

Note from the editor

## Loss and adaptation on a warming planet

Leon Wansleben

### Content

#### 1 Note from the editor

Loss and adaptation on a warming planet  
by Leon Wansleben

#### 4 Interrogating carbon inequalities.

An interview with Lucas Chancel

#### 7 The costs of staying afloat: Bond markets,

climate adaptation, and urban inequality

by Savannah Cox

#### 14 "I have always felt that four degrees

equals civil war." An interview with

David Bresch

#### 18 Book reviews

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**O**ruined piece of nature! This great world shall so wear out to naught. So exclaims Gloucester upon recognizing King Lear's madness, after the king's own daughters have withdrawn from him all kingly privileges. In Shakespeare's famous drama, the fate of the planet and that of his characters are inextricably linked. With the king's expulsion by his children, a thunder storm arrives. And when characters speak of ruined nature, as Gloucester does, they imply that the social as well as biological-physical order are out of joint.

On a different scale, with different epistemic foundations, a Shakespearean sense of intertwined social and ecological crises haunts us in the 21st century. Global warming, ongoing loss of fertile land and biodiversity, acidification of oceans, and water scarcity are becoming tangible and often fatal experiences for growing segments of the global population. Sometimes the consequences are strikingly obvious. For instance, river floods and tropical cyclones are among the most harmful natural hazards rendered more likely

and devastating by climate change (Stalhandske et al. 2024). Other social consequences are more subtle, as deteriorating conditions ripple through the social fabric. For instance, in the United States, home foreclosures have increased and are expected to rise further due to insufficient coverage or too expensive insurance.<sup>1</sup> Banks, insurance providers, and tax authorities suffer losses from the destruction of real estate. Governments run higher debts when they are responding to disasters and compensating victims, raising overall risks for financial and fiscal sustainability (Hay 2023). Farmers may be extremely exposed to losses from more droughts and frequent hazards, but rising food prices put stress on the broader population, particularly the poor. Worsening health conditions, for example due to extreme heat, bring far-reaching social and economic costs. In extremely unequal ways, the world becomes poorer (Chancel 2020).

Two questions associated with runaway global warming thus have increasingly become important for the social sciences. First,

how do societies deal with the distributional and aggregate consequences of climate-induced loss? Rebecca Elliott (2018) presciently put this question on the sociological agenda. Second, to what extent, how, and with what social consequences do societies adapt to the actual and anticipated consequences of global warming? Danielle Falzon and Raka Sen (2024) have recently drawn attention to this second question. First studies on these issues are out: Most works concentrate on the US housing market, the unequal loss compensation capacities among US homeowners, dispossessions and displacements, the role of insurance, and effects on property values (Elliott 2024; Klinenberg, Araos, and Koslov 2020). A few scholars study climate change impacts at the level of economic sectors, among them an innovative piece on Alpine ski resorts (Ausserladscheider 2024). Others explore the role of bond markets versus civic organizations in loss recovery and adaptation processes in communities with high hazard risks (Carmen et al. 2022; Cox 2023). Meanwhile, ecological economists and climate scientists have come up with improved calculations and scenarios of who loses how much from the various impacts of climate change (Boustan et al. 2020; Neal, Newell, and Pitman 2025). Anthropologists have contributed case studies on climate change adaptation projects in the Global South and their sometimes coercive and disenfranchising effects on the very poor (Paprocki 2021). Others have explored how social and natural lives co-adapt unexpectedly in devastated and exhausted lands (Tsing 2021). Conflict and migration studies increasingly take climate change impacts into account.

These publications are like glowworms in a largely unexplored research field. For instance, under-researched questions concern how losses are accounted for and how they are distributed. How do markets and sectors change as warming worsens, disrupts production processes, generates asset losses, and renders some goods more precious while devaluing others? With what methods, and to what effects, do economic actors with variable power over monetary flows take climate risks into account? Can countries with comprehensive welfare states respond more effectively to climate change because they have higher capacities and legitimacy to socialize risks and finance public infrastructures? Or are such welfare regimes particularly exposed to the gradual but unmerciful increases in cost pressures, compounded by other factors (e.g., demographic change, low economic growth, etc.)? Under what socioeconomic conditions can communities mobilize the requisite financing and planning capacities for effective adaptation? What conse-

quences ensue when market actors, private donors, or international aid organizations predominate in adaptation processes? Does climate change accelerate de-solidarization, as epitomized by isolationist projects among the super-rich, or does it, at some critical threshold, lead to the repoliticization of inequalities and motivate shifts from market- to public goods-oriented economies? In Shakespeare's tragedies, such as *King Lear*, only very few survive. But this is not a prospect that most of us are willing to accept.

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The current edition intends to inspire economic sociologists to consider climate change as a major structural force impacting whole economies, markets, and economic actors. Reflecting the early stages of this research, the issue contains one programmatic essay and two interviews surveying the broader research landscape. In conversation, the economist Lucas Chancel discusses how he came to pioneer empirical work on carbon inequalities, how patterns of carbon asset ownership reveal even starker inequalities than captured by consumption-based carbon footprints, and why adaptation should be a collective democratic project. In her essay, Savannah Cox draws on ethnographic research in Miami (Florida) to raise a vexing question: How can communities, threatened by climate change and exposed to financial markets, avoid or break out of vicious cycles whereby prospective losses render financing increasingly difficult, including for the very adaptation projects that are supposed to protect them? Savannah highlights the impression work performed by local officials, conflicts over the distribution of adaptation funds, and the powerful role of rating agencies and bond markets in this process. David Bresch, former risk modeler at Swiss Re and now professor for weather and climate risk at ETH Zurich, describes the special role of reinsurance in climate risk insurance and policy, the threats of compound risks, the flaws in conventional integrated assessment models, and the role of experts and citizens in adaptation projects. Enjoy the read!

## Endnote

- 1 See Eva Xiao in the *Financial Times* article, "Climate Disasters Are Raising the Risk of US Home Repossessions, Warns Research Group," May 19, 2025. <https://www.ft.com/content/c1d1ee7f-f34a-490d-bbd6-95b895ffd33e>

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