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Climate change, fossil fuels, and the energy transition in the Global South

Governance pathways to leave fossil fuels underground

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**3 North-south relations,
responsibilities, and agendas in
Earth System Governance:
Have these changed in the
Anthropocene?**

Note on publication²²

This paper, published in the Journal *Earth System Governance* as part of the Special Issue *Locating the 'Global South' in Earth System Governance* edited by Dhanasree Jayaram and colleagues, explores conceptually and empirically the analytical use of the category “Global South” and the North-South narrative in climate governance. It demonstrates how Earth System Governance (ESG) research can benefit from a more rigorous engagement with these categories. The paper answers CSQ2 and CSQ3 (Table 1):

CSQ2: *What is the Global South in global climate/energy governance? How has the North-South divide evolved over time?*

CSQ3: *What is the continuing relevance of the North-South narrative in Earth System Governance, and how do evolving North-South dynamics shape it?*

Overview

In the Anthropocene and the Great Acceleration, Earth's stability is threatened by feedback loops and tipping points. ESG faces complex challenges arising from interactions at various governance levels, with North-South relations being key in these crises, central to both the persistence of inequalities and the possibilities for justice.

The paper focuses on North-South relations, responsibilities, and agendas in climate governance, and the need for a just and fair sharing of resources, burdens, and responsibilities, centring the analysis primarily on the North-South narrative, without specifically discussing country group variations. Adopting a Climate System Justice framework (Gupta, Chen, McDonnell, et al., 2025; Gupta, Liverman, et al., 2023), it reviews the literature on the Global South and North-South in climate governance and reflects on how to decolonise ESG in theory and practice. Outlining the historical trends in North-South relations and responsibilities in climate governance, it discusses justice and agendas across the North-South divide, focusing on mitigation, energy transition, and climate finance, and argues that climate change is a *quintessential North-South problem*.

The paper theorises the Global South to bridge its different interpretations (economically disadvantaged countries; transnational political subject; a post-geographic condition within capitalist relations). As a meta-category, it facilitates the classification of other categories, and highlights state and non-state marginalised actors in social sciences. As a relational category, it points to historically marginalised countries and societies shaped by colonial legacies and dominated by the North. It therefore encapsulates inequalities, depicting powerful versus less powerful, and rich versus poor, with Norths in the South and Souths in the North. Within the Climate System Justice framework (Gupta, Chen, McDonnell, et al., 2025; Gupta, Liverman, et al., 2023), the paper then assesses the

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implications of the North-South narrative in sharing the carbon budget, stranded assets, resources, and responsibilities.

By unpacking what we see as decolonising ESG (3.2.1), the paper proposes a research and policy agenda addressing five challenges: a) questioning North-established power structures that, since colonialism, support extractivism and capital accumulation; b) working with the existing UN system and other universal institutions to make them more democratic, equitable, just, and inclusive; c) equitably sharing Earth's resources across nations, generations and species, based on international, inter-generational, intra-generational, inter-species justice; d) meeting basic needs with non-fossil energy sources, avoiding long-term lock-ins; and e) operating within the safe and just Earth System boundaries (see 2.4.1.4 and 3.2.2).

Conclusions

The paper concludes, first, that viewing the North-South dichotomy as flexible and relational is essential for decolonising ESG and achieving equitable Earth System Governance for climate stability and justice. As flexible, it refers to the malleability of North-South categories, within and between them, that emerges at different scales of governance and by bridging the main interpretations of Global South (see above). This flexibility highlights the relational aspect, which underscores that both Global North and South are interconnected in global processes, rather than separated, but it also shifts focus on uneven international power relations, manifesting as geographical-geoeconomic North-South, North and South within the North, and North-South within the South.

Second, the flexible North-South dichotomy illustrates the economic and military domination of powerful countries over weaker ones, rooted in historical inequalities from colonialism, capital accumulation, and extractivism in the South(s), and the growing disparities between the Souths and the Norths. These structural imbalances perpetuate exclusive policies that undermine effective climate governance and Earth System stability. Moreover, these imbalances create reinforcing feedback between exclusion and unequal outcomes, limiting more inclusive global governance and failing to effectively address socio-ecological challenges. Power dynamics thus shape policies and decisions that neglect the diverse needs and circumstances of the South(s), while the North risks losing control over these issues.

Third, this unbalanced relation is visible in fossil fuel phase-out debates, with recurring patterns in controlling forums, agendas, and decisions in climate politics and ESG. The Global North's historical overuse of the carbon budget, disengagement from the CDDRRC principle and unmet finance commitments, shift the burdens of phasing out onto the Global South. Northern actors dominate institutions and decision-making, framing challenges to suit their interest, while Southern perspectives (including in the North) remain sidelined. Nevertheless, the Global South has exercised agency through coalitions such as the G77 + China and supply-side clubs, challenging Northern power. However, internal divisions, oppositional stances, and breakaway groups around fossil

fuels weaken collective influence (Gupta & Allan, 2023), enabling Northern “divide-and-rule” tactics that exploit Southern heterogeneity, manifested by the US’ second withdrawal from the Paris Agreement, lower climate finance pledges, and North-South blame games over sharing issues.

Relation with thesis and possible discrepancies

Within CLIFF, the paper builds on a project’s paper on Climate System Justice (Gupta, Chen, McDonnell, et al., 2025) and addresses knowledge gaps on the global politics of stranded fossil fuel resources and assets, situating them within the evolving North-South dimensions and implications of LFFU. The paper is an outcome of the project team’s problematisation of Global South and North-South relations (as outlined in CLIFF’s Research Protocol). For the thesis, the paper:

- a) proposes a research and policy agenda to decolonise North-South approaches (3.4.3), relevant for neo-Gramscian perspectives; this is applied through: (i) analysing narratives and instruments that foster these unequal relations (Chapters 4, 5, 6); (ii) investigating alternative narratives and approaches developed by agents of change (Chapter 7); and (iii) challenging these entrenched power structures (see 2.4.1.2 and Chapter 8);
- b) focuses on climate and environmental justice, which is important in understanding just ways to LFFU (see Chapter 4). This is applied in the thesis by: (i) incorporating justice and inclusive development in the theoretical framework (2.4.1); (ii) defining the North-South divide as relational and embedded in Climate System Justice to address KG1 (the energy transition and the issue of stranded assets in LMICs) and KG2 (power relations in the energy transition); and (iii) advancing just policy pathways to LFFU (7.5 and 8.5);
- c) conceptualises the North-South dichotomy in the context of the energy transition. (i) I recognise that focusing on LFFU in the Global South could be seen as neo-colonial (van Vliet et al., 2025); (ii) however, I applied an RtD approach (1.2.1.4 and Chapter 6), taking leapfrogging into account (1.2.2); (iii) attempt to influence global economic institutions (e.g., WEF, see 2.4.1.2); and (iv) support the UN system (see 3.4.3);
- d) centres on 1990-2050 and provides the long-term period within which the justice narrative for LFFU must take place. (i) The conceptual map developed here (Figure 9), summarising North-South interactions and outcomes in climate governance, is the basis for the scenario exercise developed in 8.4 to identify the path and conditions to realise this justice narrative (8.5); and (ii) although positioned earlier in the thesis, this paper was developed after Chapter 4 and 5, consolidating my reflections on the Global South and North-South relations and informing the analysis in Chapters 6, 7 and 8; and
- e) feeds into the conceptual scheme (Figure 8; see 2.5 and 8.2), identifying: (i) Global South as historically marginalised countries; (ii) GDP-growth consensus, neoliberal

capitalism, developmental idealism (Falzon, 2023), and colonial legacies as international and indirect drivers; (iii) an international climate policy context marked by lower-than-expected climate finance; and (iv) the need of an alliance between Souths in the North and South as a new narrative.

3.1 Introduction

Earth is well into the proposed Anthropocene: human activity has drastically changed the biosphere, hydrosphere, atmosphere and land, becoming an eco-geological force (W. Steffen et al., 2007). The Great Acceleration in CO₂ concentrations, resource use, transportation, urbanisation and trade (among many other human-induced phenomena) have put the planet outside of the safe operating space for humanity, transgressing six out of the nine planetary boundaries (Richardson et al., 2023; Rockström et al., 2009; W. Steffen et al., 2007). 2024 is the first year above 1.5°C in rising temperatures (Copernicus, 2024), with a sooner-than-anticipated surpassing of the Paris Agreement's threshold (Cannon, 2025), and increasing risks of feedback loops, climate cascades, tipping points and societal collapse (C.E. Richards et al., 2021; Ripple et al., 2023).

In this context, global development and Earth System Governance (ESG) are facing an evolving landscape of puzzles: environmental challenges (climate change, biodiversity loss, ocean acidification, nutrients overuse) are reaching emergency levels, political tensions (wars, civil war and biological and cyber warfare), health issues (COVID-19, bird flu and other zoonotic diseases, as well as those caused by air and water pollution) and economic disruptions. These crises result from how people and countries deal with each other locally, nationally, bilaterally, multilaterally and globally in governing glocal challenges. A key relation in these crises is the North-South relation: the origin and trajectory of the Great Acceleration are enshrined in historical inequalities that continue to characterise unequal consumption and exchange patterns (Althouse et al., 2023; Dorninger et al., 2021; Hickel, Dorninger, et al., 2022), with none of the perpetrators taking responsibility for the impacts on the Earth System (W. Steffen et al., 2015; Tian et al., 2024). A relational approach to global development (Horner, 2020) understands North-South relations as contingent, a contingency in which development outcomes at different geographic scales are shaped by differentiated and unequal incorporation into the global economy. We note that while there is growing critique of the North-South framework given the changes in economic development in the Global South, there is also persistence in its use (Horner, 2020) and in the negotiating blocs working on these problems, especially in climate change.

Against this background and focusing on the relations, responsibilities and the need for a just and fair sharing narrative on resources, burdens, and responsibilities (Saraswat & Kumar, 2016), we ask: *What is the continuing relevance of the North-South narrative in Earth System Governance and climate change?* In doing so, we do not discuss all the different coalitions and variations in groupings but focus primarily on the North-South narrative. We review the literature to draw conclusions about our understanding of North-South (see 3.2). We focus on the relations and responsibilities between Global South(s) and Global North in the climate change regime (see 3.3). We then analyse and discuss their interrelations with North-South agendas in different contexts, advancing a

conceptual map of North-South relations in climate governance (see 3.4) and finally, Section 3.5 concludes.

3.2 Theoretical approaches

3.2.1 What does decolonising ESG mean?

Earth System Governance (ESG), as a collaborative project, builds upon the work of its predecessor – *Institutional Dimensions of Global Environmental Change* (IDGEC). Both are interdisciplinary collaborations to understand global environmental governance. While IDGEC specifically aimed at identifying the institutions responsible for problems and evaluating their effectiveness and redesign (IDGEC, 1999), *Earth System Governance* focuses on five issues – architecture, access and allocation, accountability, adaptiveness and agency concerning global governance, placing power dynamics more central to the analysis (Biermann et al., 2010). This must be distinguished from Earth System Governance as an empirical reality, which is the focus of this study: our understanding of decolonising ESG is concerned with the empirical relations within the political realm of Earth System Governance rather than the ESG project itself, the science of which this paper aims to further.

Decolonising holds different meanings for different scholars (i.e., Ashar, 2015; de Leeuw & Hunt, 2018; P. Richards, 2014; Tuck & Yang, 2012). We propose that decolonising ESG includes: (a) assessing how powerful actors control discourses, organisations, principles and instruments for their benefit; (b) arguing why such discourses, principles and instruments lead to ‘flattening the epistemic landscape’ (Collyer & Dufoix, 2022; N. Levy, 2023; Malavisi, 2018) and ‘accumulation by dispossession’ (Harvey, 2004), and deteriorate bio-geophysical systems beyond safe and just Earth System Boundaries (Rockström et al., 2023), and (c) developing alternative approaches to dismantle these power structures, based among others on Planetary and Earth System Justice (Gupta, Liverman, et al., 2023; San Martín & Wood, 2022).

3.2.2 Climate and Environmental Justice

In decolonising ESG, environmental and climate justice are central (Brankovic, 2023; Loo, 2023; Saraswat & Kumar, 2016; Sparenborg, 2023). This considerable scholarship has been integrated into the concept of *Earth System Justice* developed by the Earth Commission (Gupta, Liverman, et al., 2023; Gupta, Prodani, et al., 2023). This concept embraces recognition and epistemic justice (Fricker, 2007), incorporates the 3 Is of justice (interspecies, *intergenerational* and *intragenerational*), and calibrates procedural and substantive justice (San Martín & Wood, 2022). It is operationalised in terms of ends (achieving Just Earth System/climate boundaries, and meeting minimum needs of all within the boundaries) and means (How do we address the driving forces of environmental/climate problems and vulnerability? How are the remaining resources, risks, harm and related responsibilities allocated?).

Regarding the climate boundary and rising temperatures, existing scholarship shows that the safe boundary (1.5°C) prevents irreversible damage to the climate system, while the just boundary (1°C) prevents significant harm to people. We have already crossed the just boundary and virtually breached the safe boundary (Copernicus, 2024; Rockström et al., 2023). Meeting the minimum needs of the poorest adds additional pressure on the system bringing us much further out of the safe and just space (Rammelt et al., 2022). The only theoretical way to move forward is to first meet the minimum needs of all people and then allocate the remaining carbon budget between countries (Gupta, Bai, et al., 2024). This can only be done by radically changing the political and economic system that drives the problem, namely neoliberal capitalism (Rooney, 2024), fairly allocating the carbon budget, accounting for stranded assets, compensating for loss and damage, and ensuring that responsibilities for energy transformation and adaptation are shared equitably. In this context, addressing the North-South divide becomes unavoidable.

3.2.3 The beginning of the North-South dichotomy

The North-South dichotomy emerged from the metaphorical application of categories to represent historical patterns of wealth accumulation and development. The ‘Third World’ has been linked to global capitalism through colonialism, imperialism and exploitation, as well as the independence gained by many developing countries in the 1950s–1960s. During the Cold War, the First World referred to Western capitalist countries, the Second World to the Soviet Eastern Bloc, and the Third World referred to the rest of the world, which was neither capitalist nor communist. Moreover, the Third World countries shared common principles and values such as full permanent sovereignty over natural resources, anti-colonialism, anti-racism, solidarity and respect (Sajed, 2020; Sud & Sánchez-Ancochea, 2022). In political terms, the origins of the Global South can be traced back to the Bandung Conference (1955), the Non-Aligned Movement (NAM, 1961), the Group of 77 (G77, 1964), the Tricontinental Conference (1966) and the North-South negotiations for a New International Economic Order (NIEO), with two UNGA Resolutions (UNGA, 1974, 2018).

International organisations and agencies, especially under the UN, provided the appropriate setting for Global South countries to aggregate. The G77 was founded in 1964 after the first UN Conference on Trade and Development (UNCTAD) when the North-South division triumphed over the two-blocs logic. The G77 became the developing world's negotiating bloc and continues to be a key platform for developing countries, on a wide variety of topics ranging from the UN General Assembly to trade and environmental issues. Within these spaces, the NAM and the G77 might be viewed as distinct branches of the Third World coalition (Williams, 1993). NAM founders (Egypt, Ghana, India, Indonesia and Yugoslavia) aimed for Southern countries to shape the post-WWII world order, weakening the bipolar communist-democratic/capitalist system (Artner & Yin, 2023; Williams, 1993). Though this ambition ultimately failed, in the

1960s and 1970s, the NAM's focus shifted from political to economic problems, launching the NIEO negotiations (Williams, 1993).

Newly independent countries faced trade and economic disadvantages vis-à-vis industrialised countries due to reliance on primary production and exports (Abreu Mejía, 2010; Sud & Sánchez-Ancochea, 2022). In this context, Raúl Prebisch and scholars gathered at the UN Economic Commission for Latin America & Caribbean (ECLAC) pioneered structuralism and dependency theory, resulting in the emergence of a Global South with competing interests with industrialised countries (Cardoso & Faletto, 1979; Frank, 1966; Özekin, 2024; Prebisch, 1950), highlighting “the uniqueness of different historical processes” of the South (Martins, 2020, in Ellner, 2024, p. 745).²³ Therefore, an important connotation of the Third World is best described by referring to specific structural aspects of the global economy: Global South countries' demands focused on restructuring the international economy and institutions (such as the GATT/World Trade Organisation, the International Monetary Fund and the World Bank), which were perceived as detrimental, inefficient and unjust, organised to protect and further Global North's interests (Artner & Yin, 2023; Williams, 1993). TWAIL scholars – Third World Approaches to International Law – argued that the international legal order protected rich countries at the expense of the poor (Mutua, 2000) through different phases, first by not recognising the human rights of people in the Global South, then through economic control through economic and trade institutions and now through the environment (Gupta, 2011), especially climate change. Developing countries contended that the Global North, having attained a certain level of development, was attempting to “push away the ladder” (Chang, 2002), leading to arguments in favour of the Right to Development (RtD), which was finally adopted in 1986 (UN HRC, 2016; UNGA, 1986).

Beyond this, the Third World maintained that it had lost control of a substantial portion of its territorial resources during colonialism, a situation that persisted post-independence since land and water ownership often remained in the hands of the white colonisers (while precious minerals and metals were extracted from these countries). This resulted in calls for Permanent Sovereignty over Natural Resources (Schrijver, 1995).²⁴ The opposition of industrialised countries polarised North and South while highlighting developing countries' commonality around a “narrative of exclusion” (Vihma, 2010, in Abreu Mejía, 2010; Williams, 1993). This sense of unity helped articulate demands and bargaining capacity, with the G77 being mirrored in other international economic institutions (Sud & Sánchez-Ancochea, 2022; Williams, 1993).

²³ For an in-depth account of the different strands within dependency and the relations with the ECLAC, see Kvangraven (2021) and Özekin (2024).

²⁴ In light of perceived post-colonial threats to developing countries, they have reiterated their demand for Permanent Sovereignty in the 2030 Agenda (UNGA, 2015).

3.2.4 The term Global South and critiques to the North-South divide

The North-South dichotomy has been referred to differently since World War II. While the world was divided by the Cold War logic, after the collapse of the Soviet Bloc the division became more economic, with developed countries (Eastern economies in transition included) and developing countries, including least developed countries (LDCs), middle-income countries (MICs), and emerging economies. Later, Global South and North were introduced to provide a more neutral description of countries.

Today, ‘Global South’ is frequently used as a catch-all term to represent heterogeneous development trajectories of countries with significantly different institutional arrangements, economic performance and political influence (Haug et al., 2021). Its growing popularity has not contributed to a consistent engagement with the concept: scholarly publications referring to the ‘Global South’ assume “the category as a given, without explicitly defining what the ‘Global South’ stands for, or [...] to what extent a ‘Global South’ framing actually adds to their analytical discussion” (Berger, 2021; Haug et al., 2021, p. 1925). What uniquely distinguishes the Global South that yet leads to a minimal degree of (analytical) homogeneity for histories, geographies and socio-economic-political systems in very different countries? Unlike the common practice of using the term as a trope, this paper explicitly addresses the fundamental characteristics of the Global South, substantiating these assumptions by situating them in the analysis of global climate governance and North-South relations.

Following Mahler (2017) and Haug et al. (2021), the term Global South has three main connotations:

- a) Intergovernmental development organisations (i.e., UNDP, UNCTAD, UNEP) use the term Global South to refer to economically disadvantaged countries, categorised by income or other criteria (e.g., the World Bank's income classification or the UN's Human Development Index; Closely related, the term stands for multilateral and cross-regional platforms that have shaped international affairs and governance in many global issues (i.e., the NAM, the G77 + China, Annex I and non-Annex I countries within the UNFCCC).
- b) As a transnational political subject, with a shared experience of subjugation and mutual recognition as “Souths” (López, 2007). This connotation, rooted in the non-aligned discourses of the Cold War, draws from the rhetoric of the “Third World” as a political project (Mahler, 2017; Sajed, 2020), describing a space of anti- and counter-hegemonic engagement and resistance to Northern economic, political, and epistemic dominance, including through the Northern control of Bretton Woods institutions (Dannecker, 2022). This last understanding, embedded in postcolonial and decolonial studies, analyses the formation of a Southern subjectivity, studying power, systemic domination and erasure, and racialisation within global capitalism (Haug et al., 2021; Icaza, 2022; Mahler, 2017; Quijano, 2000).

- c) As a place which provides resources and receives wastes from the rich in the global North and South, the South is seen not as a strict geographic location but as a condition within capitalist relations (Mahler, 2017). This accounts for disadvantaged people within rich countries, as there are economic Souths in the geographic North and economic Norths in the geographic South. In recent years, the term has gained a post-national connotation, referring to geographies and people negatively impacted by globalisation, recognising the great variety of actors, discourses, institutions, and movements that go beyond the nation-state, interrelating issues of state policies, class, gender and race (Milan & Treré, 2019; Özekin, 2024; Pailey, 2020).

Because they are not mutually exclusive, we aim to bridge all three interpretations of 'Global South' in this study, conceptualising it as a 'meta' and 'relational' category (Berger, 2021; Haug et al., 2021) (see 3.2.5).

Nevertheless, following the end of the Cold War, there have been efforts to undermine the North-South divide. First, critics argued that North-South is an ambiguous and analytically unhelpful term since internal differences within the North and South are greater than the differences between the two (Harris, 1987; Sebenius, 1993; Toye, 1988). We counter that by stating that ideal-typical categorisations are common in social sciences and are essential for analysing major issues and identifying behavioural patterns. A second critical argument is that the conventional North-South divide does not capture the geoeconomic shifts we have witnessed in the last 30 years, with rising differentiations within Southern countries, i.e., China's growth or emerging powers' growing contribution to global warming (Fuhr, 2021; Happaerts, 2015; Jones et al., 2023). They view the Third World's political project as having lost relevance, either because colonialism occurred long ago (Toye, 1988), because it became obsolete with the end of the Cold War and the transition from the industrial to the information economy (Hardt & Negri, 2000; Joshi, 2022), or simply because many developing countries have gotten significantly richer in GDP terms. This arises from a one-sided interpretation of the structural shifts in the global economy during the 1970s and 1980s, with the rise of neoliberalism, the Washington Consensus and globalisation (Özekin, 2024; Rodrik, 2006). While some countries at the margin may move from one category to another and the restructuring of trade and productive relations have indeed reshaped the international division of labour towards a narrowing gap in terms of industrialisation (Özekin, 2024), significant differences persist between the average Northern and average Southern country (i.e., in access to basic needs, such as electricity or water), and, as mentioned above, North-South differences can also be observed within regions and countries (Nyerere, 1983; Nyerere et al., 1990). Through the application of neoliberal policies in developing countries, promoted by the World Bank, the IMF and the WTO, inequalities have not diminished, but continue to be spatially and temporally reproduced (G. Arrighi et al., 2003; Hickel, 2017; Özekin, 2024). Third, others argue that North-South is politically problematic, unnecessary and

unproductive since it nurtures Third-Worldism psychology, polarises issues, and precludes the possibility of like-minded coalitions and advancement (Andresen & Wettstad, 1992; Benedick, 1993). While polarisation is often detrimental, it may signal the emergence of an alternative narrative that those in power find inconvenient or threatening (Minowitz, 1993; Ramphal, 1983). Analysing these polarised narratives can uncover key issues in forum shopping and non-decision-making, exposing hidden assumptions (ICLR, 2008). Fourth, critiques have questioned the over-emphasis on the State and political elites (Joshi, 2022), given the emergence of many other actors in global governance, including scientists, businesses, NGOs, youth, and Indigenous Peoples. However, states maintain sovereignty and authority over treaty-making, as over important elements such as fiscal, monetary, public, and electoral policies. Thus, states continue to play an important role in problem-solving. Therefore, there are compelling reasons and counter-arguments for maintaining this approach in 2024: dependent subordination in contemporary capitalism has not disappeared (Özekin, 2024) and despite all efforts towards the 2030 Agenda (UNGA, 2015), we have failed miserably in meeting people's minimum needs, we have crossed 7 of the 8 safe and just Earth System Boundaries (Rockström et al., 2023) and are teetering on tipping points beyond which the biogeophysical systems that have sustained life on Earth change beyond recognition.

3.2.5 Towards theorising Global South and North-South relations in the Anthropocene

After advancing a sharing narrative enshrined in our justice framework (3.2.2) and having revised the main conceptualisations of North-South, we propose a theorisation of the Global South as a meta- and relational category, placing its relations with the North in the era of the Anthropocene.

As a meta-category, the term 'Global South' facilitates the classification of other categories by providing a framework for making the world tangible. This way, the North-South dichotomy metaphorically uses dyads to arrange reality (Haug et al., 2021). In an academic context dominated by Global North institutions and discourses, 'Global South' sheds light on state and non-state actors commonly marginalised in (social) science research, emphasising contexts and challenges neglected by the mainstream because they occur beyond and outside 'Northern' spaces and epistemologies (Abdenur, 2021; Berger, 2021; Haug et al., 2021). As a result, the use of 'Global South' contradicts developmental idealism (Falzon, 2023), the Western-centric view that there is a universally applicable hierarchy of global standards, with a specific set of behaviours and norms serving as the ideal against which all (other) countries should strive for growth and be assessed (Artner & Yin, 2023; Falzon, 2023; Thornton et al., 2015).

Second, as a relational category, 'Global South' reflects historically marginalised countries in the international system, situated in a structural relationship of domination by the North, marked by the uninterrupted legacy of colonialism, with political,

institutional, legal, and epistemological ramifications (Artner & Yin, 2023; Berger, 2021; Dannecker, 2022). Even if imprecise, it points us “towards deep-seated, historically grown structures of global inequality” (Berger, 2021, p. 2012). It also emphasises that both North and South are, together, drawn into global processes rather than existing separately (Wolters et al., 2015). According to Dados & Connell (2012), using ‘Global South’ as a relational category marks the political shift from a focus on development and differences in culture and lifestyles towards an emphasis on (uneven) international power relations. Being more than a shortcut to define underdevelopment, it encapsulates the history of colonialism, neo-imperialism and uneven development that structured economic, political and social patterns of inequality, in which periphery's exploitation has been the primary mechanism of capital accumulation (Ellner, 2024). In that light, the Global South is concerned with power distribution in the global political economy (Sud & Sánchez-Ancochea, 2022).

Third, the terms Global North and Global South may be seen as metaphors for power dynamics and economic inequalities, depicting powerful versus less powerful, and rich versus poor. Capitalism has also impacted the Global North, increasing inequality and reducing support systems (Chancel et al., 2022). Thus, the two-level game of domestic politics and international relations (Putnam, 1988) is also a multi-level game in which each country's South negotiates with its North.

Fourth, based on our Earth System Justice framework, we argue that in terms of ends, it is critical to assess how the long-term objective of the Convention relates to our safe and just boundaries and what that implies in terms of carbon budgets and the larger narrative of carbon stranded resources and assets across North and South; and whether there is discussion of how energy access can be met within the boundaries. In terms of means, is there a discussion of the driving forces of our climate problem? How are the remaining resources allocated after meeting minimum needs? How is loss and damage allocated? Finally, how is the responsibility for financing the energy transformation allocated and the adaptation costs being financed?

3.3 Relations and responsibilities along the North-South divide: Trends in global climate governance

This section describes the main trends in North-South relations in the context of global climate governance, focusing on mitigation, the energy transition and climate finance.

3.3.1 Pre-1990

Several major meetings and reports on global warming and climate were organised and produced between the 1970s and 1990s, contributing to framing the problem (Gupta, 2010). Environmental problems became a political concern in the 1970s when North-South discussions focused on the nexus between development and the environment (Uddin, 2017). The Founex Report on Development and Environment (Almeida, 1971),

drafted by Southern intellectuals, reflected developing countries' concerns and advocated for incorporating environmental issues into a broadened concept of development (Abreu Mejía, 2010; Williams, 1993).²⁵ The declaration of the UNCHE held in Stockholm in 1972 started mainstreaming sustainable development and stated that sovereignty is subject to not causing harm to others (Principle 21) (Abreu Mejía, 2010; UN, 1972). The First World Climate Conference (1979) clarified that governments would need to limit anthropogenic climate changes promptly, while the Brundtland Report (1987) placed climate change in the context of other environmental and development issues, notably sustainable development, and enshrined that precautionary principles should guide action (Williams, 1993). The Intergovernmental Panel on Climate Change (IPCC) was established in 1988 by UNEP and the WMO, while political declarations focused on North and South's differing roles in the climate change issue, articulating the leadership concept around differentiated responsibilities: the North would take the lead in lowering emissions while providing financial resources to the South. Early documents revealed that above 1°C, the climate would have serious impacts in some regions of the world, and beyond 2°C the impacts would become irreversible (Nordhaus, 1975; Rijsberman & Swart, 1990; Vellinga & Gleick, 1990). Some developed countries may have shifted their focus from attaining 1°C–2°C due to perceived high costs (Randalls, 2010), with some models even considering 3.5°C (Hänsel et al., 2020).

3.3.2 1990-2020: from the UNFCCC to the COVID-19 pandemic

The 1980s were a failed decade for development, with developing countries' debt reaching all-time highs (World Bank, 2024a). The end of the Cold War implied that military resources might be redirected to address global environmental problems. Given the geoeconomic hardship and turmoil of the 1980s, the Third World concept persisted, mainly through the G77, which coordinated Global South positions (Williams, 1993). Indeed, the international climate change debate was 'politicised' bringing up concerns of justice and equity in North-South relations. The Global South's stance on global warming evolved from 'follower' of 'Global North leadership' to active engagement in discussions as the Global North made its leadership conditional, and given the link between the NIEO and environmental concerns (Abreu Mejía, 2010; Williams, 1993).

Environmental challenges to the development paradigm led to UNCED in 1992, which produced the 17 principles in the Rio Declaration on Environment and Development (UNCED, 1992) reflecting many North-South concerns. Meanwhile, IPCC's first report, and Declarations like the Noordwijk Declaration on Climate Change (1989), influenced the UNFCCC's formulation. Agarwal and Narain's landmark study (1991) showcased the fundamental North-South challenges in which colonial relations are reproduced and reinforced by mainstream climate policies (Sparenborg, 2023). The G77 and the newly

²⁵ International environmental discussions merged well with traditional NAM concerns: North-South economic equality, independence and sovereignty, and international organisations as the ideal forum to hold these debates (Williams, 1993).

established Association of Small Island States actively pushed for developing country interests, calling for mitigation, while the OPEC countries also demanded compensation for not using their fossil resources (Abreu Mejía, 2010; Dessai, 2004; Kasa et al., 2008).

The UNFCCC formalised the North-South divide by distinguishing responsibilities between Annex I and non-Annex I countries (Abreu Mejía, 2010; UNFCCC, 1992). The CBDR mandated financial and technological support from developed to developing countries by ensuring that developing country action was made subject to assistance in Article 4.7 of the Convention (Gupta, 2010; Uddin, 2017; Williams, 1993). However, it omitted the limited territorial sovereignty principle and the obligation not to cause harm to others, allowing developed countries to pollute with impunity. The RtD, notwithstanding disagreements over whether it is a right of people (the dominant Western view) or of states (developing countries' view), was immediately challenged by the recognition of the climate change problem and reformulated into responsibility for (not right to) sustainable development through the strategic use of a comma (Biniaz, 2016; UNCED, 1992; UNFCCC, 1992). The UNFCCC was rapidly ratified, but the US and US-led JUSSCANNZ coalition contested the obligatory character of Global North's emission reductions (Abreu Mejía, 2010;).²⁶ The articulation of the leadership paradigm, which portrayed the polluters as leaders in the process of stabilising emissions, revealed a North-South divide within the Convention, downsizing the climate change problem from a development and socio-political issue to a more environmental and technological challenge (Gupta, 2010).

Despite the post-Cold War fading optimism, the 1997 Kyoto Protocol committed Global North countries to jointly reducing emissions by 5.2 % in 2008–2012 with respect to 1990, with different targets for different industrialised countries and incorporated a set of mechanisms for implementation (Gupta, 2010). However, ratification was slow. The US withdrew in 2001 and the Protocol entered into force only in 2005, severely damaging the Global North's leadership paradigm (Böhringer & Vogt, 2004). Negotiations were mostly driven by political struggles within the Global North, but the US's withdrawal exacerbated the North-South divide (Abreu Mejía, 2010; Phillipson, 2001). Meanwhile, the Kyoto Protocol encouraged the adoption of market mechanisms to enable rich countries to achieve emission reductions as cheaply as possible in other countries. Ironically, this approach has left most wealthy countries unprepared to implement planned, gradual, but structural measures to reduce their emissions: the rise of renewable energy driven by businesses and individuals has encountered a grid unable to handle Europe's surge in electricity demand (Maxwell, 2024) as well as a powerful fossil fuel sector that is unwilling to be dislodged (Brulle et al., 2024). Global South countries used the groundwork to link global environmental negotiations with wider development demands, sparking heated debates on North-South issues, notably deforestation, which

²⁶ Acronym for Japan, US, Switzerland, Canada, Australia, Norway and New Zealand.

prompted the creation of REDD – a mechanism to enable reducing emissions from deforestation and forest degradation (Abreu Mejía, 2010; Uddin, 2017; Williams, 1993).²⁷

Even as climate change became linked to development challenges, with great emphasis on market mechanisms, the exemption of emerging developing economies from action was increasingly questioned, and the narrative evolved into conditional leadership of the North (Gupta, 2010). Right at the same time when the Protocol arduously entered into force, talks about the post-Kyoto regime arose, with leadership competition within the North (EU as part of the Protocol, the US in bilateral and multilateral initiatives), increasing pressure on emerging economies, and internal disagreements within the South, particularly when Nationally Appropriate Mitigation Actions (NAMAs) and an action plan for a post-Kyoto accord involving deeper cuts in emissions were proposed at COP13, entailing the unprecedented engagement of developing countries in mitigation actions (Abreu Mejía, 2010; Uddin, 2017).

During the Global Financial Crisis of 2008–2009, the unfulfilled promise of COP15 in Copenhagen, when Parties merely ‘noted’ rather than ‘adopted’ this Accord, unravelled both along North-South divisions and within the Southern bloc. The Doha amendment for a second Kyoto commitment period (2012–2020) entered into force only on December 31st, 2020, the period's expiration date. The North, reluctant to commit to emission reduction targets unless other developing major emitters participated, used the free rider argument against emerging developing economies. Non-Annex I Parties opposed a process to replace Kyoto's legally binding commitments for developed countries (Abreu Mejía, 2010). COP15 finally crystallised an increasing fragmentation within the South, particularly between the BASIC group (Brazil, China, India and South Africa) and other coalitions (the Small Island States, LDCs and African Group) (Abreu Mejía, 2010;). In the meanwhile, Canada withdrew from the Protocol in 2011, while Japan, New Zealand, and Russia did not commit to the second Doha period.

From 2010, the COPs began preparing a new legal document applicable to all parties to be adopted no later than 2015 in Paris. Rich countries wanted to move away from the binary framework for differentiated responsibilities (Joshi, 2022). The Paris Agreement (2015), adopted at COP21, aims to limit global temperature increases to 1.5-2°C (UNFCCC, 2015) and calls for voluntary nationally determined contributions (NDCs) and for reviewing the aggregate progress every five years (GST). The implementation should reflect equity and the CBDR principle, considering the different national circumstances, and make financial flows consistent with temperature targets. The new regime goes beyond the UNFCCC dichotomy, inaugurating a voluntary and post-equity

²⁷ The North underscored global warming, deforestation, ozone layer depletion and cooperation of (at least some) developing countries. On the other hand, the South was more interested in Northern trade and consumption patterns, debt, technology transfer, transnational corporations regulation (Abreu Mejía, 2010; Williams, 1993).

era in global climate governance (Gupta, Gupta, et al., 2022) fuelling North-South justice debates (Uddin, 2017).

The Paris Agreement swiftly entered into force in 2016. The US joined under an Executive Order of Obama but left in 2017 under Trump (the formal exit took effect in 2020). It re-entered in 2021 and, following Trump's re-election in 2024, withdrew again, demonstrating leadership disengagement in international climate politics. The post-Paris COPs until 2020²⁸ focused on the operationalisation and different interpretations of the Paris Agreement in its various aspects, constantly raising North-South-related discussions on accountability, leadership, responsibility and finance (IISD, 2016, 2017, 2018, 2019).²⁹

3.3.3 2020-2050: addressing the fossil and finance elephants in the room?

Since the COVID-19 pandemic, other associated problems have risen, including supply chain disruptions and inflation, energy crisis, and geopolitical tensions impacting the international climate regime, especially Russia's invasion of Ukraine.

The postponed COP26 in Glasgow finalised the rulebook and adopted the Glasgow Climate Pact, which mentions phasing-down unabated coal-fired power and eliminating inefficient fossil fuel subsidies, officially referring to fossil fuels for the first time in a COP decision (IISD, 2021).³⁰ Nevertheless, the Conference highlighted a significant gap between declarations, commitments and finance, amidst the prominent role of civil society and widespread media attention. The USD 100 billion promised annually did not materialise further exacerbating Global South's distrust. The latter successfully pushed to keep the financial target on the agenda, but encountered considerable resistance from the Global North, which continues to invest in new fossil fuels, and only achieved the establishment of a dialogue to secure financing for loss and damage (IISD, 2021).

COP27's (Sharm El-Sheik) main outcome was the establishment of a loss and damage fund and relative financing arrangements, while little was achieved in terms of mitigation and climate finance, continuing to undermine trust in finance negotiations. COP28 in Dubai reinforced these long-standing divisions, both profound and technical (IISD, 2023, 2024c). COP28's main result was the Paris Agreement's first GST. The adopted decision recognises the need for deep, rapid and sustained mitigation action in line with 1.5°C, and calls on Parties to contribute to global efforts to triple renewable energy capacity, double energy efficiency and transition away from fossil fuels in energy systems (UNFCCC, 2023). Finally in 2024, at COP29 in Azerbaijan, a commitment to triple

²⁸ COP26 in Glasgow, originally planned for 2020, was postponed until 2021 because of the COVID-19 pandemic.

²⁹ One of the main controversies regarding finance was developed countries' pledge at COP15 to mobilise at least USD 100 billion per year by 2020. This target was not achieved until 2022 (OECD, 2024). The pledge was extended in Paris until 2025, with the goal to agree on a new collective quantified goal by that year, which was ultimately reached at COP29.

³⁰ India and China, after discussions with the US, managed to soften the language on coal phase-out.

annual finance to 300 billion and to reach USD 1.3tn by 2035 was made (IISD, 2024b). Given historical trends of failing to meet financial commitments since the 1990s, the question is whether this is a pacificatory promise, deferring costs to future generations, especially as some right-wing-governed industrialised countries are backing down quickly from their development aid promises (e.g., US, Netherlands).

3.3.4 Inferences

This brief historical account reveals that ostensibly, Global South countries tend to prioritise development, whereas the Global North prioritises the environment (Gupta, 2007). However, the North's relative inaction on mitigation indicates that it also prioritises economic growth. The middle class in the Global North resists climate change discussions, viewing it as a threat to their welfare – both in terms of the perceived sacrifices required for phasing out fossil fuels and raising resources to assist developing countries (Dechezleprêtre et al., 2022). This is aggravated by the growing income and wealth inequality exacerbated by neoliberal capitalism (Chancel et al., 2022; Kamande et al., 2024).

The G77's role in international negotiations has also evolved. As it began to organise to ensure a stronger position, breakaway groups and smaller coalitions emerged, undermining the coalition's strength. In 1995, when the 'green G77' emerged to demand mitigation commitments from Global North countries in the Kyoto Protocol, OPEC countries felt isolated and ensured since then that they maintained a key position in G77 politics, e.g., by chairing G77 and hosting COPs (Gupta, 2001). This enabled the Global North to divide and rule the Global South, by promoting various coalitions within the negotiations, leading to attempts to dismantle the Global South's unity through infighting. In this *divide et impera* the US have played a leading and obstructing role (e.g., non-ratification of Kyoto, the two withdrawals from the Paris Agreement).³¹ Nevertheless, the G77 remains united in expressing concern over the widening gap between developed and developing countries, the exacerbation of challenges “generated by the current unfair international economic order”, and the absence of a clear action plan to address global problems (G77, 2024, paragraph 22).

3.4 Discussion: justice and agendas across the North-South divide

3.4.1 Climate change, justice and the North-South problem

After reviewing the trends in North-South relations in the context of climate change, we argue that the latter is a *quintessential North-South problem*, showing how ESG research can benefit from a more rigorous engagement with the Global South as a relevant category in Earth System Governance.

³¹ For instance, the US attempts to influence the discussions regarding Article 6 and Loss and Damage, despite their imminent withdrawal from the Paris Agreement (showing great resemblance to the Kyoto process), caused outrage in developing Parties (IISD, 2019).

Following a piece of work with other colleagues, the history of North-South relations in climate governance as presented here reveals numerous cumulative injustices. For instance, despite knowledge, the postponement and dilution of the long-term objective until 2015 allowed rich countries to continue exploiting and investing in fossil fuels, particularly in the Global South, exacerbating the problem as their cumulative emissions were already significant. Consequently, only a minimal budget is left for maintaining a 1.5°C world, with no efforts made to either prioritise the needs of the poorest or to equitably share the budget. Rather, the bottom-up, voluntary approach introduced by the Paris Agreement is leading us towards a 3°C planet (UNEP, 2024). Moreover, the lack of timely decisions on phasing out fossil fuels enabled rich countries to deplete the budget, without considering where remaining fossil fuels are located. Given that 78% of these are in the Global South (Gupta, Chen, & Rammelt, 2024), 86% for coal (Y. Chen & Gupta, 2024), using their 'fair share' would pose a problem for all. Additionally, the focus on efficient market mechanisms has further delayed the necessary structural changes in rich countries. The fossil industry, valued between 16 and 295 trillion USD (Linquiti & Cogswell, 2016), has no motivation to become obsolete, contributing to the problem and obstructing change (Brulle et al., 2024; Stoddard et al., 2021). In this context, the impacts of climate change are increasing, leading to growing demands for loss and damage compensations (Markandya & González-Eguino, 2019). Lastly, the urgent need to radically transform our economic and governance systems, beyond relentless economic growth and capital accumulation (Moore, 2016; Szepanski, 2024), is largely left unaddressed.

All this implies, in relation to our justice framework (3.2.2), that in terms of ends, we have failed to meet the just boundary of 1°C and the safe boundary of 1.5°C is slipping out of reach; the energy content required to meet the basic needs of people in the SDGs has not been accounted for in the carbon budget; the drivers of the problem are ignored (Rooney, 2024), climate finance promises from the Global North cannot be guaranteed, particularly when political turns affect rich countries' climate action (i.e., Trump and the US), while the responsibilities for the energy transformation and adaptation will be very complicated to address (Babayev, 2024).

Indeed, the North has much larger cumulative emissions compared to the Global South and the UNFCCC and the Kyoto Protocol built on this distinction through the Annex I/non-Annex I division (Uddin, 2017; UNFCCC, 1992, 1997). Furthermore, understanding the Global South as a relational category (3.2.4), we should account for the emissions generated under colonial rule, which deepens historical responsibility for global warming: the EU and UK, after this accounting exercise, jump in second place in cumulative emissions distribution from 1850, right behind the US, the historical major emitter (Carbon Brief, 2023). Moreover, there are large disparities in emissions *within* North and South, with some groups emitting considerably while others hardly contributing (Chancel et al., 2023).

In this sense, capitalism and colonialism in climate governance are more than a metaphor (Bhambra & Newell, 2023) and are the driving forces of global warming in the first place (Arons, 2023; Loo, 2023). This opens the door to revisiting the analytical utility of the Anthropocene concept. On the one hand, it effectively communicates that humans have caused significant changes in the Earth System that were previously attributable only to major geophysical events (Arons, 2023; Moore, 2016). On the other, under the banner of ‘human activities’, it ignores the socio-historical context that has driven ecological devastation, and dilutes responsibility, obfuscating the history and the future of environmental and climate injustices (Arons, 2023; Federau, 2023). Capitalism, with its current neoliberal tendencies, is the driver of ecological devastation, with scholars referring to the “Capitalocene” in describing the engine behind our ecological crisis (Moore, 2016; Szepanski, 2024).

In the current state of the global economy:

- a) climate change impacts are already disproportionately affecting the Global South at large, due to geographical latitudes and relatively lower adaptive capacity, posing geo-ecological and existential risks (particularly for poorer countries and communities) (Gupta & Chu, 2018; IPCC, 2022b; Loo, 2023). Again, the ‘South’ in both Global North and South suffers disproportionately higher economic and existential risks (Chancel et al., 2023). Climate change is already causing losses of 16 million USD every hour (Newman & Noy, 2023; WEF, 2023);
- b) current and near-future impacts can be attributed to past emissions and excessive resource use of the ‘North’ in the Global North (Hickel, O’Neill, et al., 2022), and increasingly the ‘North’ in the Global South;
- c) the (‘North’ in the) Global North has used much of its fossil fuels, raising substantial justice issues since it pushes the burden of phasing out most of remaining fossil fuels onto the Global South, including economic and institutional/legal risks related to fossil fuel investments (Gupta & Chu, 2018; Loo, 2023);
- d) the Paris Agreement (UNFCCC, 2015) dismantled the differentiation between Annex I and non-Annex I countries by founding a post-equity regime based on voluntary national targets. Nevertheless, all other related issues, such as climate finance, loss and damage, technology, and adaptation are framed in terms of an uneven North-South divide, calling for realising climate justice (Brankovic, 2023; Sparenborg, 2023). The ongoing debate over who phases out fossil fuels also has a distinctly North-South character, with calls to use carbon budget-aligned fossil fuels where they can benefit human welfare the most (Dubash, 2023).

Because the Global South is not a monolithic, coherent or homogenous entity with no conflicts or clashes of interests, some scholars dismiss the term altogether, including the North-South divide (3.2.4). We agree with Horner's view that Global North and Global South face “shared, *although clearly not homogenous*, development challenges” (Horner,

2020, p. 422, emphasis added), but the aside should be stressed because it is precisely this heterogeneity that makes the North-South distinction descriptively and analytically relevant to ESG. With contemporary capitalism and globalisation, subordination and hierarchy among countries have only taken new forms (Özekin, 2024).

Indeed, despite all the differences within the Global South on climate change (i.e., different degrees of development, vulnerability, and energy access), North-South dimensions remain at the heart of climate change and governance (Uddin, 2017), as do many other areas in which asymmetric opportunities for transformation between North and South still exist (e.g., uneven access to finance; Özekin, 2024; Sud & Sánchez-Ancochea, 2022). Concerning their position in the international order, Global South countries have a significant and sufficient level of commonality that the G77 + China represent a good proxy for understanding the Global South's political nature (Haug et al., 2021; Uddin, 2017; Williams, 1993). With a shared interest in just and equitable global (and climate) governance, historically marginalised countries are forming coalitions during climate discussions to strengthen their representation in the international system, exhibiting unity in many topics and contesting power and resource distribution (Happaerts, 2015; T. Johnson & Urpelainen, 2020; Marquardt et al., 2023).

3.4.2 North-South political stalemates, agendas and risks in climate governance

As we have seen, environmental issues in the North have been seen as a North-South issue, particularly concerning mitigation, and as an effort to sabotage the South's RtD (Uddin, 2017; UNGA, 1986). The problem was framed as a direct consequence of past patterns of economic development in the Global North, largely a result of fossil fuel-based growth, and the way forward for the Global South was identified as not following the same evolutionary industrialisation path, but instead leapfrogging to a more sustainable status of development (WMO et al., 1990, p. 12). A massive and sustained flow of scientific expertise, technologies, and financial resources is the necessary complement to develop the institutional, governance and technical capacity needed (WMO et al., 1990).

This is the South's fundamental understanding of the problem, enshrined in the UNFCCC, and reflects a common Southern position towards the issue. NAM-advocated principles, such as economic equality, sovereignty over natural resources, and the RtD, remained central to developing countries' agenda in global environmental politics (Uddin, 2017; Williams, 1993). Williams (1993) distinguishes four key topics articulating the Global South's position: a) the root responsibility for global environmental problems falls on the Global North, which therefore should bear the bulk of the related costs; b) any measure implemented to alleviate the issue must not hamper Global South's development, so the inequity should be compensated; c) swift and free transfer of technology from North to South; and d) additional resources to be transferred to improve environmental protection

(Uddin, 2017; Williams, 1993). Will Global North's support result in 'development' mirroring destructive Western development, debt or some form of mortgaging of local resources, and prioritisation of short-term over long-term interests?

On the other hand, the Global North, with its nuances across rich countries, has carried on a globalist discourse imbued with Western-based scientific interests (Uddin, 2017) and developmental idealism, taking the capitalist system as given, focusing on incremental improvement through market-based instruments (e.g., Clean Development Mechanism), exerting greater influence in UN climate negotiations, and normatively crafting the 'ideal delegation' for a country (Falzon, 2023). Developed countries' environmental agenda focused on pollution and resource exploitation and was perceived by the Global South as an intervention in its economic development (Uddin, 2017; Williams, 1993).

During the Paris Agreement negotiations, the Global North pursued a divide-and-conquer tactic, striving to remove the distinction between emerging and established industrialised economies, undermining the Global South's identity as 'developing nations' (Rajão & Duarte, 2018). Counter-intuitively, overcoming the UNFCCC's binary division deepened the North-South divide. The erasure of the formal binary framework in favour of a bottom-up and pooling approach highlighted the South's seemingly declining bargaining power vis-à-vis the North, which successfully reduced pressure on developed countries to take the lead, creating a leadership vacuum (Gupta, Gupta, et al., 2022; Joshi, 2022). At the same time, Global South countries, including emerging economies like China and India, retained NIEO-tuned positions on North-South equity in climate action (Joshi, 2022).

The US played a significant part in these tactics, and many are examples of Global North disengagement and retreating from its responsibilities and commitments (3.3.2, 3.3.3). Moreover, the language used often reveals how Global North countries employ universalist language (Sornarajah, 2001), introduce the term 'voluntary' to break G77 unity (Gupta, 2001), promise assistance without clear targets and timetables embedded in legally binding text, weaken text through strategic use of punctuation (Biniiaz, 2016), differentiate between global (mitigation) versus local (adaptation) problems and benefits, and focus on *agreed* incremental costs (Gupta, 1995). These strategies both enable and ensure patterns of domination.

These central themes have little changed in Global South's discourses following the Paris Agreement. If any, they have been exacerbated by Global North's disappointing responses (Babayev, 2024). Developed countries' climate inaction and lack of leadership are increasingly putting North-South relations under strain, with no trust left and a sense that the 'game is rigged', because the global economic order, whose rules have been set by the North, has institutionalised underdevelopment in the Global South (Özekin, 2024; Uddin, 2017). It also promoted a linear 'development' paradigm that favours resource overuse and waste dumping, nurturing the Great Acceleration, without regard for the

immense environmental and social consequences (the safe and just Earth System Boundaries), raising hopes and expectations of endless wealth in the Global South, while a growing movement increasingly questions this fundamental idea of development and growth (Moore, 2003; Szepanski, 2024).

This entails a dangerous vicious cycle that deteriorates North-South relations and cooperation, becoming a blame game over contentious sharing issues (how to share the remaining carbon budget, how to allocate responsibility, burdens and costs, or the remaining fossil fuels resources, and ultimately how to develop), notably when neoliberal strategies inform the main policy responses to these challenges (Gupta, 2014; Uddin, 2017). The blame game and trust deterioration between North and South are the cause of frustration at the visible lack of progress (IISD, 2024a). The risks are induced or exacerbated by the state of North-South relations in the international system, locked in problem minimisation and not towards cooperative action (Uddin, 2017).³² Mitigating the risks requires retaining the North-South dichotomy as analytically relevant (Kvangraven, 2021; Özekin, 2024).

3.4.3 North-South as a flexible dichotomy in decolonising ESG

In addition to the above-discussed changing and enduring challenges faced by Global North and South in relation to climate change, we argue that the dichotomy is analytically and theoretically relevant in decolonising ESG if understood as a flexible, but persistent, dichotomy. Recalling the three interpretations of Global South outlined in 3.2.4, this flexibility refers to the malleability of North-South categories, within and between them. As a flexible duality, we suggest that the North-South dichotomy remains important for assessing responsibilities and agendas concerning climate change and ESG at global, regional, national and local levels. This flexibility emerges at different scales of governance, from horizontal to vertical (Newell & Carter, 2024). By connotating the divide as being flexible, we emphasise its relational component, arguing that in some contexts the divide is more blurred, does not hold explicative power to comprehend the issue at hand, hides power inequalities and could be disregarded (for example, blue water) while in others, such as climate change and biodiversity loss, it should not be dismissed, as it helps highlight the structural inequalities that pervade this wicked problem from a climate justice perspective (Saraswat & Kumar, 2016). The historical, structural, and relational understanding of North and South highlights different Global South(s) acting at multiple scales, as political agents and countervailing powers in making the world order (Artner & Yin, 2023; Sud & Sánchez-Ancochea, 2022).

The North-South divide, and the term Global South, vary in meaning based on the issue at hand and the academic context: different subfields and research communities may have unique implicit definitions of what the ‘Global South’ represents (Haug et al., 2021).

³² As an illustrative example, Article 6 of the Paris Agreement (on cooperative implementation) has been fully operationalised only at COP29.

Using the same metrics, it is necessary to identify which North-South categories are most appropriate and how they fit into Earth System Governance, as well as whether they help uncover and discuss specific dynamics in global governance, keeping in mind the possibility that such categories may cease to be useful (Haug et al., 2021). Gaining a critical understanding of the dichotomy's frequently contradictory, evolving, and dialectical meanings and uses within ESG is more fruitful than attempting to replace it through discursive and academic efforts (Özekin, 2024; Sud & Sánchez-Ancochea, 2022).

The dynamics analysed above reveal a clear and distinct North-South narrative. The North still symbolises and embodies relative economic and military strength, while the South represents relative economic and institutional weaknesses. The former dominates the latter through 'flattening the epistemic landscape', erasing Southern epistemologies (Icaza, 2022; N. Levy, 2023), through the Bretton Woods system (Onyishi & Amoke, 2018), forum shopping (being able to choose the most beneficial forum for the position being advocated), agenda setting, and discursive control (what arguments are acceptable). These tactics determine which issues prevail, which arguments hold the stage, and ultimately, which decisions (or non-decisions; Lukes, 1974) are made, frequently at the expense of the weaker party's perspective.³³

By unpacking what we see as decolonising ESG (3.2.1), we propose that this entails in practice pursuing a research and policy agenda in ESG focusing on five challenges.

- a) Questioning the power structures established by the North since colonialism, including development assistance, trade, investment, law, economics and politics, and their functionality for extractivism, capital accumulation, and the Great Acceleration (Arons, 2023; Federau, 2023; Özekin, 2024). These structures are rooted in patterns of privilege, injustice and exploitation (Bhambra & Newell, 2023), and continue to marginalise the South(s) through multilateral institutions (i.e., World Bank, IMF and the WTO), controlled by the North in narratives and agendas (Peet, 2003), and multinational North-based corporations (Suwandi, 2015).
- b) The current state of world affairs makes a major global systemic reform unlikely in the foreseeable future. This means that we must work with what we have, and creatively transform the UN system and other (almost) universal institutions to be as democratic, equitable, just and inclusive as possible, while also addressing the vested interests' obstructing role in many of these arenas (Gupta, Chen, McKay, et al., 2024; Loo, 2023; Nasiritousi et al., 2024). In this sense, we should not toss the baby out with the bathwater.
- c) Equitably sharing Earth's resources, across nations, time, and species (Gupta, Liverman, et al., 2023), based on international, inter-generational, intra-

³³ See Annex 8 for a summary table of all the arguments developed throughout this paper regarding dismantling, maintaining and unifying the North-South dichotomy.

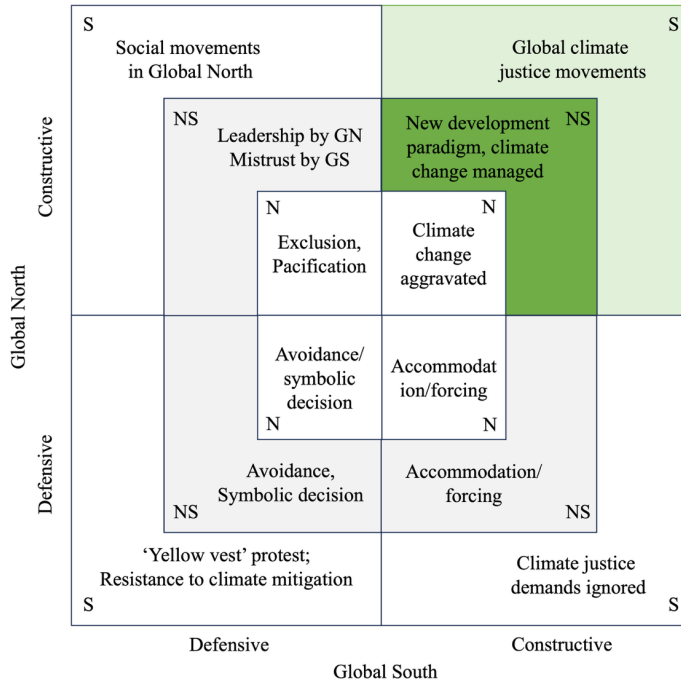
generational, inter-species justice and the intersections between climate and transitional justices (Brankovic, 2023; Gupta, Chen, McKay, et al., 2024).

- d) Meeting basic needs through just access to energy, water, food and infrastructure but ensuring that these needs are met through non-fossil energy or do not create new long-term lock-ins (Rammelt et al., 2022).
- e) Staying within the safe (and moving towards the just) Earth System boundaries (Rockström et al., 2009, 2023).

Integrating these five challenges implies putting climate justice at the centre and addressing the ‘Age of Capital’, linking all struggles towards political and innovative transformative change (Federau, 2023; Saraswat & Kumar, 2016; Sparenborg, 2023).

Within this framework, and maintaining a relational understanding of historical injustices between North and South, Figure 9 depicts a 2x2 matrix summarising possible North-South relations and outcomes in climate governance, with each quadrant representing a different combination of North-South interactions. Because it is an ideal type, many linkages and outcomes, even those in different quadrants, can occur simultaneously, depending on the specific governance issue at stake (i.e., mitigation, adaptation, loss and damage, land use and change, finance, technology transfer, etc.). On the X and Y axes, Global South (GS) and Global North (GN) reflect geographical North and South, while the ‘Defensive’ and ‘Constructive’ categories indicate the willingness to solve the problem. Each quadrant contains three different squares: S, N and NS, which respectively represent the agreeing/alliance between the Souths (i.e., the poor, the weaker parties) within Global North and South (S); between the Norths (i.e., the rich, the elites) within Global North and South (N); and between Norths and Souths *within* countries and *between* Global North and South (NS).

Figure 9 – Conceptual map of North-South relations in climate governance



Source: Authors.

Depending on the constructive or defensive stance and the alliances formed, different outcomes are possible.

- a) *Bottom-left*: general unwillingness to handle climate change results in issue avoidance or symbolic decisions at best when the rich agree (N) and when the poor and rich agree (NS). Here the poor's defensive stance leads to social resistance to climate mitigation (S), as illustrated by “yellow vest”-type of protests. This also reflects inequalities in countries where subsidies implicitly or explicitly exclude the poor.
- b) *Top-left quadrant*: the Global North's willingness to tackle the problem leads to three possible outcomes. If the rich reach an agreement (N), it implies exclusion and pacification/appeasement of the poor. If wealthy and poor agree (NS), the Global North acts in climate governance, but there is mistrust of the Global South, which stems from the poor historical record of Global North's leadership. The South in the Global North may demand action on climate change (S).
- c) *Bottom-right quadrant*: in this case, the Global North adopts a defensive stance, whereas the Global South is more constructive, leading to accommodation. This also applies when Global North and Global South reach an agreement. Southern social movements demanding justice are likely to be ignored (S).
- d) *Top-right quadrant*: finally, Global North and South embrace a constructive approach to climate change. However, if the rich establish an exclusive agreement

behind closed doors (N), this will exacerbate climate change because the envisioned measures will not meet the needs of the Souths. If the Souths agree without involving the Norths/rich (S), global climate justice movements will spread, putting pressure from the outside. The figure's green space represents the best outcome: here, Norths and Souths agree on what measures to take by whom, and what costs burden whom, leading to the climate change problem being managed, but more importantly, to a transformative redefinition of the development paradigm.

3.5 Conclusion

This article posed the question: *What is the continuing relevance of the North-South narrative in Earth System Governance and climate change?* By examining North-South relations in international climate governance, focusing on mitigation and climate finance, we argue that the North-South divide remains a useful framework for assessing responsibilities and agendas related to climate change and Earth system governance if understood as a flexible dichotomy. In the context of decolonising ESG, we highlight three key points resulting from this analysis.

First, the North-South flexible dichotomy illustrates how economically and militarily powerful countries and actors dominate less powerful and institutionally weaker ones. Decolonising ESG in the practical terms we propose helps understand and address the structural disparities between North and South, which stem from historical inequalities rooted in colonialism, capital accumulation and extractivism in the South, and the increasing inequalities between the Souths (the poor, also within the Global North) and the Norths (the rich, also within the Global South).

Second, we observe recurring patterns of this unbalanced North-South relation and behaviour in controlling forums, agendas, arguments and decisions in climate change politics and other aspects of Earth System Governance. The North dictates the terms of negotiations, framing challenges to align with its own economic and strategic interests, emphasising technological solutions and market-based mechanisms while dismissing and marginalising the perspectives of the South(s). Recognising this dynamic within decolonising ESG emphasises the need to question and challenge these entrenched power structures.

Finally, systemic imbalances and divides undermine climate change governance, resulting in failures to govern ecological and social problems, and limiting the potential for more inclusive and just global governance (Gupta, Prodani, et al., 2023). Inequitable power dynamics lead to exclusive policies and decisions, failing to address the diverse needs and circumstances of the South(s). Fragmentation within the South, exacerbated by divide-and-conquer tactics and North-South blame games, further complicates the picture, while the most powerful actor – the North – risks losing control over these problems. Without a more just and inclusive approach addressing the North-South dichotomy, the stability and predictability of our climate are at risk for everyone.