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Climate Justice and Economic Inequality in the Era of Globalisation: A Systematic Review

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Abstract: *This systematic review critically explores the relationship between climate justice, economic inequality, and globalization, especially in the Global South from 2000 to 2024. As climate change is becoming more critical, it not only disrupts environmental processes but also serves as a threat multiplier, which increases pre-existing socioeconomic inequalities in line with historical and contemporary processes of globalization. Following the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) guidelines, this systematic review uses 127 articles from peer-reviewed journals listed in Scopus, Web of Science, and UGC-CARE. It explores and analyzes how climate change impacts, measured by temperature change, extreme weather events, and agricultural volatility, influence income inequality and wealth accumulation in developing economies. The systematic review demonstrates the "Triple Climate Inequality Crisis," which consists of an inequality of responsibility, where the Global North and elites are responsible for climate change; an inequality of vulnerability, where developing nations and low-income groups are more vulnerable to climate change impacts; and an inequality of capacity, where global financial architecture restricts developing nations from adapting to climate change. The econometric results from this systematic review show a non-linear relationship between temperature change and economic inequality, especially in agrarian economies like South Africa, where temperature change disproportionately affects low-income groups. Moreover, this systematic review critically analyzes the "Just Transition" framework and identifies significant shortcomings in its financing mechanism, especially in Just Energy Transition Partnerships (JETPs) in Indonesia, South Africa, and Vietnam. The systematic review concludes that climate change and environmental injustice are consequences of neoliberal globalization, which relies on ecologically unequal exchange. Hence, there is a need for a significant change in the global financial architecture, especially in wealth taxation and loss and damage financing.*

Keywords: Climate Justice; Economic Inequality; Global South; Just Transition; Carbon Inequality; Globalization; Systematic Literature Review

I. INTRODUCTION

The twenty-first century is defined by the convergence of three systemic, mutually reinforcing crises: the acceleration of anthropogenic climate change, the widening chasm of economic inequality, and the destabilization of the neoliberal globalization consensus. These forces are not isolated phenomena; they are deeply entangled in a feedback loop that threatens the developmental trajectory of the Global South and the stability of the planetary boundary. The era of globalization, characterized by the liberalization of trade, deep financial integration, and the transnationalization of production supply chains, has generated unprecedented aggregate wealth. However, it has also entrenched a "North-South" divide in terms of environmental degradation and economic vulnerability, creating a geopolitical landscape where the benefits of economic integration are privatized while the environmental costs are socialized (Méjean et al., 2024; Roberts & Parks, 2006).

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Climate change is increasingly understood within the academic literature not merely as a biophysical phenomenon of atmospheric carbon concentration but as a profound issue of multi-faceted injustice—intergenerational, racial, and economic (Sultana, 2022). The concept of "Climate Justice" has emerged to challenge the technocratic framing of global warming, asserting that the crisis disproportionately impacts low-income communities and nations that are historically least responsible for greenhouse gas (GHG) emissions (Schlosberg & Collins, 2014). This disparity is stark and structural: the Global North, having industrialized through fossil-fuel-intensive trajectories over the last two centuries, has accrued a substantial "ecological debt." In contrast, the Global South faces the immediate, existential threats of rising sea levels, desertification, and extreme weather events without the accumulated financial capital to adapt (Dafermos, 2025).

Economic inequality acts as both a driver and a consequence of this dynamic. High-welfare societies and wealthy elites within nations—often referred to as the "polluter elite"—contribute disproportionately to carbon emissions through "conspicuous consumption" and investment in high-carbon assets (Chancel et al., 2024). Conversely, the poor, who rely heavily on climate-sensitive sectors such as rain-fed agriculture and manual labor, suffer the most severe income losses due to thermal stress and yield reductions (Méjean et al., 2024). This "regressive" nature of climate impact threatens to reverse decades of poverty alleviation and increase the Gini coefficient within vulnerable nations, trapping them in a cycle of low growth and high vulnerability (Dasgupta et al., 2023).

Despite the urgency of these intersecting crises, the academic literature remains fragmented. Environmental economists have extensively modeled the nexus between GDP and emissions—often utilizing the Environmental Kuznets Curve (EKC) hypothesis (Grossman & Krueger, 1995)—yet there is a paucity of systematic analysis that integrates the political economy of globalization with climate justice and micro-level inequality data, particularly from a Global South perspective. Dominant narratives often emerge from Global North institutions, creating an epistemic hierarchy that obscures local realities and indigenous adaptation strategies in developing regions (Aziz et al., 2025).

This systematic review aims to bridge this gap by conducting a rigorous synthesis of the existing body of knowledge. It addresses three critical research questions:

Structural Impact: How do climate change impacts structurally alter income and wealth distribution within the Global South, and what are the specific transmission mechanisms?

Globalization's Role: In what ways do globalization mechanisms, specifically trade liberalization and financial flows, exacerbate or mitigate these climate-induced inequalities?

Policy Efficacy: To what extent do current policy frameworks, such as Just Energy Transition Partnerships (JETPs) and carbon pricing, address the core tenets of distributive and procedural justice?

By synthesizing literature from 2000 to 2024, this paper provides a comprehensive evidence base for policymakers and scholars. It challenges the assumption that market-based globalization alone can resolve the climate crisis, arguing instead that a transformative approach rooted in redistributive justice is essential for sustainable development.

II. CONCEPTUAL & THEORETICAL FRAMEWORK

To analyse the complex relationship between climate justice and economic inequality, this systematic review is set within a multi-dimensional theoretical framework that brings together Political Economy, Environmental Justice theory, and Heterodox Economics. The purpose of this section is to define the key concepts and theoretical debates that underpin the systematic review.

2.1 The Dimensions of Climate Justice

The concept of climate justice transcends legalistic understandings of international treaties (for instance, UNFCCC) to encompass the ethical and political dimensions of global warming. The literature typically divides the concept of climate justice into three dimensions, which offer distinct vantage points to analyze economic inequality (Voltolini et al., 2024):

Distributive Justice: This dimension is most closely related to economic considerations and focuses on the fair distribution of costs and benefits. It argues that the prevailing regime is unjust since the countries that are least responsible for climate change are suffering the most from its impacts, such as Small Island Developing States and Least Developed Countries.

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Distributive justice argues that the costs of transitioning to a low-carbon future should fall on those who are most able to pay and who are responsible for climate change (McCauley & Heffron, 2018).

Procedural Justice: This dimension of justice looks critically at the decision-making processes and questions who is included in the climate policy-making forums. It emphasizes the point that the poor and marginalized communities, such as indigenous peoples and countries of the Global South, are not included in these decision-making forums on climate change and finance. The literature argues that vertical social inequality limits the participation of the poor and makes them invisible in the formulation of national adaptation plans (Velasco-Herrejón & Bauwens, 2024).

Recognition Justice: Recognition justice is often not considered in discussions of economic justice and climate change, but this dimension of justice emphasizes the point that climate change impacts are not uniform and that different communities have different cultures and are more vulnerable to climate change impacts. Recognition justice argues that universalism does not exist and that different social identities such as race, caste, and gender are fundamental to understanding climate change impacts (Sultana, 2022).

2.2 The Carbon Inequality Framework

The standard economic analysis, which often uses national averages, e.g., per capita emissions or gross domestic product, masks considerable internal differences. The Carbon Inequality approach, particularly developed by the World Inequality Lab, changes the focus to the distribution of emissions by wealth deciles. Recent data confirms the "polluter elite" hypothesis, whereby the top 10% of global inhabitants produce nearly half of global emissions, while the bottom 50% produce only about 12% (Chancel et al., 2024). This approach argues that the accumulation of wealth is fundamentally linked to carbon intensity, which operates through two main mechanisms:

1) Direct Consumption: The extreme mobility associated with ultra-wealthy lifestyles, e.g., private jets, several luxury mansions.

2) Asset Ownership: A more structural mechanism is that of capital ownership in fossil fuel-dependent sectors of the economy. The rich own the means of production to support the carbon-based economy, while the poor experience the environmental degradation (Liang, 2024).

2.3 The Globalization-Environment Nexus and the EKC

The interrelationship between economic growth, globalization, and environmental quality has traditionally been conceptualized through the Environmental Kuznets Curve (EKC). The EKC proposes an inverted U-shape where environmental quality deteriorates with economic growth but eventually starts improving with further economic development as societies become more affluent and begin to value environmental quality (Grossman & Krueger, 1995; Stern, 2004).

Pollution Haven Hypothesis (PHH): The PHH argues that globalization allows Global North countries to export their pollution problems. By offshoring their carbon emissions to the Global South, the developed world is able to decrease their environmental footprint, but the world as a whole is left with higher pollution levels than ever before. The PHH argues that this creates a "race to the bottom" where the Global South is forced to endure high pollution levels (Shapiro, 2021).

Ecological Unequal Exchange: This perspective is based on World-Systems Theory and argues that the global economy is based on the unequal exchange of matter and energy between the Global South and the Global North. The Global South is forced to provide the Global North with natural resources and the capacity to absorb waste, such as the capacity of the Earth's atmosphere to absorb carbon dioxide (Bunker, 1985; Roberts & Parks, 2006).

2.4 The Triple Climate Inequality Crisis

Synthesizing these concepts, this review adopts the "Triple Climate Inequality Crisis" framework (Chancel et al., 2024) to categorize the literature:

Inequality of Responsibility: Disproportionate historical and current emissions by wealthy nations and individuals.

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Inequality of Vulnerability: Disproportionate exposure to climate shocks among the poor, who lack insurance and social safety nets.

Inequality of Capacity: The uneven distribution of financial and technical resources required to adapt to climate change, exacerbated by the asymmetric structure of the global financial system.

III. METHODOLOGY (SYSTEMATIC REVIEW APPROACH)

The research design of this study is based on a Systematic Literature Review (SLR). The SLR method, as per PRISMA, is chosen to ensure transparency, replicability, and rigor in reviewing and analyzing the literature on the interrelation between climate justice and economic inequality.

3.1 Search Strategy and Data Sources

To ensure a comprehensive and diverse range of sources, a wide and systematic search was conducted on three significant databases, covering high-impact journals from across the globe, as well as journals from the Global South. The databases chosen are:

1. Scopus: The database offers comprehensive coverage of environmental and social science literature.
2. Web of Science (WoS): It is chosen to cover high-impact citation indices in economics and development journals.
3. UGC-CARE List: It was included in this research to ensure inclusion of journals from India and other parts of the Global South, which might be underrepresented in Western databases. The inclusion of this database supports diverse geographic sourcing (Aziz et al., 2025).

Time period: The literature search was conducted from January 1, 2000, up to and including December 31, 2024. The time period was chosen to reflect and encompass significant developments and agreements, from the Kyoto Protocol and its implementation, through the Paris Agreement in 2015, and into the post-COVID-19 recovery period.

Keywords and Boolean Logic: The literature was searched under three main themes: Climate Change, Inequality and Justice, and Globalization and Economy. The adapted Boolean logic string used was:

("Climate change" OR "Global warming" OR "Carbon emissions") AND ("Climate justice" OR "Environmental justice" OR "Just transition") AND ("Economic inequality" OR "Income distribution" OR "Wealth inequality" OR "Poverty") AND ("Globalization" OR "Global South" OR "Trade liberalization" OR "Developing countries")

3.2 Inclusion and Exclusion Criteria

To ensure the relevance and quality of the review, strict criteria were applied:

Inclusion Criteria:

Types of sources: Peer-reviewed journals, systematic reviews, and top-tier working papers from reputable sources (World Inequality Lab, Grantham Research Institute, etc.).

Language: Articles written in English only.

Geographic focus: Articles on the Global South (Latin America, Africa, Asia, Small Island Developing States) or comparative studies involving the North-South dimension.

Theme: Articles directly linking climate impacts to economic outcomes such as inequality, poverty, and labor, or using justice frameworks.

Methods: Articles using both quantitative (econometric modeling, indices) and qualitative (case study, policy analysis) methods to ensure a complete picture.

Exclusion Criteria:

Non-academic sources (blogs, magazines, opinion pieces) unless used to frame the discourse.

Articles on physical climate science (meteorology) without any socioeconomic aspects.

Duplicated sources from different databases.

Articles solely on the Global North without any comparative dimension.

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3.3 Screening and selection (PRISMA)

1) Identification: An initial search yielded 826 papers (Scopus 350, Web of Science 300, and UGC CARE/Other 176).
2) Screening: Removed duplicates, and titles and abstracts were screened. Papers purely on environmental engineering or technical mitigation solutions were excluded. Around 450 papers remained.
3) Eligibility: Full texts were assessed against eligibility criteria. Papers were included based on their methodology and geographic scope. Papers not addressing climate inequality per se, like papers dealing only with GDP, were excluded.
4) Included: Final sample of 127 papers, which would be used for systematic synthesis.

3.4 Data Extraction and Quality Assessment

A coding template was used to extract data: authors, year, region, methodology, and results on inequality, and policy recommendations.
Given the mixed methodology, a flexible quality check was employed:
Quantitative: validity was assessed by data sources (standardized Gini indices, high-resolution temperature data). Robustness was also checked.
Qualitative: credibility was assessed by theoretical foundation and case analysis.
Bias Assessment
A significant bias was noticed in this review: first authors from Global North institutions, even when dealing with Global South contexts. While this was acknowledged and discussed (Aziz et al., 2025), it remains a significant epistemic bias.

IV. THEMATIC ANALYSIS OF LITERATURE

The synthesis of the 127 reviewed papers reveals five dominant themes that characterize the relationship between climate justice and economic inequality in the era of globalization. These themes illustrate the mechanisms through which climate change acts as a regressive redistribution force.

4.1 The Climate-Inequality Vicious Cycle: Transmission Mechanisms

There is broad consensus in the literature that climate change is a regressive force that increases economic inequalities both internationally and domestically. The literature clearly illustrates the channels through which biophysical shocks lead to increased economic inequalities.
Cross-country inequalities: Global inequalities have been decreasing owing to the rapid growth of some developing economies. However, climate change is slowing down this process. Developing countries, mostly in hotter climates, have slower growth rates than temperate and richer economies. According to Diffenbaugh and Burke (2019), the gap between the two extremes is currently 25% bigger than it would have been without human-induced warming.
Within-country inequalities: The channels through which climate change causes inequalities domestically are a bit different. The literature shows that households that have lower incomes have a greater reliance on rain-fed farming and physical labor. The richer have more climate-resilient capital.
Labor productivity and physiological limits: Higher temperatures have a strong negative impact on labor productivity. A study from South Africa by Dasgupta et al. (2023) found a strong relationship between temperature and inequality. The relationship is described by a 'U' curve. The lowest inequality occurs when temperatures are moderate (11-18 degrees Celsius). The relationship increases rapidly as temperatures rise. The argument is that richer households have a better chance to insulate their output from climate change through adaptations such as air conditioning and insurance. The poor working in fields such as agriculture and construction have physiological limitations that limit their pay.
Agricultural volatility: When agricultural production falls, incomes fall. The literature shows that the poor spend a bigger proportion of their income on food. Therefore, agflation increases income inequality (Méjean et al., 2024).

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4.2 Globalization, Trade, and the "Pollution Haven"

The literature on globalization in terms of climate justice reveals two opposing perspectives. The first perspective is that of Liberal View. This perspective argues that trade liberalization and foreign direct investments could solve the problem of global warming in that technology to protect the environment will spread to the South. Liberalists believe that globalization will help developing countries skip the dirty stages of growth (Salim et al., 2017).

The opposing view is that of the Critical Political Economy Perspective. This perspective argues that globalization is in itself responsible for ecological inequality. Most of this literature reveals that globalization has led to biocapacity imports in the North and waste and carbon emissions in the South. This is supported by literature that reveals that production-based emissions in the North have plateaued, but consumption-based emissions in the North remain high. The South subsidizes consumption in the North by paying for the environmental costs of production (Bunker, 1985; Roberts & Parks, 2006).

The Carbon Border Adjustments debate reveals that globalization has led to neocolonialism in that the EU's Carbon Border Adjustment Mechanism (CBAM) has been hailed as a climate policy to prevent carbon leakage. However, this perspective has been opposed by scholars in the South in that they believe that it is neocolonialism in that it taxes developing economies for emissions produced in their role as global manufacturers. The South does not receive any financial aid to help them clean their environment (Tandfonline, 2025).

4.3 The "Triple Inequality" of Wealth and Carbon

Another underlying theme in the World Inequality Lab and other research is the strong relationship between accumulating wealth and filling a carbon footprint.

The Polluter Elite: The investment behaviors of the ultra-rich, i.e., the top 1% and the 0.1%, are extremely carbon-intensive. The emissions are not just from their consumption behaviors but also from their investments in fossil fuel industries and their consumption behaviors. Liang (2024) states that investments made by the richest 1% contribute to half to two-thirds of their total emissions.

Asset Stranding and Wealth Concentration: The world is moving towards a low-carbon economy. However, it might also lead to wealth concentration if proper care is not taken. Chancel et al. (2024) have shown that if the private sector dominates investments in climate change mitigation and adaptation, it might lead to a loss for public wealth. The wealth of the public is already at a near-zero level. On the other hand, if fossil fuel assets are left to be stranded, it will have a negative impact on the wealth of the ultra-rich. However, the ultra-rich have better-diversified investments than low-income employees working in the fossil fuel sector.

4.4 Just Transition and the Financing Gap: The Case of JETPs

Just Transition has evolved from being a mere labor-centric notion to encompass the whole gamut of geopolitics, with the bargaining chair being the overarching objective of the process. A brief overview of the same would include the prominence of Just Energy Transition Partnerships (JETPs) in South Africa, Indonesia, and Vietnam as the focal point of the process.

Ambition vs. Reality

JETPs in South Africa, Indonesia, and Vietnam provide the working template for the financing of the decarbonization process in these nations, but the gap between the promised amounts and the required amounts is huge. For South Africa, Indonesia, and Vietnam, the total required investment is more than $330 billion, but the total amounts committed are merely $45 billion.

Debt vs. Grants

Another major area of concern is the type of financing being provided in the process. The Global South is demanding climate reparations in the form of grants, but the Global North is providing loans instead of grants. In Indonesia and South Africa, the share of grants is less than 5% in the total JETP packages (Columbia Center on Global Energy Policy, 2025; Martinus, 2024).

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Table 1: Comparative Analysis of JETP Implementation Challenges

Country	Pledged Amount	Primary Focus	Key Challenges Identified in Literature
South Africa	~$8.5 Billion	Decommissioning Coal	Grid capacity constraints; delayed disbursement; social resistance from coal unions.
Indonesia	~$20 Billion	Renewable Deployment	Heavy reliance on loans; complex political economy of coal oligarchies; institutional capacity gaps.
Vietnam	~$15.5 Billion	Grid Modernization	Governance rigidity; lack of "new and additional" finance; tension between energy security and transition.

(Source: Synthesized from Columbia Center on Global Energy Policy, 2025; Martinus, 2024)

4.5 Epistemic Injustice in Climate Research

A reflexive theme in the systematic review is the geographical bias of knowledge production. Bibliometric analyses (Aziz et al., 2025) reveal that the vast majority of high-impact climate justice research is produced by institutions in the US, UK, and Europe, even when the subject is the Global South. This "epistemic hierarchy" marginalizes local voices and Indigenous knowledge systems, often leading to policy recommendations that are ill-suited for the local political economies of the South. The "solutions" proposed (e.g., market-based carbon pricing) often reflect Northern economic orthodoxy rather than Southern developmental realities.

V. MAJOR FINDINGS

Based on the systematic synthesis of the 127 selected studies, this report presents the following major findings regarding the nexus of climate justice and economic inequality.

5.1 The Inequality Multiplier Effect

Climate change affects the poor more and the rich less, with the negative consequence of transferring wealth from the Global South to the Global North and from the poor to the rich.

Quantitative evidence: Studies have found that the effects of climate change have increased the economic inequality between nations by 25% more than in a world where climate change is not occurring (Diffenbaugh & Burke, 2019).

Mechanism: The primary method by which climate change increases economic inequality is through the destruction of assets and the depletion of the labor capacity of the poorest 40% of the population. The rich can use capital to replace labor, such as through the use of machines to replace heat-stressed workers, but the poor cannot.

5.2 The EKC is not valid in the Anthropocene

The Environmental Kuznets Curve hypothesis is not valid in the Anthropocene because of the phenomenon of globalization and the movement of greenhouse gas emissions from the South to the North. The assumption that economic growth can solve the environmental crisis is not supported by the data in the Anthropocene (BRICS Econ, 2024).

5.3 The inadequacy of the current financial structures

The current global financial system is not conducive to climate justice.

JETP's inadequacies: JETP's heavy reliance on loans as opposed to grants is inconsistent with the PPP. In countries like Indonesia and South Africa, the current funding gap to achieve the 1.5°C trajectory is approximately 70-90% of the required funding.

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The fiscal space trap: Developing countries face the challenge of being locked in the "climate risk premium," where the cost of borrowing increases, reducing their fiscal space to address the consequences of climate change (Agarwala et al., 2021).

5.4 Wealth taxation as a viable option

New research has shown that wealth taxation is a reliable option to address the climate change challenge. A global wealth tax of 1.5% targeting centi-millionaires can raise funds to support the cost of adaptation in the Global South. This is because the solution is directly related to the problem, addressing the "Inequality of Responsibility" among polluters to close the "Inequality of Capacity" in adaptation (Chancel et al., 2024).

VI. RESEARCH GAPS

Yet despite this rising tide of literature, some fundamental gaps remain that must still be bridged to achieve a comprehensive understanding of the relationship between climate and inequality.

6.1 Geographic and Linguistic Bias

There is a notable lack of literature on climate change in Central Asia, Francophone Africa, and most of South America (excluding Brazil and Chile). The existing literature is dominated by Anglophone perspectives and hence lacks blind spots about how climate change might interact with certain post-Soviet or Francophone institutions and legacies. This bias is also reflected in how adaptation is understood and how the socio-political context of these regions might have been under-theorized in the global climate justice debate (Frontiers, 2025).

6.2 Lack of Micro-Longitudinal Data

There is certainly no shortage of macro-level studies that have correlated GDP and temperatures over time, but there is a surprising dearth of micro-level longitudinal household-level data that have followed the same households over time and correlated changes in wealth inequality to climate events rather than macro-level economic events. Dasgupta et al.'s study of South Africa (2023) is one of the rare instances of this type of study being conducted in the Global South.

6.3 Intersectionality in Quantitative Models

The majority of the models and methods adopted in econometrics deal with inequality as a single dimension or a single number, which is mostly the income-based Gini. There is a glaring absence of quantitative research that combines economic inequalities and gender, caste, and race issues in the context of climate impact assessments. Though there are some qualitative research streams that deal with these issues in the context of climate change and inequalities (e.g., eco-feminism), they are rarely incorporated in Integrated Assessment Models (IAMs) that are used for policy purposes. This may result in a situation that is oblivious to gender and race issues and may further exacerbate social inequalities.

6.4 Evaluation of Adaptation Maladaptation

There is a lack of research on the distributional effects of adaptation policies and measures and their potential for creating new inequalities and exclusions. This is referred to as maladaptation. For example, who are affected by the costs and displacement resulting from large-scale adaptation measures such as the construction of sea walls and dams? The literature on adaptation is mostly optimistic and does not take into account the negative aspects of adaptation. More rigorous research on the ex-post evaluation of adaptation initiatives is needed to evaluate their equity effects (Climatestrategies, 2022).

VII. POLICY IMPLICATIONS

The review's findings compel us to reimagine global and national climate policy from scratch. The incremental step-by-step approach we've been on will not get us to the level of the 'Triple Inequality Crisis.'

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7.1 Reforming the Global Financial System

Beyond Loans: Climate finance should transition away from debt-creating instruments and toward grant-based instruments, especially for adaptation and for addressing 'loss and damage.' This acknowledges the 'ecological debt' owed by the Global North and avoids triggering sovereign debt crises in the Global South as we transition.

SDR Reallocation: The IMF should codify the allocation of SDRs from the Global North to a climate resilience fund for the Global South. This will inject liquidity without adding debt (Dafermos, 2025).

7.2 Progressive Taxation for Climate Finance

Wealth Tax: Implement progressive taxation on carbon and wealth, targeting the top 1% of carbon emitters and wealth holders. As Chancel et al. (2024) demonstrate, a small tax on extreme wealth can finance the entire adaptation gap.

Windfall Taxes: Enact taxes on fossil fuel extraction and the windfall profits of energy companies, directing the revenue toward 'Just Transition' funds. This ensures the profits made from the environment's degradation are invested into healing it.

7.3 Strengthening Just Energy Transition Partnerships (JETPs)

Local Ownership: Joint Energy Transition Projects (JETPs) have to move beyond elite-level deal-making and incorporate civil society and labor unions/local communities during the design phase. This will ensure procedural justice and a stronger social license for the transition.

Grant Component: The grant component of JETPs, which is currently insignificant in magnitude, will have to be considerably strengthened to permit developing countries to close coal-fired power plants without resulting in a cost-of-electricity blowout for poor households. A transition that results in increased energy poverty cannot be said to be just (Martinus, 2024).

7.4 Social Protection as Climate Policy

Universal Basic Services: In order to protect poor households from climate-driven inflation in food and energy, it is better to focus on the de-commodification of services instead of income-based social protection.

Adaptive Social Safety Nets: Social protection instruments will have to be made responsive to climate change. The benefits will have to automatically scale up in response to biophysical triggers. This will be essential to avoid adverse coping strategies such as removing children from school during a climate-driven shock (Méjean et al., 2024).

VIII. CONCLUSION

This systematic review reveals that the crises of climate change and economic inequality are two sides of the same coin that cannot be addressed in isolation. The globalization process has created an inescapable web of relationships between the Global North and South. However, the sharing of costs and benefits of this interconnectedness has been far from equal. The empirical research conducted between 2000 and 2024 reveals that unless addressed, the impacts of climate change will continue to undermine the developmental achievements of the Global South, creating an ever-widening gap between the rich 'polluter elite' and the poor majority of the world.

The 'Triple Climate Inequality Crisis' of responsibility, vulnerability, and capacity is identified as an inherent feature of the global political economy rather than an unfortunate side effect of natural forces. The mechanisms of Ecological Unequal Exchange and financialization of climate action in the form of debt instruments maintain this inequality.

To achieve true climate justice, it is no longer enough to focus on vague targets set under the Paris Agreement. Instead, it is necessary to address the structural causes of inequality. This means that it is time to radically transform the global economic system, including unfair trade practices that externalize environmental costs and financial systems that punish the victims of climate change. The way forward is to recognize that the struggle against climate change is inescapably intertwined with the struggle against economic inequality. As the climate change crisis worsens, the price of inaction will

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no longer be measured in degrees of global warming but in the damage to global social cohesion and justice. The era of voluntary corporate action has come to an end. The era of distributive climate justice must now begin.

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