

Schulan, Alexander

Article — Published Version

Allocating climate adaptation finance revisited: examining three ethical arguments for allocating adaptation finance on the basis of democracy

International Environmental Agreements: Politics, Law and Economics

Provided in Cooperation with:

Springer Nature

Suggested Citation: Schulan, Alexander (2025) : Allocating climate adaptation finance revisited: examining three ethical arguments for allocating adaptation finance on the basis of democracy, International Environmental Agreements: Politics, Law and Economics, ISSN 1573-1553, Springer Netherlands, Dordrecht, Vol. 25, Iss. 4, pp. 523-537, <https://doi.org/10.1007/s10784-025-09685-x>

This Version is available at:

<https://hdl.handle.net/10419/333224>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



<https://creativecommons.org/licenses/by/4.0/>



Allocating climate adaptation finance revisited: examining three ethical arguments for allocating adaptation finance on the basis of democracy

Alexander Schulan¹

Accepted: 26 May 2025 / Published online: 16 July 2025
© The Author(s) 2025

Abstract

The actual amount of adaptation finance available globally is insufficient to finance, implement and maintain the necessary adaptation actions. A common way of dealing with this scarcity is to apply prioritisation criteria to the distribution of adaptation finance. The criterion of good governance already applied in the context of the distribution of official development assistance, and the social and political nature of adaptation needs, motivate the idea of allocating adaptation finance between countries based on the level of democratisation of their government. This paper examines three normative arguments for the democracy criterion: the legitimacy argument, the entitlement argument and the additional side-benefit argument. Understanding democracy as public reason and participation, this examination of the three arguments touches on considerations of justice and a potential intrinsic value of democracy. However, a final judgement on the democracy criterion is not the aim of this paper. Rather, this analysis concludes that there are plausible arguments for considering the democracy criterion in the debate on the distribution of scarce adaptation finance. Future work by policy-makers and academics will need to show whether, and, if so, in what detailed specification, the democracy criterion could actually play a role in the decision-making processes on the distribution of adaptation finance.

Keywords Democracy criterion · Adaptation finance · Procedural justice · Distributive justice · Democracy · Participation

1 Introduction

The empirical circumstances of global adaptation finance are characterised by the adaptation finance gap and the uncertainty in its measurement. The adaptation finance gap has been widely discussed and indicates that the need for resources for adaptation exceeds the

✉ Alexander Schulan
Schulan@philsem.uni-kiel.de

¹ Department of Philosophy, Kiel University, Olshausenstr. 80G, 24118 Kiel, Germany

amount of resources actually available for adaptation (Roberts et al., 2021). For example, the UN Environment Programme states that the estimated costs of adaptation for developing countries are ten to eighteen times higher than the amount of adaptation finance actually provided each year (UNEP 2023). As indicated by the wide estimate of between ten to eighteen times, there is considerable uncertainty in quantifying the adaptation finance gap due to a lack of transparency in the corresponding accounting practices of the actual amounts of adaptation finance provided and due to the use of different financial instruments, such as (concessional) loans or grants (Oxfam 2020). The existence of the adaptation finance gap means that vulnerable persons and communities who lack the resources are prevented from adapting to climate change in an autonomous and independent manner. This is often the case in countries in the Global South. As a result, these vulnerable countries that lack the resources for adaptation are dependent on the external provision of resources for adaptation in order to adapt successfully. A relevant aspect in this context is that mainly countries of the Global North have caused climate change in the first place and have also established and maintained a post-colonial global political and economic order, which makes countries in the Global South particularly vulnerable to the climate crisis (Dehm, 2016; Mignolo, 2018; Mikulewicz, 2020; Reibold, 2022; Webber, 2013).

This paper explores the idea of using the degree of democracy of a country's government to influence decisions on the distribution of scarce adaptation finance. At first glance, an analysis of this idea is highly controversial. Some might argue that there is no need for a justification of the democracy criterion as it promotes local participation in the adaptation process, whereas this locally-led adaptation is widely accepted to be beneficial for adaptation because it makes the implementation of climate change adaptation measures more successful (Rahman et al., 2023; Tye & Suarez, 2021, Susskind & Kim 2021). Whereas others might deny the possibility for a justification of the democracy criterion in this polarised debate because the idea of requiring democratic government structures to be eligible for adaptation finance is considered as a form of cultural imperialism. Cultural imperialism is the universalisation of experiences of the dominant group and the establishment of its culture as the norm (Young, 1990, p. 59). Critics might perceive the democracy criterion as an universalist intervention from outside to actively promote democracy by distributing adaptation finance informed by the democracy criterion, what also contradicts the importance of a democratisation process that is internal where all voices are being heard (Dewey, 1916; Phillips, 1995; Sen, 2009).

My paper is a normative philosophical and freestanding analysis in the discipline of practical ethics of the controversial idea to inform the distribution of adaptation finance by democracy. As it is common in practical ethics (Shue, 2014, 2021), I do not refer to one normative theory in particular, rather I discuss arguments and considerations, which are based on widely held normative commitments. I consider aspects of distributive justice and procedural justice, because both are relevant in the context of adaptation finance (Grasso, 2010; Tomlinson, 2015; Jennings, 2023). In my analysis, I will focus on the distribution of adaptation finance *between* countries, because countries are the relevant actors in bilateral and multilateral adaptation finance and in global climate policy. For example, countries are the relevant actors in the United Nations Framework Convention on Climate Change (UNFCCC). Accordingly, a use case of the democracy criterion might be when a supranational entity, like the Green Climate Fund, decides on applications for adaptation finance from various countries. But, even though the democracy criterion is intended to support

decision-making in the distribution of adaptation finance between states, the evaluation of the democracy criterion also depends on the distribution of adaptation finance within states and ultimately if and how adaptation finance arrives at individuals on the ground. Not states matter finally for adaptation finance, but persons. But, even though individual entitlements to adaptation finance play a role in this normative analysis, this paper is devoted to the research question whether the democracy criterion is suitable to inform actual decision making processes on the distribution of adaptation finance between countries.

There are two main results of this normative analysis. First, my analysis confirms the idea to inform decisions of the distribution of adaptation finance by the degree of democracy of a national government. The democracy criterion should play a role and should be considered in future actual adaptation policy making because some arguments for the democracy criterion are convincing. Second, my normative analysis also shows, based on the political nature of adaptation, that the democracy criterion might also be used to determine not only the amount of adaptation finance distributed, but also the modalities of the distribution of adaptation finance to a certain country.

The paper is structured as follows: Sect. 2 motivates my research question of whether adaptation finance should be influenced by the degree of democracy of a country's government, first by reference to the prioritisation criterion of 'good governance' used in the context of Official Development Assistance (ODA), second by empirical evidence showing that democracy is already considered in the distribution of adaptation finance, and third, that adapting to climate change is a civic practice which depends on inclusive participatory democratic institutions. Section 3 is the main section of this paper and examines in detail and critically evaluates three arguments for the democracy criterion: the legitimacy argument, the entitlement argument, and the additional side-benefit argument. Section 4 concludes.

2 Reasons for research on the idea to distribute adaptation finance informed by democracy

I will begin this section with considerations on the concept of democracy and the democracy criterion. Democracy is the process of collective decision-making, where decisions are made for groups and these decisions are binding on all members of the group (Christiano, 2018). Different conceptions of democracy require different degrees of equality, as in the case of 'one person, one vote' or participation in the process of deliberation or coalition building (Christiano, 2018). The degree of participation in conceptions of democracy varies between liberal, republican, deliberative and radical democracy (Held 2016). In my normative analysis, I will apply the conceptions of democracy as 'democratic equality' (Anderson, 1999), which is based on equal relations, and the conception of democracy as public reason and participation (Sen, 2009).

The idea to distribute adaptation finance informed by democracy is spelt out by Baatz (2017) and Baatz and Bourban (2019), according to which the level of democracy of a government might influence the *amount* and *modalities* of the distribution of adaptation finance. Accordingly, the democracy criterion might inform the distribution process of adaptation finance in two ways. A country with a more democratic form of government, first, might receive a higher amount of adaptation finance, and second, with more favourable modalities, e.g. with a leaner application process and with less reporting requirements ('less red tape')

during the implementation of the adaptation measure. However, Baatz and Bourban do not suggest to distribute adaptation finance exclusively based on the democracy criterion. My contribution to the recent scholarly debate of the democracy criterion is a detailed normative examination and evaluation of arguments for the democracy criterion in adaptation finance.

Even though the democracy criterion faces fierce criticism as indicated above, there are three reasons to examine its argument in detail. First, the democracy criterion considerably overlaps with the ‘good governance’ criterion which is already established in the distribution of aid. Second, empirical evidence shows that democracy is already considered in the actual decision-making process of the distribution of adaptation finance. And, third, the civic practice of adaptation depends on inclusive participatory democratic institutions.

First, a reason to examine the democracy criterion further is that the democracy criterion for adaptation finance shares considerable similarities to the ‘good governance’ criterion for aid. The good governance, or recipient merit, criterion is already widely used in the field of aid distribution (Betzold & Weiler, 2018, p. 12). The good governance criterion distributes an amount of aid proportional to the merit of a country’s ‘good’ policies and governance (Betzold & Weiler, 2018, pp. 35-6), where the good governance criterion includes country characteristics such as sound policies and good governance at all levels of government and respect for the rule of law (United Nations, 2003). Furthermore, the good governance criterion focusses on solid democratic institutions responsive to the needs of the people (United Nations, 2003, Monterey Consensus, II.A.11). Both, the good governance and the democracy criterion are supposed to provide intrinsically valuable civil liberties and respect political and human rights as well as the rule of law (Betzold & Weiler, 2018, pp. 35-6). But, the good governance criterion does not explicitly capture all relevant aspects for adaptation which are captured by the democracy criterion. For example, successful implementation of local adaptation measures depends on the opportunity for participation of individuals with the community or regional government on an equal footing.

Second, a practical reason to research on the democracy criterion despite facing severe criticism is that it is already discussed and used in actual decision-making in adaptation finance. For example, the Adaptation Fund (AF), established to finance adaptation in developing countries that are Parties to the Kyoto Protocol and particularly vulnerable to climate change, takes into account public dialogue and good governance in the distribution of adaptation funds (Adaptation Fund, 2022). Similarly, the Green Climate Fund (GCF), a key element of the Paris Agreement and the world’s largest climate fund which aims to help developing countries achieve climate-resilient pathways through adaptation, considers aspects of democracy in the distribution of adaptation finance. The GCF aims to allocate at least 50% of its climate finance to adaptation, taking into account the capacity of implementing entities and engagement with civil society, organisations and stakeholders (Green Climate Fund, 2020). The GCF works closely with the Global Environment Facility (GEF), which also distributes adaptation finance through its Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF). The GCF aims to distribute adaptation finance based on country characteristics such as capacity, policies and practices that are relevant to the successful implementation of adaptation projects (GEF 2018).

Third, another reason to further examine the idea of distributing adaptation finance based on democracy is the understanding of adaptation as a civic practice. Adaptation planning should not be understood narrowly as a technical solution to the question *how* to adapt, but more broadly as a civic practice in line with inclusive participatory democracy to answer the

question of *what* to achieve through adaptation, such as equality and resilience in communities (Jennings, 2023). Similarly, social vulnerability to climate change is driven by politics and local power structures, so that democratic institutions related to the local adaptation process lead to an equalisation of adaptation benefits (Mikulewicz, 2017). Democratic institutions in the adaptation process would also prevent the discursive violence of post-colonial adaptation projects that exclude local persons and thereby reproduce vulnerability (Mikulewicz, 2020). Analogous to Sen's famous observation that democracies with free media are less likely to suffer from a famine (Sen, 1982, 1983), stable democracies also hold hope for better adaptation to climate change (Burnell, 2012). Although democracy is primarily associated with norms of fairness and justice, such as equality, especially in the context of complex and uncertain impacts of adaptation measures, democratic deliberation also offers epistemic advantages for institutions dealing with adaptation (Hilde, 2012). Therefore, salient characteristics of democracy like equality, participation and giving everyone a voice, are relevant aspects for adaptation processes understood as a civic practice to reduce vulnerability and achieve climate resilient communities.

3 Three arguments for the democracy criterion for the distribution of adaptation finance

In this section, I will critically discuss three arguments for the democracy criterion: the legitimacy argument, the entitlement argument and the beneficial side-effect argument for the democracy criterion. The first two of these arguments are based on Duus-Otterström (2016), who discusses these arguments in terms of recipient control of adaptation finance in the context of subnational allocation of adaptation finance. The requirement of consistency of the distribution of adaptation finance between and within countries implies that considerations for the distribution within countries are also relevant for the distribution between countries, which makes Duus-Otterström's (2016) analysis relevant to my discussion of the distribution between states. And the strong links between arguments for recipient control and arguments for the democracy criterion, already noted by Duus-Otterström (2016, 655), will be evident in my following discussion of the legitimacy and entitlement argument regarding the democracy criterion. I will present each of the three arguments for the democracy criterion, and then subsequently discuss their objections (see Table 1).¹

¹ There are two other relevant arguments for the democracy criterion, which I do not discuss due to space restrictions. First, the epistemic argument, which is also discussed in the context of recipient control (Duus-Otterström, 2016) and in the context of the democracy criterion by Baatz and Bourban (2019, 87). The intuition behind the epistemic argument is that the incorporation of local knowledge is central to the adaptation planning process in order to efficiently transform adaptation finance into successful adaptation (Khan & Roberts, 2013, p. 183, Biagini et al., 2014, p. 105, Heyward, 2017, p. 482). Democracy, understood as democratic equality (Anderson, 1999) and public reason and participation (Sen, 2009), ensures a participatory public discourse on adaptation that incorporates local individual knowledge. Second, the anti-corruption argument, which suggests that democratic countries are less likely to suffer from the misappropriation of adaptation finance (Baatz & Bourban, 2019, p. 87). However, there is mixed empirical evidence whether democratic countries actually suffer less from corruption related to climate finance or adaptation finance (Fritsch, 2023).

Table 1 Overview of arguments for the democracy criterion and their objections

Name	Argument	Objections
Legitimacy Argument	Only national democratic governments, and not outside actors, have the legitimacy to decide how to protect citizens from climate risks through the domestic use of adaptation finance.	1) The legitimacy of a government is primarily based on the protection of the population from climate risks rather than the provision of democratic values. 2) The exclusion of non-democratic countries from the distribution of adaptation finance is a compound injustice.
Entitlement Argument	First, the entitlement to adaptation finance is based on the underlying injustice of climate change which requires compensation in the form of the protection of human rights threatened by climate risks, and, second, democratic governments can best ensure that this compensation can be used without restrictions.	1) The disregard of justified individual entitlements to adaptation finance by vulnerable persons living in non-democratic countries.
Additional Side-Benefit Argument	Democracy is intrinsically valuable, and therefore the unintended side-effect of the democracy criterion of incentivising national governments to become more democratic when intending to apply for adaptation finance, is an intrinsic benefit of the democracy criterion.	1) Democracy is not valuable in itself, in other words democracy is not intrinsically valuable. 2) Objecting against the claim that the side-effect of incentivising national democratic governments to become more democratic is unintentional, rather it is supposed to be intentional.

3.1 The legitimacy argument for the democracy criterion

The legitimacy argument for recipient control (Duus-Otterström, 2016) motivates the legitimacy argument for the democracy criterion. The legitimacy argument for recipient control states that only national governments, and not supranational institutions and foreign donors, have the legitimacy to decide on issues of civic protection (Duus-Otterström, 2016, pp. 666-7). The use of adaptation finance to protect citizens from climate risks is a part of civic protection (Müller, 2011, p. 2). Consequently, only national governments have the legitimacy to decide who should be protected how from climate risks (Müller, 2011, p. 2), and therefore only national governments should enjoy recipient control of adaptation finance. Now turning to the legitimacy argument for the democracy criterion, it is questionable whether national non-democratic governments enjoy the same degree of legitimacy than national democratic governments. Leaving empirical legitimacy aside, the most likely working hypothesis is that national non-democratic governments have an insufficient degree of normative legitimacy. Accordingly, only national democratic governments enjoy the legitimacy to decide on how to protect citizens from climate risks through the domestic use of adaptation finance.

The *legitimacy* argument for the democracy criterion is that only national democratic governments, and not outside actors, have the legitimacy to decide how to protect citizens from climate risks through the domestic use of adaptation finance.

I raise two objections to the legitimacy argument for the democracy criterion. The first objection is related to the source of justification of the normative legitimacy of a government, either from the protection from climate risks or from the upholding of democratic values. The severe climate risks threaten the long-term survival of a country's population, which raises the question whether a government's legitimacy should be based on providing

protection from climate risks or on promoting democratic values such as equality, participation and freedom (Mittiga, 2021). In case the normative legitimacy of a government is justified by the protection of the citizens from climate risks, it may even be the case that a non-democratic government is even more legitimate than a democratic one, if it is better at providing protection from climate risks. However, a rebuttal to this objection is that the misrecognition of its citizens by a non-democratic government in failing to not recognise their equal moral worth and ignoring their voice in the adaptation decision making process, disqualifies a non-democratic government as a legitimate trustee of adaptation finance (Baatz & Bourban, 2019, p. 88).

A second objection to the legitimacy argument, which is a general objection against the democracy criterion, is that the categorical exclusion of non-democratic countries from the distribution of adaptation finance is unjust. A general consequence of the democracy criterion and of the legitimacy argument in particular is that non-democratic governments and foreign actors do not have the legitimacy to decide on the use of adaptation finance within a country. The lack of legitimacy of external entities and non-democratic governments results in an empty set, i.e. no one is legitimate to decide on the use of adaptation finance in a non-democratic country. This is similar to the empty set resulting from the legitimacy argument for recipient control in case of a government whose legitimacy is in doubt (Duus-Otterström 2016, 666). This empty set constitutes a compound injustice, which is an injustice where some persons have made others vulnerable and then take advantage of these circumstances (Shue, 1992, 2021). In other words, a compound injustice is a situation where persons are left to fend for themselves to solve a problem they did not create. The distribution of adaptation finance based on the democracy criterion in terms of the legitimacy argument is an example of a compound injustice because most persons living in non-democratic countries who are vulnerable to climate change are not responsible for their non-democratic government and did foremost not cause climate change. Categorically excluding these vulnerable persons living in non-democratic countries from adaptation finance would exploit their lack of political and economic power to assert their right to adaptation. Moreover, the absence of a functioning democratic government means the absence of functioning institutions, a reduced capacity to cope with climate change and increased vulnerability to climate risks.

An evaluation of the democracy criterion in light of the legitimacy argument highlights a serious shortcoming of the democracy criterion in general, i.e. that vulnerable persons in non-democratic countries are excluded from adaptation finance. According to the legitimacy argument, no one has the normative legitimacy to receive, distribute and subsequently use adaptation finance in countries with a non-democratic national government. As many persons vulnerable to climate change live in non-democratic countries (Ott, 2021, IPCC 2022), the severity of this compound injustice is particularly problematic. And, the more ambitious the conception of democracy applied, the more persons being vulnerable to climate change and living in non-democratic countries are excluded from adaptation finance. As many persons vulnerable to climate change live in non-democratic countries, this objection to the democracy criterion based on the legitimacy argument points out that the democracy criterion contradicts the idea to prioritize the most vulnerable persons in the distribution of adaptation finance. Empirical data supports this objection against the democracy criterion. According to the recent Democracy Report by the Varieties of Democracy Institute (Nord et al., 2025), approximately 75% of the countries listed as Least Developed Countries (LDCs)

by the United Nations² are classified as ‘electoral autocracy’ or ‘closed autocracy’, where many LDCs are particularly vulnerable to climate change.

3.2 The entitlement argument for the democracy criterion

As in the case of the legitimacy argument, the entitlement argument for recipient control (Duus-Otterström, 2016) also motivates the entitlement argument for the democracy criterion. The entitlement argument for recipient control states that, first, the entitlement to adaptation finance is a compensation for a past or ongoing injustice, and second, that the recipient of adaptation finance should be free to decide how to use this compensation (Duus-Otterström, 2016, pp. 662-6). In the context of the entitlement argument for the democracy criterion, compensation comes in the form of adaptation measures to prevent the violation of human rights, where human rights are threatened to be violated by materialised climate risks. The cause of this underlying injustice is climate change, which imposes undue risks on others without their consent and threatens to violate human rights (Bell, 2013). Furthermore, the materialisation of climate risks threatens to violate the fundamental no-harm principle and poses a threat to basic human needs. Accordingly, I will base the justification of the entitlement to adaptation on the protection and upholding of rights (Caney, 2010, p. 172), which are threatened to be violated by climate change. To make clear, compensation in the context of the entitlement argument for the democracy criterion is different from compensation in the recently much debated policy option of ‘Loss & Damage’. Compensation with regard to Loss & Damage deals not with the prevention of human right violations through climate risks, but rather with payments for actually occurred losses and damages due to materialised climate risks (Heilinger and Kemp 2024).

The *entitlement* argument for the democracy criterion is, first, that the entitlement to adaptation finance is based on the underlying injustice of climate change which requires compensation in the form of the protection of human rights threatened by climate risks, and, second, that democratic governments can best ensure that this compensation can be used without restrictions.

The second part of the entitlement argument, that adaptation finance should come with no strings attached, is particularly relevant in the context of the democracy criterion. Already in the entitlement argument for recipient control, Duus-Otterström (2016 663, fn. 18) refers to van der Vossen (2023)³ stating that a *control right* over adaptation finance is constituted by the claim right to adaptation finance and the liberty right, i.e. the right to use adaptation finance without conditions.

My contribution to the entitlement argument for the democracy criterion is to acknowledge the control right to adaptation finance and to interpret its two components in more detail, especially the liberty right to adaptation finance. The distinction by Hohfeld between positive and negative rights is fundamental to a normative consideration of rights. Applying a Hohfeldian analysis of rights (Hohfeld, 1919; Weinar, 2023) to the control right to adaptation finance relates the *claim right* to adaptation finance to a negative right, i.e. a person is entitled to use adaptation finance without others interfering with this resource. And, a Hohfeldian analysis of rights relates the *liberty right* to adaptation finance to a posi-

² <https://unctad.org/topic/least-developed-countries/list>. Last Accessed: 31 March 2025.

³ Duus-Otterström (2016) refers to an earlier version of this entry in the Stanford Encyclopedia of Philosophy by Vallentyne (2012).

tive right, i.e. a person is able to use her share of adaptation finance autonomously and independently as she wishes. As adaptation to climate change is a collective process, the liberty right to adaptation finance is a positive right to have a voice and to participate in the decision-making process on an equal footing. Given the conception of democracy used in this analysis, democracy understood as ‘democratic equality’ (Anderson, 1999) and public reason and participation (Sen, 2009), the liberty right to adaptation finance as a positive right supports the democracy criterion, because the more democratic a government is based on participation and public deliberation, the more should it be likely to take into account the interests, needs and preferences of individuals being vulnerable to climate change. An open public discourse on adaptation finance, in which all persons affected have their say and actually have the opportunity to contribute their individual ideas on what constitutes good adaptation, is particularly well suited to promote the positive liberty right to participate freely in the process of using adaptation finance locally as desired, by leaving room for individual choice in the adaptation decision-making process. This is what Duus-Otterström (2016, 665) calls ‘preference tracking’ in the adaptation process, which is required by the entitlement argument for recipient control due to the positive liberty right to use adaptation as one wishes. Accordingly, the political system should be set up in such a way that national adaptation policies can be expected to track individual preferences for adaptation. Given the characteristics of democracy, such as an open public discourse and equal participation, the entitlement argument for the democracy criterion is essentially based on this ‘preference tracking’ of the citizens’ preferences for adaptation to actually fulfil their entitlement to adaptation. However, empirical evidence indicates that democracies do not always completely track the preferences of their citizens. Rather, empirical studies show that democracies sometimes give the tracking of interests of more affluent citizens more weight (Gilens, 2005; Gilens & Page, 2014). Accordingly, democratic governments are more likely to track the preferences of their citizens than non-democratic governments. The taking into account of the preferences and of the interests of individuals at the local level is particularly relevant in the context of adaptation, where all individuals should be able to participate with an equal voice (Paavola & Adger, 2006) and power should be equally delegated to communities and their members in adaptation decision-making (Mikulewicz, 2017).

In order to examine the entitlement argument for the democracy criterion in more detail it is necessary to clarify whether national governments or individuals are entitled to adaptation finance. Climate justice scholars (Duus-Otterström, 2016; Baatz, 2017) see individuals as the ultimate bearers of entitlement to adaptation finance. However, given that successful adaptation requires a significant degree of collective decision-making at national, regional and municipal levels, it is impractical and ineffective to distribute small amounts of adaptation finance to individuals (Baatz & Bourban, 2019, p. 86). Thus, since non-democratic governments lack preference tracking in the case of adaptation, and it is impractical to distribute small amounts of adaptation finance directly to individuals, an objection to the entitlement argument for the democracy criterion arises. This objection is that the democracy criterion would categorically disregard justified individual entitlements to adaptation finance by persons living in non-democratic countries.

A rebuttal to this objection is that individual entitlements to adaptation finance can be recognised even in non-democratic countries by bypassing, i.e. transferring adaptation finance directly to churches or non-governmental organisations (NGOs), as in the case of ODA bypass aid. It is therefore possible to recognise individual entitlements to adaptation finance

even in non-democratic countries by transferring adaptation finance to individuals bypassing non-democratic governments. For example, finance can be bypassed in bilateral projects between the provider and local communities or individuals, such as NGOs, civil society or private institutions like churches (Betzold & Weiler, 2018). Bypassing adaptation finance is an example where the democracy criterion affects not only the amount of adaptation finance distributed, but also the modalities of distribution, here the modality of bypassing.

To provide a first evaluation of the entitlement argument, the entitlement argument supports the democracy criterion. In the context of recipient control, Duus-Otterström concludes that the strength of the entitlement argument is only decisive in the case of democratic governments (Duus-Otterström, 2016, p. 658). Whereas non-democratic countries lack the structures to support coordination and participation in adaptation decision-making process and also fail to recognise individual entitlements to adaptation, democratic countries provide functioning structures and institutions for adaptation planning that allow ‘preference tracking’, i.e. the implementation of adaptation in the best interests of individual entitlement bearers.

3.3 The additional side-benefit argument for the democracy criterion

The *additional side-benefit* argument for the democracy criterion is that democracy is intrinsically valuable, and therefore the unintended side-effect of the democracy criterion of incentivising national governments to become more democratic when intending to apply for adaptation finance, is an intrinsic benefit of the democracy criterion.

The intrinsic value of democracy is based on fundamental aspects of democracy such as freedom, public legitimacy and equality (Christiano, 2018). From a justice perspective, democracy is a condition and outcome of social justice (Young, 1990), and democratic government has intrinsic value because it provides social justice in the form of ‘democratic equality’ (Anderson, 1999). Democratic equality, in the form of collective self-determination through democracy, is the result of open discussion between persons on an equal footing, based on rules that are acceptable to all. Under conditions of democratic equality, all accept the obligation to justify an action to others on the basis of principles acceptable to others. Democratic equality requires a ‘social order in which persons stand in relations of equality’ (Anderson, 1999, p. 313) and recognises the equal moral worth of all human beings (Young, 1990; Anderson, 1999; Scheffler, 2015; Nath, 2020; Heilinger, 2020; Schemmel, 2021). Because public deliberation results in binding agreements for group members, everyone has equal moral worth, everyone is entitled to participate, and everyone is obliged to listen to the arguments of others. These salient requirements of democratic equality are part of the intrinsic value of democracy and have implications for the social and political life of a country, e.g. that persons, institutions and government should interact on an equal footing, that everyone’s voice should be heard and everyone’s interests taken into account, especially in the context of adapting to climate change. Furthermore, the side effect of incentivising national democratic governments to become more democratic is only a by-product of the democracy criterion and therefore unintended. The goal of adaptation finance is to enable the successful financing, installation and maintenance of adaptation measures, not to support democracy. The support for democracy implied by the democracy criterion is therefore unintentional. The additional side-benefit argument for the democracy criterion is further supported by the fact that adaptation to climate change is predominantly a political process.

The level of vulnerability to climate change depends on political context, and the process of adaptation itself is predominantly a political process (Mikulewicz 2017).

In what follows, I will discuss two objections to the additional side-benefit argument for the democracy criterion. The first objection is that democracy is not valuable in itself, in other words that democracy is not intrinsically valuable. Rather, democracy could be rejected as a peculiarly Western concept, and consequently, implementing the democracy criterion promoting the democratisation of national governments would lead to cultural imperialism. Cultural imperialism is an injustice because a dominant group imposes its experience and interpretation of society on an oppressed group without considering the oppressed group's potentially different experience and interpretation of society (Young, 1990, p. 60). Cultural imperialism occurs when a dominant group universalises its experience by establishing its culture as the norm according to the dominant group's perspective and interpretation of society (Young, 1990, pp. 58-61). Transferring the injustice of cultural imperialism to the democracy criterion leads to the accusation that a dominant and powerful group of Western countries is powerfully establishing the democracy criterion in international climate negotiations and thereby oppressing a group of countries in the Global South that are committed to a non-democratic form of society and government. This objection to the democracy criterion challenges the idea that the democracy criterion has any positive intrinsic value, because it ignores the experiences and perspectives on society of governments committed to a non-democratic form of government.⁴

This charge can be refuted by the global nature of democracy, which is justified for two main conceptions of democracy: a narrow conception of democracy as free and fair elections and a broader conception of democracy as public reason and participation. Both conceptions of democracy, wide and narrow, show that democracy is not a peculiarly Western or European concept (Sen, 2009, pp. 330-1). First, history shows that the narrow conception of democracy as free and fair elections has often been implemented in non-Western societies. Second, the broad conception of democracy as public reason and participation is also not a regional phenomenon. The appeal of participatory governance has emerged and re-emerged in different parts of the world over the centuries (Sen, 2009, p. 323). Accordingly, the rhetoric of the West 'imposing' democracy on the non-Western world is inappropriate because it assumes that the idea of democracy belongs exclusively to and flourishes only in the West (Sen, 2009, p. 322, 328). Specifically democratic equality, which is based on a strong commitment to the equal moral status of all persons and to the fact that all voices should be heard, regardless of the outcome of a deliberative process, is unlikely to be seen as a form of oppression or domination (Schulan and Heilinger, 2024, 15, fn. 8). However, the democracy criterion could be seen as a form of interventionism as processes of democratisation should be initiated from within a country (Nussbaum, 2011).

A second charge might be that the incentive for national governments to become more democratic in order to increase their chances of receiving adaptation finance has no real effect in practice. The force of this charge depends on empirical evidence, whether non-democratic national governments seeking adaptation finance actually try to become more democratic or possibly just pretend to become more democratic in light of the democracy criterion. I am currently unaware of empirical evidence for these two situations. As the addi-

⁴I would like to thank an anonymous reviewer for pointing out that opponents of the democracy criterion might accept some arguments in favour of it, but nevertheless reject it due to other objections, like the charge of cultural imperialism.

tional side-benefit argument proposes this unintentional positive side effect of incentivising governments to become more democratic and participatory, proponents of the additional side-benefit argument have the burden of proof of its actual relevance. Accordingly, the lack of empirical evidence for the proposed effect of the additional side-benefit arguments points to a weakness of the additional side-benefit argument and makes this charge of having no real effect in practice weightier.

I provide a first assessment of the additional side-benefit argument in terms of the intrinsic value of democracy. Following the argumentation of Amartya Sen, the intrinsic value of democracy is linked to the practice of democracy as ‘government by discussion’, which is closely related to justice (Sen, 2009, p. 324) and the empirical observation of the global nature of democracy. Accordingly, the charge of promoting democracy as cultural imperialism or oppression can be rejected. However, from an empirical point of view, the additional side-benefit argument could be rejected by questioning the empirical evidence that the democracy criterion for adaptation finance actually provides an incentive to start a national democratisation process in currently non-democratic countries.

Having evaluated three arguments for the democracy criterion in detail, I would like to make two general points about mainly instrumental considerations to further evaluate the democracy criterion. First, the actual use of the democracy criterion could politicise the decision-making on the allocation of adaptation finance between countries in such a way that some countries might stop providing adaptation finance (Ott, 2021, p. 188). Therefore, the politicization caused by the democracy criterion could reduce the efficiency of adaption policy. However, the negative consequences of politicization due to the democracy criterion likely also apply for other prioritisation criteria causing politicization. Second, in contrast to intrinsic arguments in favour of democracy, any instrumental argument in favour of democracy runs the risk of losing its force if a concept other than democracy emerges that achieves the instrumental goal in question even more efficiently (Herzog, 2019). Accordingly, from an instrumental point of view, the democracy criterion for the distribution of adaptation finance is at risk of being replaced by another criterion that more efficiently achieves the various goals of adaptation finance.

4 Conclusion

My paper shows that there is more to a normative analysis of the idea of distributing adaptation finance on the basis of democracy than just the spectrum between the accusation of a no-go due to the criticism of Western hegemonic claims to democracy on the one side and the trivial instrumental benefits of participation for adaptation on the other side. The aim of this paper is to discuss arguments for the democracy criterion to distribute adaptation finance and evaluate these arguments and their objections. Based on the examination of normative arguments for the democracy criterion, Sect. 3 shows that each of the legitimacy argument, entitlement argument and additional side-benefit argument provides reasonable considerations in favour of the democracy criterion. But, each of the three arguments also faces justified objections. Accordingly, opponents of the democracy criterion might accept certain arguments in favour of the democracy criterion but might reject it overall based on certain objections against the democracy criterion.

This analysis shows two results. First, as there is reasonable support for the democracy criterion, the democracy criterion should be further seriously considered and discussed by both academics and policymakers in the context of global adaptation policy. The democracy criterion provides relevant information for the complex decision-making process of the distribution of scarce adaptation finance and should therefore be consulted as one source of information. Future research needs to clarify in detail whether, and if so how, the democracy criterion should be used in actual decision-making on adaptation policy. A challenge for this endeavour is to specify the democracy criterion in more detail, which would increase the feasibility of assessing its normative justification and practical implementation. An example for a further specification of the democracy criterion is to base a decision on the distribution of adaptation finance not on the degree of democratisation of a government at a given point in time, but rather on an evolving process of democratisation of a government over time. Second, another result of this analysis is that the *modalities* of adaptation finance should receive more attention in the decision-making process on the distribution of adaptation finance. The democracy criterion, based on an understanding of democracy as participation and public reason, is coherent with the importance of participation for successful adaptation measures. Therefore, especially when distributing adaptation finance to governments with partially non-democratic institutions and practices, the modalities of the distribution of adaptation finance should become more prominent. In these cases of partially non-democratic governments, certain modalities should be required for the distribution of adaptation finance, like requiring the opportunity for persons vulnerable to climate change to participate in the decision-making process for adaptation at the national, regional and local level.

Last but not least, the implementation of adaptation projects with a focus on local participation ‘on the ground’, facilitated by democratic structures of government characterised by participation and public reasons, will not only have a positive impact on the ability to cope with unfolding climate change. Rather, in addition to good governance, these democratic policies will also serve as a blueprint for favourable practices of local governance characterised by the active participation of citizens in political decision-making processes which improve the distribution of resources and political power, as all affected parties have a voice and an equal say. And, individual participation helps to make democracy more successful by giving citizens the opportunity to actually represent their interests in local decision-making processes (Landmore, 2020). Therefore, taking democracy, and thus justice in the sense of equal relations, into account in global and local adaptation policies helps to avoid the perpetuation of political power imbalances and structural injustices through poorly designed adaptation policies.

Acknowledgements I would like to express sincere gratitude to Christian Baatz, Jan-Christoph Heilinger, Antonia Holland-Cunz, Simon Kräuchi, Konrad Ott, Lukas Tank, Ivo Wallimann-Helmer, Jens Schnitker-von Wedelstaedt, Nils Wendler and two anonymous reviewers as well as audiences at LMU Munich and Kiel University for their valuable and constructive feedback on previous versions of this manuscript.

Funding Open Access funding enabled and organized by Projekt DEAL. The research of Alexander Schulan was funded by the Federal Ministry of Research, Technology and Space (BMFTR). Project ADJUST is part of the funding line “Social Ecological Research” within the framework of the Strategy “Research for Sustainability” (FONA), grant number 01UU2001.

Open Access This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons

licence, and indicate if changes were made. The images or other third party material in this article are included in the article's Creative Commons licence, unless indicated otherwise in a credit line to the material. If material is not included in the article's Creative Commons licence and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>.

References

- Adaptation Fund (AF). Technical Evaluation Reference Group. (2022). Evaluation Policy of the Adaptation Fund. Retrieved October 17, 2023, from <https://www.adaptation-fund.org/wp-content/uploads/2022/07/Evaluation-Policy-of-the-Adaptation-Fund.pdf>
- Anderson, ES. (1999). What is the point of equality? *Ethics*, 109(2), 287–337.
- Baatz, C. (2017). *Compensating Victims of Climate Change in Developing Countries*. University of Greifswald: PhD Dissertation.
- Baatz, C., & Bourban, M. (2019). *Distributing scarce adaptation finance across SIDS: effectiveness, not efficiency. Dealing with climate change on small islands*. Ed. by C. Klöck and M. Fink. Göttingen University Press, pp. 77–99.
- Bell, D. (2013). Climate change and human rights. *WIREs Climate Change*, 4, 159–170.
- Betzold, C., & Weiler, F. (2018). *Development aid and adaptation to climate change in developing countries*. Palgrave Macmillan.
- Biagini, B., Bierbaum, R., Stults, M., Dobardzic, S., & McNeely, S. M. (2014). A typology of adaptation actions. *Global Environmental Change*, 25, 97–108.
- Burnell, P. (2012). Democracy, democratization and climate change: Complex relationships. *Democratization*, 19(5), 813–842.
- Caney, S. (2010). Climate Change, Human Rights, and Moral Thresholds. In: *Climate Ethics*. Ed. by Dale J. S., M. Gardiner, S. Caney and H. Shue. Oxford University Press, 163–177.
- Christiano, T. (2018). Democracy. *The Stanford Encyclopedia of Philosophy*. Ed. by Edward N. Zalta. Fall 2018. Stanford University.
- Dehm, J. (2016). Carbon colonialism or climate justice. *Windsor YB Access Just*, 33, 129.
- Dewey, J. (1916). *Democracy and Education*.
- Duus-Otterström, G. (2016). Allocating climate adaptation finance: Examining three ethical arguments for recipient control. *International Environmental Agreements*, 16(5), 655–670.
- Fritsch, M. (2023). Climate change and democracy. *Handbook of the philosophy of climate change* (pp. 1001–1026). Springer.
- Gilens, M. (2005). Inequality and Democratic responsiveness. *Public Opinion Quarterly*, 69(5), 778–796.
- Gilens, M., & Page, B. I. (2014). Testing theories of American politics: Elites, interest groups, and average citizens. *Perspectives on Politics*, 12(3), 564–581.
- Global Environment Facility (GEF) (2018). *System for transparent allocation of resources (STAR)*.
- Grasso, M. (2010). An ethical approach to climate adaptation finance. *Global Environmental Change*, 20(1), 74–81.
- Green Climate Fund (GCF). (2020). Initial investment framework. Retrieved October 5, 2023, from <https://www.greenclimate.fund/sites/default/files/document/initial-investment-framework.pdf>
- Heilinger, J. C. (2020). *Cosmopolitan responsibility*. De Gruyter.
- Heilinger, J. C., & Kempf, H. (2024). Loss and damage, and addressing structural injustice in the climate crisis. *Ethics Policy & Environment*. <https://doi.org/10.1080/21550085.2024.2387999>
- Herzog, L. (2019). *Politische Philosophie*. utb.
- Heyward, C. (2017). Ethics and climate change adaptation. In A. Thompson, & S. M. Gardiner (Eds.), *The Oxford handbook of environmental ethics* (pp. 474–486). Oxford University Press.
- Hilde, T. C. (2012). Uncertainty and the epistemic dimension of democratic deliberation in climate change adaptation. *Democratization*, 19(5), 889–911.
- Hohfeld, W. (1919). *Fundamental Legal Conceptions*. Ed. by W. Cook. Yale University Press.
- Intergovernmental Panel on (IPCC). (2022). *Climate change 2022 – Impacts, adaptation and vulnerability* (Vol. 6AR). Working Group II.
- Jennings, B. (2023). Democracy and justice in climate change adaptation. *The Routledge handbook of applied climate change ethics* (pp. 77–89). Routledge.
- Khan, M. R., & Roberts, J. T. (2013). Adaptation and international climate policy. *WIREs Climate Change*, 4(3), 171–189.
- Landmore, H. (2020). *Open democracy*. Princeton University Press.

- Mignolo, W. D. (2018). Border thinking and decolonial cosmopolitanism. *Routledge International Handbook of Cosmopolitanism Studies*.
- Mikulewicz, M. (2017). Politicizing vulnerability and adaptation: On the need to democratize local responses to climate impacts in developing countries. *Climate and Development*, 10(1), 18–34.
- Mikulewicz, M. (2020). The discursive politics of adaptation to climate change. *Annals of the American Association of Geographers*, 110(6), 1807–1830.
- Mittiga, R. (2021). Political legitimacy, authoritarianism, and climate change. *American Political Science Review*, 116.3, 998–1011.
- Müller, B. (2011). *Enhanced direct access*. The Oxford Institute for Energy Studies.
- Nath, R. (2020). Relational egalitarianism. *Philosophy Compass* 15.7.
- Nord, M., et al. (2025). *Democracy report 2025: 25 years of Autocratization – Democracy trumped?? University of Gothenburg*. V-Dem Institute.
- Nussbaum, M. C. (2011). *Creating capabilities. The human development approach*. Harvard University Press.
- Ott, K. (2021). Domains of Climate Ethics Revisited. In: *Risks and Regulation of New Technologies*. Ed. by T. Matsuda, J. Wolff, and T. Yanagawa. Springer, pp. 173–199.
- Oxfam International. (2020). *Climate finance shadow report 2020*. Oxfam Briefing Paper.
- Paaola, J., & Adger, W. N. (2006). Fair adaptation to climate change. *Ecological Economics*, 56(4), 594–609.
- Phillips, A. (1995). *The politics of presence*. Clarendon.
- Rahman, M. F., et al. (2023). Locally led adaptation: Promise, pitfalls, and possibilities. *Ambio*, 52(10), 1543–1557.
- Reibold, K. (2022). Settler colonialism, decolonization, and climate change. *Journal of Applied Philosophy*, 40(4), 624–641.
- Roberts, J. T., Weikmans, R., Robinson, S., Cipler, D., Khan, M., & Falzon, D. (2021). Rebooting a failed promise of climate finance. *Nature Climate Change*, 11, 180–182. <https://doi.org/10.1038/s41558-021-00990-2>
- Scheffler, S. (2015). *The practice of equality. Social equality. On what it means to be equals*. Oxford University Press.
- Schemmel, C. (2021). *Justice and egalitarian relations*. Oxford University Press.
- Schulau, A., & Heilinger, J. C. (2024). The three injustices of adaptation Finance – A relational egalitarian analysis. *Journal of Agricultural and Environmental Ethics*, 37, article number 15.
- Sen, A. (1982). How is India doing? *New York Review of Books*, 29.
- Sen, A. (1983). Development: Which way now? *Economic Journal*, 93.
- Sen, A. (2009). *The Idea of Justice*. Harvard University Press.
- Shue, H. (1992). The unavoidability of justice. In: *The International Politics of the Environment: Actors, Interests, and Institutions*. Ed. by A. Hurrell and B. Kingsbury. Oxford: Clarendon Press, pp. 373–397.
- Shue, H. (2014). *Climate justice. Vulnerability and protection*. Oxford University Press.
- Shue, H. (2021). *The pivotal generation*. Princeton University Press.
- Susskind, L., & Kim, A. (2021). Building local capacity to adapt to climate change. *Climate Policy*, 22(5), 593–606.
- Tomlinson, L. (2015). *Procedural justice in the united nations framework convention on climate change*. Springer.
- Tye, S., & Suarez, I. (2021). *Locally led climate adaptation*. World Resources Institute.
- United Nations (2003). *Monterey Consensus of the International Conference of Financing for Development*.
- United Nations Environment Programme (UNEP) (2023). *Adaptation Gap Report 2023*.
- Vossen, B. (2023). van der and B. Christmas Libertarianism. *The Stanford Encyclopedia of Philosophy*. Ed. by Edward N. Zalta and Uri Nodelman. Stanford University.
- Webber, S. (2013). Performative vulnerability: Climate change adaptation policies and financing in Kiribati. *Environment and Planning A: Economy and Space*, 45(11), 2717–2733.
- Weinar, L. (2023). Rights. *The Stanford Encyclopedia of Philosophy*. Ed. by Edward N. Zalta and Uri Nodelman. Stanford University.
- Young, I. M. (1990). *Justice and the politics of difference*. Princeton University Press.

Publisher's note Springer Nature remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.