatory trade practices, provide predictable rules and facilitate cooperation across a broad membership. The World Trade Organization (WTO), regional trade agreements, development institutions and international investment frameworks remain central to this architecture. Yet the difficulty of securing consensus among a large and diverse membership has encouraged states to pursue more selective forms of cooperation. These include bilateral agreements, regional trade arrangements, plurilateral initiatives, strategic partnerships and increasingly minilateral coalitions focused on specific commodities, technologies, supply chains or geopolitical objectives. The contemporary shift is therefore not necessarily a complete abandonment of multilateralism; rather, it represents a diversification of the instruments through which states pursue economic and strategic interests (Brummer, 2014; Patrick, 2015).

The distinction between multilateralism and minilateralism is particularly important in international trade and resource governance. Multilateralism generally seeks broad participation and common rules applicable across a large membership, whereas minilateralism involves a smaller number of states cooperating around defined interests, capabilities or objectives. Minilateral arrangements can be formal or informal, legally binding or politically declaratory, permanent or temporary. They may

operate within established international institutions or outside them. This flexibility is one of their principal attractions. Smaller groups can negotiate more quickly, coordinate policy more closely and concentrate resources on issues where participants perceive sufficiently strong common interests. Recent scholarship on plurilateralism similarly observes that smaller groups can develop issue-specific agreements within or alongside broader international economic institutions, although questions of fragmentation and exclusion remain significant (Dimitropoulos et al., 2025; Herdegen, 2024).

The renewed importance of minilateralism has become especially visible in strategic trade and critical-resource governance. The energy transition, digital transformation, electric-vehicle manufacturing, semiconductors and defence technologies have increased the strategic value of minerals such as lithium, cobalt, nickel, graphite, copper and rare earth elements. UN Trade and Development reported in 2026 that critical-mineral partnerships have expanded rapidly, with 58 agreements signed since 2022, while governments have increasingly adopted trade measures to secure supply chains and strengthen domestic capabilities. It further observed that critical-mineral supply chains remain highly concentrated, creating incentives for states to establish partnerships designed to diversify supply and strengthen economic resilience (UN Trade and Development [UNCTAD], 2026). This development is transforming resource diplomacy from a predominantly commercial issue into a broader question of economic security, industrial policy and geopolitical bargaining.

Africa occupies an increasingly important position in this emerging landscape. The continent possesses significant deposits of minerals relevant to energy transition and industrial production, but its participation in global value chains remains constrained by limited processing capacity, infrastructure deficits, financing constraints, technology gaps and fragmented markets. UNCTAD has emphasised the persistent difference between Africa's role as a mineral supplier and its limited capture of value in downstream green industries (UNCTAD, 2025a). The African Union's Africa's Green Minerals Strategy similarly seeks to move the continent beyond the export of raw materials by promoting value addition, regional industrialisation, responsible resource governance and integrated green-mineral value chains (African Union, 2025). Consequently, the strategic question for African states is no longer simply whether to participate in emerging resource partnerships, but how such participation can generate greater bargaining power, industrialisation and development while preserving legal autonomy and policy space.

The legal position of minilateral trade and resource coalitions is therefore more nuanced than a simple opposition between legality and illegality. International law does not generally prohibit states from entering agreements with a limited number of partners. The Vienna Convention on the Law of Treaties establishes the binding force of treaties between their parties through the principle of *pacta sunt servanda*, while the WTO legal framework expressly permits certain forms of preferential regional trade integration under defined conditions. GATT Article XXIV permits customs unions and free-trade areas subject to specified requirements, while the Enabling Clause provides a legal basis for certain preferential arrangements among developing countries. Article V of the General Agreement on Trade in Services (GATS) provides a corresponding framework for economic integration in services (World Trade Organization [WTO], 1994a, 1994b). The central legal issue is consequently not whether cooperation involves a small number of states, but whether the resulting obligations are compatible with the participants' existing international commitments.

The diplomatic question is equally complex. Minilateral coalitions can create bargaining leverage where individual states lack sufficient market size, financial capacity or technological influence. They can allow resource-producing states to coordinate negotiating positions, establish common standards, pool infrastructure priorities and collectively engage external investors. At the same time, exclusive coalitions can create new divisions between participants and non-participants, duplicate existing institutions and encourage competing regulatory standards. Patrick (2015) observes that the principal tension in minilateral governance lies between effectiveness, which may favour smaller groups, and legitimacy, which is often associated with broader representation. This tension becomes particularly important where coalitions exercise influence over resources or trade routes whose consequences extend beyond their membership.

The contemporary challenge is therefore to determine whether minilateralism can operate as a complementary layer of international economic governance rather than becoming a substitute for inclusive institutions. For Africa, the issue is particularly significant because fragmented bilateral negotiations can weaken the bargaining position of individual mineral-producing states, whereas coordinated regional or cross-regional coalitions may increase negotiating leverage. The African Continental Free Trade Area (AfCFTA), the Africa Mining Vision and the Africa's Green Minerals Strategy provide institutional foundations through which selective external partnerships could potentially be connected to broader continental objectives. The strategic challenge is to ensure that minilateral cooperation reinforces, rather than bypasses, these frameworks.

2.0 Statement of the Problem

The emergence of minilateral trade and resource coalitions reflects a practical response to difficulties confronting broad-based international economic cooperation. Yet their increasing use creates a governance dilemma. On one hand, smaller coalitions may provide the flexibility and speed required to address urgent issues such as critical-mineral supply, energy security, technology access, infrastructure development and trade resilience. On the other hand, selective coalitions may create preferential arrangements that exclude non-members, generate overlapping obligations, weaken transparency and contribute to fragmentation of the international trading system. The legal problem becomes particularly complex where a coalition provides preferential market access, establishes export restrictions, coordinates investment policies or creates resource-security arrangements that interact with WTO obligations and other international commitments.

The problem is compounded by the absence of a single legal category called “minilateralism”. Some coalitions are formal treaties, some are executive arrangements, some are memoranda of understanding and others are political declarations or informal coordination mechanisms. Their legal consequences therefore differ substantially. A legally binding preferential trade agreement must be assessed against applicable WTO rules, whereas an informal political commitment may have different legal consequences but can still generate significant diplomatic and economic effects. The diversity of these instruments makes it difficult to assess their legality through a single standard. Moreover, the growth of resource-focused coalitions raises questions about the relationship between sovereign control over natural resources, investment obligations, export restrictions, supply-chain security and the interests of states that depend upon access to those resources.

For developing countries, and particularly African states, the diplomatic consequences are equally significant. Individual states negotiating separately with major consuming economies may possess limited bargaining power. Minilateral cooperation could strengthen collective leverage, but poorly designed coalitions may simply reproduce asymmetrical relationships at a smaller scale. Resource-producing states may remain exporters of unprocessed minerals while external partners capture higher-value stages of refining, processing, technology and manufacturing. UNCTAD's recent analysis demonstrates that critical-mineral trade is highly concentrated and that developing countries face both opportunities and risks as governments increasingly use trade policy to secure strategic supplies (UNCTAD, 2026). The central problem is therefore not whether minilateralism should replace multilateralism, but how smaller coalitions can be legally sound, diplomatically effective and development-oriented without accelerating fragmentation.

3.0 Objectives of the Study

The general objective of this article is to examine the legal legitimacy and diplomatic effectiveness of emerging minilateral trade and resource coalitions within the contemporary international economic order. Specifically, the article seeks to:

- i. examine the international legal foundations governing minilateral trade and resource coalitions;
- ii. assess the diplomatic and strategic effectiveness of minilateral coalitions in advancing trade and resource interests;

- iii. examine the implications of emerging minilateralism for African trade, resource governance and bargaining power; and
- iv. propose institutional pathways for aligning minilateral cooperation with multilateral and regional economic governance.

4.0 Research Questions

- i. What international legal principles and trade rules govern minilateral trade and resource coalitions?
- ii. How effective are minilateral coalitions as instruments of economic diplomacy and strategic bargaining?
- iii. What implications does emerging minilateralism have for African trade, resource governance and negotiating power?
- iv. What institutional pathways can reconcile minilateral cooperation with multilateral and regional economic governance?

5.0 Conceptual Clarification

5.1 Minilateralism

Minilateralism refers to cooperation among a limited number of states or relevant actors around a defined strategic, economic or political objective. Unlike universal multilateralism, which seeks broad participation, minilateralism deliberately narrows membership to actors considered necessary, willing or capable of achieving a particular objective. The concept does not necessarily imply exclusion or rivalry. It may involve formal agreements, informal coalitions, policy coordination or issue-specific partnerships. Brummer (2014) describes minilateralism as an emerging form of economic statecraft through which governments employ smaller alliances, soft-law arrangements and other flexible instruments to manage international economic relations. Its defining characteristics are therefore limited participation, functional specificity and flexibility rather than any single institutional structure.

5.2 Trade Coalitions

Trade coalitions are arrangements through which states coordinate their commercial policies, negotiating positions, market-access objectives or trade rules. They may take the form of free-trade areas, customs unions, preferential trade agreements, plurilateral agreements or informal negotiating alliances. The legal significance of such arrangements depends on their design. Under WTO law, regional trade agreements constitute permissible departures from the general principle of non-discrimination where they satisfy relevant conditions under GATT Article XXIV, GATS Article V or the Enabling Clause (WTO, 1994a, 1994b). A trade coalition can therefore be legally legitimate while remaining limited in membership, provided its substantive obligations are consistent with applicable international rules.

5.3 Resource Coalitions

Resource coalitions are cooperative arrangements among states concerning the production, processing, marketing, investment, technology, infrastructure or security of strategically important natural resources. Their importance has increased with the strategic value of critical minerals. Such coalitions may seek to diversify supply chains, coordinate investment, establish common standards, develop processing facilities or strengthen bargaining positions. Resource coalitions differ from traditional commodity agreements because they increasingly encompass the entire value chain rather than simply coordinating production or prices. Their contemporary relevance is closely connected to energy transition, industrial policy and economic security (Miller & Martinez, 2025; UNCTAD, 2026).

5.4 Diplomatic Effectiveness

Diplomatic effectiveness refers to the capacity of an international coalition to translate cooperation into measurable political, legal or economic outcomes. In the context of minilateral trade and resource arrangements, effectiveness may be reflected in improved bargaining power, negotiated market access, investment mobilisation, supply-chain diversification, infrastructure development, policy coordination and implementation of agreed commitments. Effectiveness should, however, be distinguished from speed. A coalition may reach agreement quickly but fail to secure implementation, legitimacy or

sustainable benefits. Effective diplomacy therefore requires not only agreement but also institutional credibility, compliance, continuity and beneficial outcomes for participating states.

5.5 Multilateralism and Complementarity

Multilateralism refers broadly to cooperation involving a broad membership under common rules and institutions. In trade, the WTO represents the principal global multilateral framework, while regional institutions such as the AfCFTA provide continent-wide structures for economic integration. Minilateralism and multilateralism should not necessarily be understood as mutually exclusive. Smaller coalitions can function as experimental or implementation mechanisms whose successful practices are subsequently incorporated into broader frameworks. The critical distinction is whether minilateral arrangements remain compatible with common rules and open pathways for wider participation or instead create closed systems that intensify fragmentation.

6.0 Theoretical Framework

6.1 Regime Complexity Theory

Regime Complexity Theory provides a useful framework for understanding the coexistence of overlapping international institutions, agreements and coalitions. International economic governance is not organised around a single comprehensive institution. Instead, states operate within multiple partially overlapping regimes governing trade, investment, resources, environment, development and technology. Minilateral coalitions can emerge within this environment because governments seek institutions capable of addressing specific problems where existing arrangements are considered insufficient or too slow. The theory helps explain why states may simultaneously participate in the WTO, AfCFTA, bilateral trade agreements and strategic resource partnerships without necessarily abandoning any one of them. It also highlights the risk that overlapping institutions may create conflicting rules, forum shopping and institutional fragmentation.

6.2 Collective Action Theory

Collective Action Theory explains the incentives and constraints associated with cooperation among states. Universal cooperation involves substantial coordination costs because participants have diverse interests, capabilities and priorities. Smaller coalitions can reduce these costs by bringing together states with stronger convergence around a defined objective. Minilateral arrangements may therefore achieve agreements that would be difficult to negotiate multilaterally. However, the theory also highlights the risk of free-riding, unequal distribution of benefits and domination by more powerful members. Applied to resource diplomacy, Collective Action Theory suggests that producer states may increase their bargaining strength through coordinated action, but the durability of such coalitions depends on credible commitments, equitable benefits and mechanisms for resolving divergent national interests.

Together, the two theories provide a complementary explanation of contemporary economic diplomacy. Regime Complexity Theory explains the institutional environment in which minilateral coalitions emerge, while Collective Action Theory explains why states join such coalitions and the conditions under which cooperation can produce durable outcomes.

7.0 Methodology

The article adopts a qualitative documentary research design. It relies on systematic analysis of primary and secondary documentary materials relevant to international trade law, treaty law, economic diplomacy, critical-resource governance and African regional integration. Primary materials include WTO agreements and official institutional documents, African Union policy frameworks, AfCFTA-related materials and official government and international-organisation reports. Secondary materials include peer-reviewed academic literature, scholarly books, policy papers and analytical reports addressing minilateralism, plurilateralism, trade fragmentation and resource diplomacy. The materials were selected purposively according to their relevance to the four research objectives. The analysis involved thematic examination of legal legitimacy, diplomatic effectiveness, African bargaining capacity and institutional complementarity. No primary fieldwork or survey evidence is claimed.

8.0 Findings and Discussion

8.1 Minilateralism Is Not Per Se Contrary to International Law

The first finding is that the legality of minilateral cooperation cannot be determined merely by the number of participating states. International law permits states to conclude agreements with limited membership, provided that such agreements comply with applicable legal obligations. The Vienna Convention on the Law of Treaties establishes the principle that treaties in force are binding upon their parties and must be performed in good faith. It also provides rules for the application of successive treaties addressing the same subject matter, making it necessary for states to consider how new agreements interact with existing obligations (United Nations, 1969).

The WTO framework reinforces this point. Although non-discrimination remains a central principle of the multilateral trading system, WTO law recognises specific exceptions that permit preferential regional arrangements. GATT Article XXIV allows customs unions and free-trade areas subject to defined conditions, while GATS Article V addresses economic integration in services. The Enabling Clause provides additional flexibility for developing countries. WTO members participating in regional trade agreements are also subject to notification and transparency requirements (WTO, 1994a, 1994b, 2006). Thus, a minilateral trade coalition can be legally valid where it falls within an applicable WTO framework or otherwise complies with relevant obligations.

The more difficult question concerns arrangements that are not traditional free-trade agreements but nevertheless influence trade through coordinated investment, procurement, export controls, subsidies, technology standards or supply-chain commitments. Such measures may engage several areas of international economic law simultaneously. A resource coalition that coordinates production investment may involve investment law; one that restricts exports may raise trade-law questions; one that establishes environmental standards may affect technical regulations; and one that provides state-backed industrial incentives may interact with subsidy disciplines. The legal assessment must therefore be based on the substance of the arrangement rather than its political label.

8.2 Legal Form Determines the Degree of Obligation and Accountability

A second finding is that the legal form of a minilateral coalition significantly affects its accountability and durability. Formal treaties generally provide greater predictability because they establish defined rights, obligations, procedures and mechanisms for amendment or dispute settlement. Political declarations and memoranda of understanding may be more flexible, but their legal consequences may be less certain. This does not mean that soft-law arrangements are ineffective. They may provide useful mechanisms for coordination where governments are unwilling to assume treaty-level obligations. However, their diplomatic effectiveness depends heavily on political commitment and continuity.

This distinction is increasingly important in resource diplomacy. A coalition may announce shared ambitions to secure critical-mineral supply, coordinate investment or diversify processing capacity without creating legally enforceable obligations. Such arrangements can still influence investment decisions and diplomatic expectations, but their implementation may depend on changes in government, domestic political priorities or market conditions. Conversely, overly rigid agreements may discourage participation where states require flexibility to adjust resource policies as markets change.

A balanced approach should therefore distinguish between matters requiring binding legal obligations and those better managed through flexible political coordination. Core commitments concerning market access, investment rights, infrastructure obligations and dispute settlement may require formal legal instruments, whereas technical standards, information sharing and policy coordination can often be developed through softer mechanisms. Legal design should consequently match the nature of the objective.

8.3 Minilateral Coalitions Can Improve Diplomatic Speed and Bargaining Power

The third finding is that minilateralism can increase diplomatic effectiveness where participants share clearly defined interests. Smaller groups reduce the number of negotiating positions that must be reconciled and can therefore accelerate decision-making. This is particularly valuable in strategic sectors where commercial and geopolitical conditions change rapidly. The contemporary critical-minerals

environment illustrates this trend. Governments increasingly view supply-chain resilience as an economic-security issue and are forming partnerships designed to diversify sources, coordinate investment and reduce excessive dependence on concentrated processing capacity (UNCTAD, 2026).

The diplomatic value of a coalition, however, depends on whether its members possess complementary capabilities. A resource-producing state may control deposits but lack processing technology; a manufacturing state may possess technological capacity but lack mineral resources; another partner may provide finance or infrastructure. A carefully designed coalition can combine these capabilities and thereby increase collective bargaining power. This is particularly important for developing economies that may otherwise negotiate from a position of structural dependence.

The effectiveness of minilateralism is therefore greatest when coalitions move beyond political declarations to concrete economic instruments. Joint investment platforms, infrastructure agreements, common standards, technology partnerships, coordinated negotiating positions and shared information systems can transform political alignment into economic leverage. Without these mechanisms, minilateralism may produce visibility without substantive bargaining power.

8.4 Diplomatic Effectiveness Does Not Automatically Produce Legitimacy

Minilateral arrangements face a persistent legitimacy problem. Smaller groups may be more efficient precisely because they exclude actors whose interests make consensus difficult. Yet exclusion can become problematic when decisions affect markets, supply chains or resources beyond the coalition. Patrick (2015) identifies this as a fundamental tension between effectiveness and legitimacy: smaller groups can act more efficiently, while broader institutions provide greater representativeness.

The legitimacy challenge is particularly acute when major economies establish resource partnerships involving commodities produced in developing countries. If resource-producing countries are treated merely as suppliers rather than equal partners in designing standards, investment structures and value chains, the resulting coalition may reproduce rather than correct structural inequalities. Similarly, if major consuming countries establish supply arrangements that bypass regional institutions or exclude neighbouring producer states, they may create incentives for competitive bilateral bargaining rather than coordinated development.

Diplomatic effectiveness should therefore be evaluated against both outcomes and process. A coalition that secures minerals efficiently but produces unequal benefits, weakens environmental safeguards or marginalises affected states may be strategically effective for its members while being institutionally and developmentally problematic. Legitimacy requires transparency, participation, predictable rules and respect for the policy interests of states outside the immediate coalition.

8.5 Critical Minerals Are Driving a New Generation of Resource Coalitions

Critical minerals represent one of the clearest areas in which minilateral economic diplomacy is expanding. The energy transition has increased demand for minerals required in batteries, electric vehicles, renewable energy infrastructure, digital technologies and advanced manufacturing. UNCTAD's 2026 analysis shows that critical-mineral supply remains concentrated across mining and processing, while governments are increasingly employing trade measures and partnerships to strengthen supply-chain resilience (UNCTAD, 2026).

The strategic importance of these minerals creates incentives for both consuming and producing countries to organise coalitions. Importing economies seek diversification and supply security, while producing countries seek investment, processing capacity, technology and greater value capture. The interests are therefore potentially complementary. However, the diplomatic architecture will determine whether cooperation produces mutual development or merely secures access to raw materials.

For Africa, the distinction is critical. The continent has substantial mineral resources but has historically captured a limited share of the higher-value stages of production. UNCTAD reported that Africa supplied a significant proportion of global mineral exports while capturing only a much smaller share of value in green supply chains (UNCTAD, 2025a). Resource coalitions that focus solely on extraction could therefore reinforce the commodity-export model. Coalitions designed around

processing, infrastructure, skills, technology transfer and regional manufacturing could instead support structural transformation.

8.6 Africa Can Use Minilateralism to Strengthen Rather Than Weaken Continental Integration

Africa's policy response should not be to reject minilateralism. Rather, African states should use it strategically within the institutional framework of the AfCFTA and African Union. The continent's fragmented national markets often weaken individual bargaining power. Regional cooperation can create scale, facilitate cross-border production and make African markets more attractive to investors seeking integrated value chains.

The Africa Mining Vision emphasises transparent, equitable and optimal exploitation of mineral resources and greater local beneficiation and industrial linkages (African Union, 2009). The Africa's Green Minerals Strategy further advances the objective of developing integrated green-mineral value chains and using mineral resources as a foundation for sustainable industrialisation (African Union, 2025). These frameworks provide a basis for African countries to enter selective external partnerships collectively rather than exclusively through isolated bilateral negotiations.

The strategic advantage of African minilateralism would therefore lie in coalition-building around shared interests rather than the creation of closed clubs. For example, states with complementary mineral resources could cooperate on processing and infrastructure while using AfCFTA rules to connect production across borders. Producer states could coordinate negotiation positions with major external markets while preserving the wider continental market. In this model, minilateralism becomes a mechanism for implementing continental priorities rather than a substitute for African integration.

8.7 The AfCFTA Provides a Legal and Diplomatic Platform for Broader Coordination

The AfCFTA is particularly important because it provides a continent-wide framework within which smaller sectoral coalitions can operate. The WTO records the AfCFTA as an agreement notified under the Enabling Clause and currently in force, demonstrating its place within the broader architecture of international trade law (WTO, 2026). This provides African states with an institutional foundation for linking selective cooperation to continental trade integration.

The strategic implication is significant. If African states negotiate external resource arrangements individually, they may compete against one another for investment, infrastructure and market access. If they coordinate through continental and regional institutions, they can offer external partners access to larger integrated markets while negotiating more strongly around local value addition. This does not require every African state to participate in every coalition. Instead, it requires transparency and mechanisms through which the benefits of selective partnerships can connect to broader continental objectives.

Such an approach would also reduce the risk of regulatory fragmentation. Common rules of origin, customs procedures, technical standards and investment principles can help ensure that minilateral industrial projects become components of regional value chains rather than isolated enclaves.

8.8 Resource Coalitions Should Move Beyond Access to Minerals Towards Value-Chain Partnerships

A major weakness of traditional resource diplomacy is its emphasis on access to raw materials. Contemporary minilateralism provides an opportunity to redefine resource partnerships around value creation. African states can negotiate coalitions that combine extraction with refining, processing, manufacturing, infrastructure, skills development, research and technology.

This approach is supported by the broader evolution of critical-mineral policy. The World Bank has emphasised the importance of stronger partnerships, regional infrastructure and responsible mineral development in enabling Africa to benefit from its mineral endowment, while recent multilateral development-bank initiatives have highlighted the need to build resilient critical-mineral-to-manufacturing value chains (World Bank, 2025, 2026). Such approaches suggest that resource diplomacy can be structured around industrial development rather than simply securing supply.

For African states, this means that investment agreements associated with resource coalitions should incorporate measurable development objectives. These may include local processing, supplier development, skills transfer, research partnerships, infrastructure commitments and environmental safeguards. The objective should not be to restrict foreign investment but to ensure that investment contributes to domestic productive capacity.

8.9 Minilateralism Can Complement Multilateralism When Pathways for Wider Participation Exist

The evidence suggests that minilateralism is most constructive when it operates as a building block of broader cooperation. The OECD has noted that selective arrangements can either support gradual multilateralisation or deepen fragmentation depending on whether participation remains open and whether agreed standards are capable of broader adoption (OECD, 2025). This distinction is central to the future of international economic governance.

A coalition that develops a common standard for sustainable mineral production and allows additional states to join may eventually contribute to wider international rules. By contrast, a closed coalition that conditions market access on exclusive membership may create competing systems. The former represents “open minilateralism”; the latter risks becoming economic bloc formation.

The distinction is also relevant to WTO governance. Plurilateral agreements have traditionally been viewed as more acceptable where they remain connected to the multilateral framework and do not undermine the rights of non-participants. Recent scholarship similarly suggests that plurilateralism can strengthen international economic governance but carries risks of fragmentation and exclusion if poorly integrated with the wider system (Dimitropoulos et al., 2025). The challenge is therefore not to eliminate smaller coalitions but to design them in ways that preserve compatibility, transparency and future accession.

8.10 Legal Transparency Is Essential to Diplomatic Credibility

Transparency is another determinant of effectiveness. WTO rules already provide mechanisms for notification and review of regional trade agreements. The WTO transparency mechanism requires members participating in new regional trade negotiations to provide information to the organisation and establishes procedures for reviewing notified arrangements (WTO, 2006). Comparable transparency should become a wider principle for minilateral resource partnerships even where formal notification is not legally required.

Transparency improves confidence among participating and non-participating states, reduces uncertainty for investors and makes it easier to assess whether arrangements create discriminatory or destabilising effects. It also strengthens domestic accountability by allowing legislatures, businesses and civil society to understand the commitments undertaken by governments.

For resource-producing countries, transparency is especially important because resource agreements may affect public revenues, land, infrastructure, environmental obligations and long-term national development. Secretive arrangements may secure short-term diplomatic gains but can undermine domestic legitimacy and create instability over time.

8.11 Power Asymmetry Remains the Central Diplomatic Risk

Minilateralism does not automatically eliminate unequal bargaining power. Indeed, a small coalition can sometimes intensify asymmetry if one participant controls the dominant market, technology or financing. The diplomatic effectiveness of a coalition should therefore be assessed in terms of the distribution of capabilities within the group.

For Africa, the most valuable coalitions may be those that aggregate complementary resources and markets. Producer countries can coordinate supply; transit countries can contribute infrastructure; manufacturing economies can provide industrial capacity; financial partners can mobilise capital; and technology partners can provide research and processing expertise. Such complementarity creates interdependence and reduces the possibility that one partner will dominate the relationship.

The objective should therefore be to build coalitions around reciprocal strategic dependence rather than one-sided resource access. This principle can make agreements more durable and increase the diplomatic leverage of developing states.

8.12 The Future Is Likely to Be Hybrid Rather Than Exclusively Multilateral or Minilateral

The final finding is that the emerging international economic order is likely to combine multilateral, regional, plurilateral, minilateral and bilateral arrangements. The expansion of smaller coalitions does not necessarily mean the disappearance of global institutions. Rather, states are increasingly choosing different institutional levels for different problems. The WTO remains important for universal trade rules; AfCFTA provides a continental African framework; regional economic communities facilitate subregional integration; and smaller coalitions may address specific minerals, technologies or supply chains.

The challenge is to prevent these layers from becoming disconnected. Institutional coordination, transparency, compatible rules and pathways for accession can allow different forms of cooperation to reinforce one another. This hybrid model is more realistic than attempting to restore a single dominant form of international economic governance. It also offers developing countries greater strategic flexibility.

For Africa, the objective should be to occupy these different institutional spaces simultaneously. African states should participate in global institutions, strengthen continental integration, build regional production networks and form selective partnerships where these improve bargaining power and development outcomes. Minilateralism should therefore become an additional diplomatic instrument rather than a replacement for multilateral engagement.

9.0 Recommendations

Recommendation One

Governments should ensure that minilateral trade and resource agreements comply with international trade and treaty obligations while maintaining clear legal status.

Implementation Strategies

- i. Trade and foreign-affairs institutions to subject proposed coalitions to legal reviews covering WTO obligations, existing treaties, investment commitments and applicable domestic law before conclusion.
- ii. Governments to clearly distinguish binding treaty obligations from political declarations, memoranda of understanding and other non-binding instruments.

Recommendation Two

Governments should use minilateral coalitions to strengthen bargaining power through coordinated trade, investment and resource diplomacy.

Implementation Strategies

- i. Trade, industry and resource institutions to develop common negotiating positions on critical minerals, processing, technology, infrastructure and market access where participating states share strategic interests.
- ii. Governments should prioritise coalition arrangements that combine complementary resources, markets, finance, technology and infrastructure rather than agreements centred solely on raw-material supply.

Recommendation Three

African governments should align external minilateral partnerships with AfCFTA and African Union objectives to increase continental value addition and negotiating leverage.

Implementation Strategies

- i. African Union in collaboration with AfCFTA and regional economic community institutions to establish coordination mechanisms for reviewing major external trade and critical-resource partnerships against continental industrialisation and value-chain objectives.

- ii. Member States to use collective bargaining platforms to promote local processing, regional manufacturing, skills development, technology partnerships and infrastructure integration in strategic resource agreements.

Recommendation Four

International and regional institutions should promote open and transparent minilateralism that can evolve into broader multilateral cooperation.

Implementation Strategies

- i. WTO in collaboration with African Union and regional institutions should encourage notification, transparency and information-sharing for major minilateral trade and resource arrangements.
- ii. Coalition members to provide accession pathways, compatible standards and mechanisms through which successful sectoral arrangements can be extended to additional states and integrated into wider regional or multilateral frameworks.

10.0 Conclusion

The emergence of minilateral trade and resource coalitions represents an important transformation in contemporary economic diplomacy. It reflects the growing difficulty of securing universal consensus while governments face urgent challenges involving critical minerals, supply-chain resilience, industrial competitiveness, technology, energy transition and geopolitical uncertainty. Smaller coalitions can provide speed, flexibility and bargaining leverage, but their advantages should not obscure the legal, institutional and diplomatic risks associated with exclusion, overlapping obligations and fragmented governance.

The analysis demonstrates that minilateralism is not inherently incompatible with international law or multilateralism. Its legality depends on the substance and legal form of the arrangement and its consistency with existing treaty and trade obligations. Its diplomatic effectiveness depends on whether participating states possess complementary capabilities, establish credible implementation mechanisms and translate political coordination into measurable economic outcomes. Most importantly, effectiveness cannot be separated entirely from legitimacy. A coalition that is efficient but opaque, exclusionary or developmentally unequal may generate short-term gains while weakening the wider international economic order.

For Africa, minilateralism presents both a challenge and an opportunity. The continent's mineral resources, expanding markets and regional integration agenda give African states the potential to become strategic partners rather than passive suppliers in emerging resource coalitions. However, this requires collective bargaining, stronger regional value chains, local processing, infrastructure development, technology partnerships and institutional coordination. The AfCFTA and African Union frameworks provide important foundations for connecting selective external partnerships to continental objectives.

The most sustainable approach is therefore neither unrestricted minilateralism nor an unrealistic insistence that every economic issue must first be resolved through universal consensus. A hybrid model is more appropriate. Minilateral coalitions should address specific strategic problems while remaining legally disciplined, transparent, open to wider participation and connected to multilateral and regional institutions. Properly designed, they can serve as laboratories for cooperation, mechanisms for bargaining and building blocks for broader international rules. Poorly designed, they may accelerate fragmentation and deepen existing inequalities. The future of international economic diplomacy will therefore depend less on choosing between minilateralism and multilateralism than on designing institutions capable of making the two work together.

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