The Human Credit System

A Market-Based Framework for Economic Transition in the Age of AI

Version 0.0.25 — February 2026 — Illustrated Edition

humancredit.org

Executive Summary

Artificial Intelligence will displace American workers in massive numbers over the coming years, creating simultaneous collapses in income, consumption, and the tax base. Traditional responses—expanded government programs or pure Universal Basic Income—cannot scale to meet this challenge and will deepen political division.

The Human Credit System offers a fundamentally different approach: it replaces the capital-labor contract —where your value depends on selling your time—with a **capital-citizen contract**, where your value is inherent and corporations compete to support your well-being. The mechanism converts corporate tax liability into direct human support through individual agency and verified outcomes.

The core mechanism:

Every US citizen receives one Human Credit per year—a federal tax credit they assign to organizations that meaningfully help them. **Corporations offset their federal taxes dollar-for-dollar** by earning these credits through verified results. **The more a person needs help, the more valuable their credit becomes.**

This creates a market where corporations compete to help people succeed, government shrinks to setting incentives and preventing fraud, and individuals hold genuine power through the credits they control.

The Human Credit System delivers conservative objectives (massive tax reduction, market solutions, smaller government) and progressive objectives (universal coverage, corporate accountability, no one left behind) through the same mechanism—enabling the bipartisan alignment necessary to navigate the AI transition.

This bipartisan unlock (see Section 4) may be the system's most important feature: it makes political cooperation possible even in our divided era.

Table of Contents

1. The Coming Challenge

The Disruption Is Imminent

AI will displace millions of workers faster than most realize. This isn't speculation—it's already beginning. Truck drivers face autonomous vehicles. Factory workers face advanced robotics. White-collar professionals face AI agents that can analyze, write, and code. Accountants, paralegals, analysts, customer service representatives—entire professions are being transformed.

We have perhaps 2–3 years before this becomes a political crisis requiring emergency action.

Three Simultaneous Collapses

When AI displacement reaches critical mass, three systems collapse at once:

Income Collapse: Workers lose wages. The "selling time for money" contract that has defined work since the Industrial Revolution stops functioning for millions.

Consumption Collapse: Without wages, consumer spending evaporates. Companies that invested in AI to reduce costs discover they've eliminated their own customers.

Tax Base Collapse: Government revenue—heavily dependent on income and payroll taxes—disappears. The fiscal foundation for any response erodes.

The psychology of scarcity ignites panic. Without a plan, the US faces potential internal chaos: attacks on the wealthy, social disorder, rationing, and many other catastrophic outcomes.

Three Simultaneous Collapses

When AI displacement reaches critical mass

AI Displaces Labor

Income Collapse

Workers lose wages as the "selling time for money" contract breaks down.

~$12–14T in labor costs displaced

Consumption Collapse

Without wages, spending evaporates. Companies that cut labor lose customers.

Revenue collapses across all markets

Tax Base Collapse

Income and payroll taxes disappear. Government loses its fiscal foundation.

~$4T+ in revenue at risk

Without intervention: social disorder, panic, attacks on the wealthy, potential revolution

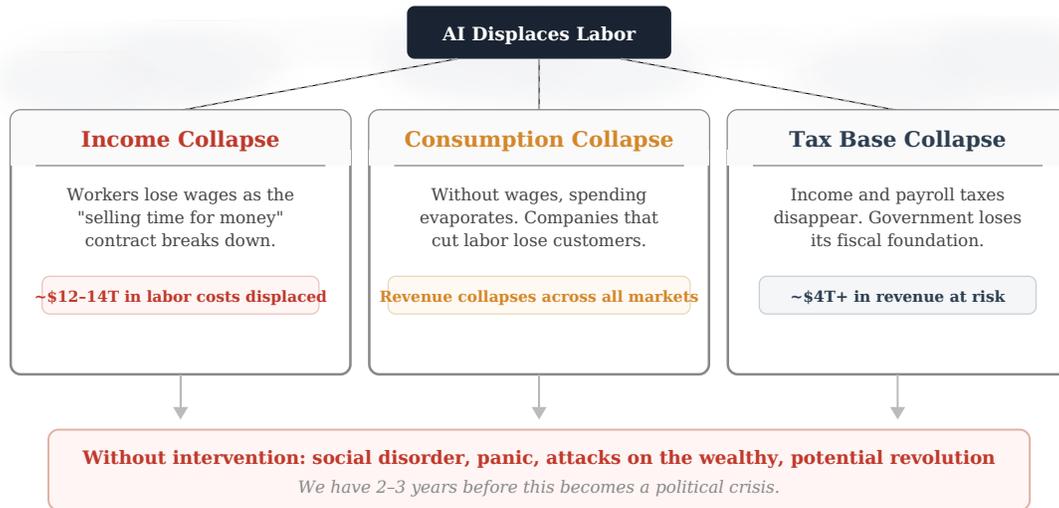*We have 2–3 years before this becomes a political crisis.*

Figure 1: Three simultaneous collapses triggered by AI displacement

Neither expanded government programs nor pure Universal Basic Income can meet this challenge. Both generate opposition that prevents rapid implementation—and rapid implementation is exactly what the timeline demands. *(See Deep Dive: Why Traditional Responses Will Fail)*

We need a New Deal for the AI age.

2. How the Human Credit System Works

The Honest Truth

We must be honest about what's coming. If AI and robotics are displacing workers at scale, retraining people for jobs that will themselves be automated in 36 months is a stalling tactic, not a solution. The Human Credit must support people in building lives of meaning, security, and agency—not merely shuffle them into the next soon-to-be-obsolete role.

To accomplish that seemingly impossible goal, the Human Credit System replaces the **capital-labor contract**—where your value depends on selling your time—with a **capital-citizen contract**, where your value is inherent and corporations compete to support your well-being.

Every US citizen receives one Human Credit per year—a federal tax credit they assign to organizations that meaningfully help them. Corporations offset their federal taxes dollar-for-dollar by earning these credits through verified results. The more a person needs help, the more valuable their credit becomes.

Key Characteristics

Bipartisan by Design: The Human Credit concept's true superpower is in the way it seamlessly aligns both conservative and progressive agendas. The previously incompatible agendas become two sides of the same coin. This bipartisan unlock (see Section 4) may be the system's most important feature: it makes political cooperation possible even in our divided era.

Powered by the Private Sector: Government delegates its traditional role of redistributing wealth to the private sector. In the optimal scenario, government's role would be strictly limited to setting credit values, verifying outcomes, and preventing fraud. The goal of avoiding more bloated bureaucracy is achieved.

But Private Sector Participation is Voluntary: Corporations can reduce their tax burden by choosing to help people. The profit motive and human well-being become the same thing.

Deregulation Delivers Value: Within a minimally deregulated service delegation regime, the private sector is free to dynamically organize itself to capture maximum ROI through tax credits which are refundable and fungible.

Individual Empowerment: You hold the asset. You choose your providers. You assign your credit to whoever actually helped you. That's personal agency, a crucial milestone on the road to abundance.

Your Birthright: Every US citizen receives a Human Credit every year. Not because you earned it. Not because you applied. Because you are a citizen, and this is your share of the abundance that AI creates.

The Market Competes for Your Credit: The greater your need, the more valuable your credit becomes—and the harder corporations work to earn it. The system turns human need into market demand.
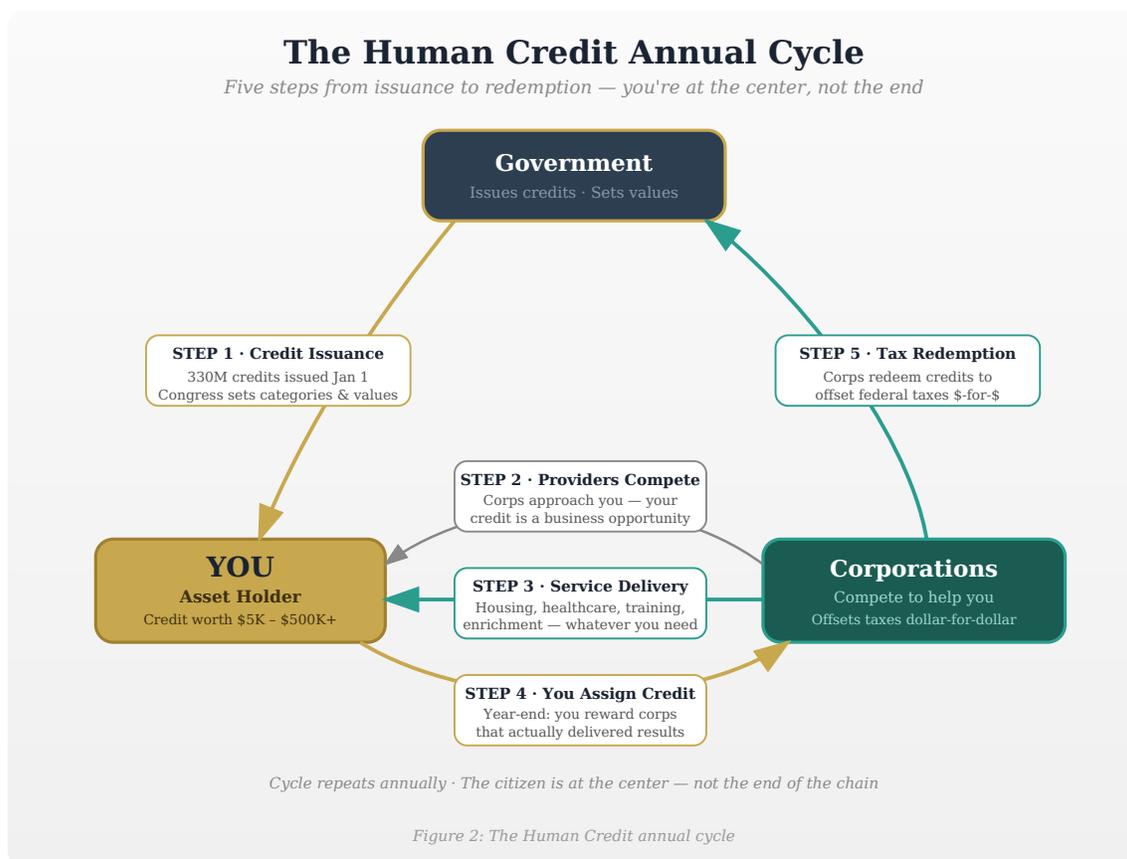
Agency is Empowering: You decide who earns your credit. Assign it to one provider or split it among several. The power to allocate is the power to shape the market that serves you.

Incentives are Outcome-Based: Credits would conceptually be structured to incentivize positive outcomes for citizens. This is where the bipartisan magic happens ... what outcomes do we prioritize as a society?

Fraud Proof: No one can compel you to assign your credit. Private sector participants assume a fiduciary relationship where coercion or fraud of any kind is a federal crime.

Every Year, a Fresh Start: New credits are issued every January 1. Citizens can stay with providers that worked or change course entirely. Providers must earn trust annually—no coasting on last year's performance. And Congress readjusts categories, values, and incentive structures based on what the data shows, making the entire system self-correcting by design.

The Annual Cycle

The Human Credit Annual Cycle
Five steps from issuance to redemption — you're at the center, not the end

Government
Issues credits · Sets values

STEP 1 · Credit Issuance
330M credits issued Jan 1
Congress sets categories & values

STEP 5 · Tax Redemption
Corps redeem credits to
offset federal taxes $-for-$

STEP 2 · Providers Compete
Corps approach you — your
credit is a business opportunity

YOU
Asset Holder
Credit worth $5K – $500K+

STEP 3 · Service Delivery
Housing, healthcare, training,
enrichment — whatever you need

Corporations
Compete to help you
Offsets taxes dollar-for-dollar

STEP 4 · You Assign Credit
Year-end: you reward corps
that actually delivered results

Cycle repeats annually · The citizen is at the center — not the end of the chain

Figure 2: The Human Credit annual cycle

Step 1: Credit Issuance (January 1)

Each year, every US citizen generates one Human Credit. With a population of 330 million, this creates 330 million Human Credits for that tax year. Congress sets official categories and values, structured with base amounts plus outcome bonuses to ensure providers actually succeed in helping people.

Step 2: Providers Compete for You (Throughout Year)

Organizations see the value of your credit and approach you—not because they're charities, but because helping you is a business opportunity. You evaluate providers and choose who to work with based on their track record, approach, and what they offer.

Step 3: Service Delivery

Your chosen providers deliver meaningful support. Service delivery in the HC system includes: housing and community, healthcare and mental health, entrepreneurship support, education and intellectual enrichment, creative and cultural support, family and elder care, financial guidance, and transition support.

The vision is abundance, not reemployment. Think of the analogy: everyone gets to retire right now, regardless of age, with the resources to have a meaningful and fulfilling life. People create, explore, connect, and contribute—not because they must sell their time to survive, but because they're free to direct their own lives.

Step 4: You Assign Your Credit (Year-End)

At year's end, you open a simple interface (mobile app, web portal) and assign your Human Credit to the organizations that actually helped you.

Assignments are:

- **Voluntary** — No one can compel you
- **Flexible** — Can be split among multiple recipients
- **Based on genuine benefit** — You assign because you actually received help
- **Protected** — Coercion is a federal crime with severe penalties

This is where individual agency becomes real. Your Human Credit is your voice. You are deciding, for yourself, who deserves to be rewarded for making your life better.

Step 5: Tax Credit Redemption (Tax Time)

Organizations accumulate credits from people they helped. At tax time, they submit these credits to offset their federal tax liability—dollar for dollar.

The cycle completes. The corporation avoided taxes by helping people. The individual received help and retained agency. The government achieved its policy goals without running programs.

Congress sets official Human Credit categories and values each year — with flexibility to make them mutually exclusive, overlapping, or modular depending on policy goals and geographic needs. The specific categories, structures, and dollar values would emerge through legislative deliberation and economic modeling. *(See Deep Dive: Credit Categories and Values)*

3. Why This Mechanism Is Different

The Incentive Alignment

The Human Credit creates unprecedented alignment between corporate self-interest and human well-being:

Actor	Traditional System	Human Credit System
Corporation	Minimize taxes via accountants, loopholes, offshore strategies	Minimize taxes by helping people succeed
Displaced Worker	Invisible, no leverage, dependent on programs	Asset holder—corporations compete for their credit
Government	Grow bureaucracy to distribute benefits	Shrink to setting rates and enforcement
Taxpayer	Resents social spending	Benefits from tax base staying domestic

Your Value Is Inherent

This is psychologically transformative. Under the capital-citizen contract, every person holds an asset that corporations need. A person facing homelessness isn't a burden on the system—they represent an opportunity for a provider to earn substantial tax relief by delivering real results. A displaced worker isn't a problem to be managed—they're someone the market actively wants to serve.

In the old economy, your value was defined by your labor. In the Human Credit economy, your value is inherent. You are valuable because you are human, and because you hold an asset that the private sector needs to acquire.

Outcomes Drive the Market

The Human Credit is designed so that providers who deliver genuine, lasting results earn significantly more than those who provide superficial help. The exact structure—whether through outcome bonuses, tiered credits, or other mechanisms—would be determined through legislation. But the principle is straightforward: the system must reward what works.

This means the market naturally selects for effectiveness. Providers that actually help people thrive attract more credit holders, earn more credits, and build stronger reputations. Providers that cut corners or game the system find it unprofitable. Competition drives quality upward, not downward—because the person holding the credit gets to decide who earned it.

The regulatory footprint is minimal by design. Government doesn't need to micromanage service delivery

or prescribe how providers operate. It sets the incentive structure and lets the market figure out the best way to help people. This is how market mechanisms are supposed to work: align incentives correctly, then get out of the way.

Individual Agency

You control assignment. You choose who helped you. You decide. Bad providers get filtered out—word spreads, people won't assign credits to exploitative companies. Good providers build reputations and attract more credit holders.

This is consent-based support—a revolutionary concept. This is not a handout. This is how we get to truly ubiquitous abundance. And we all get there at the same time.

Self-Balancing

The system contains a powerful automatic stabilizer: More AI displacement → More people in high-value categories → Higher aggregate Human Credit value → Greater corporate incentive to help → More resources flow to displaced workers → Transition managed.

The faster displacement happens, the more valuable humans become in the system. This is the exact opposite of current dynamics where displacement makes humans economically worthless.

Inflation Control

Because Human Credit values are anchored to service delivery outcomes rather than dollar amounts, the system has a natural resistance to inflation. Congress sets values annually based on actual costs. The system is indexed to reality, not to fiat currency. *(See Deep Dive: Inflation Independence and the Deflation Benefit)*

The Role of Government

Government's role is deliberately limited:

1. Set credit values: Congress determines what each category of need is worth, adjusting annually based on policy priorities and market response.

2. Verify outcomes: For high-value credits with outcome bonuses, government confirms results (employment verification, housing stability, etc.).

3. Prevent fraud: Enforce severe penalties for gaming the system.

4. Issue credits: Simple administrative function.

Government does NOT: Deliver services, manage cases, employ social workers, run programs, or

determine who qualifies (you qualify by being alive).

This is the smallest possible government footprint for achieving universal support.

4. Bipartisan Alignment

The Political Unlock

The Human Credit System delivers both conservative and progressive objectives through the same mechanism. This isn't compromise—both sides get what they fundamentally want.

Conservatives Get:

- Massive tax reduction opportunities (through helping people)
- Smaller government (no service delivery bureaucracy)
- Free market solutions (corporations compete on quality)
- Individual choice (you assign your credit)
- Elimination of wasteful overhead
- Success-based rather than dependency-based support
- Path to eventual entitlement phase-out

Progressives Get:

- Universal coverage (everyone gets a credit)
- Corporate accountability (help people or pay full taxes)
- No one left behind (regardless of circumstances)
- Direct human investment (credits go to actual help)
- Transparency (public dashboard shows who helps whom)
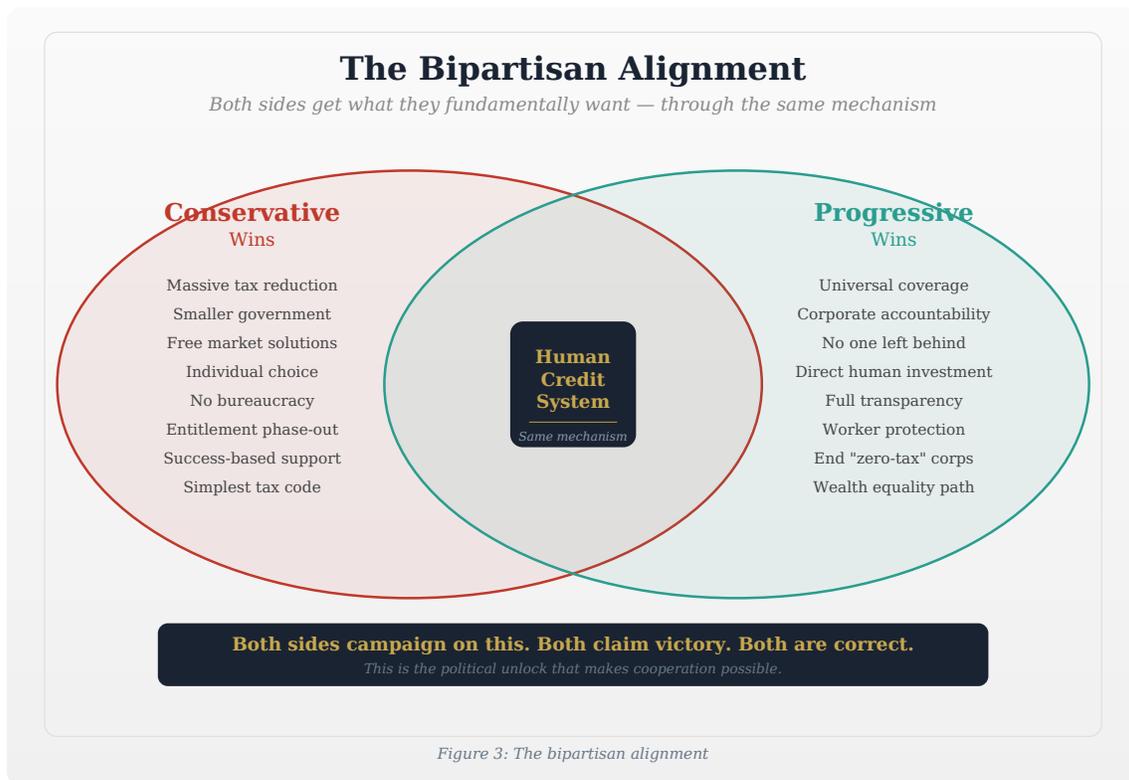- Protection for displaced workers (high-value credits for those in need)

The Bipartisan Alignment

Both sides get what they fundamentally want — through the same mechanism

Conservative
Wins

Massive tax reduction
Smaller government
Free market solutions
Individual choice
No bureaucracy
Entitlement phase-out
Success-based support
Simplest tax code

Human Credit System

Same mechanism

Progressive
Wins

Universal coverage
Corporate accountability
No one left behind
Direct human investment
Full transparency
Worker protection
End "zero-tax" corps
Wealth equality path

Both sides campaign on this. Both claim victory. Both are correct.

This is the political unlock that makes cooperation possible.

Figure 3: The bipartisan alignment

Two Sides of the Same Coin

The Human Credit creates something rare in modern politics: a genuine incentive for left and right to work together. Both sides take home the message their constituents want to hear—because both messages are true.

Conservatives take home: "We created the largest corporate tax reduction in history—by channeling it through market-based solutions that help Americans succeed."

Progressives take home: "We achieved universal support for every citizen—funded by the corporations that benefit most from AI."

Neither side has to compromise its core principles. The mechanism naturally produces both outcomes simultaneously. This is what makes the Human Credit uniquely viable: it doesn't ask either party to sacrifice what matters most to them. It gives both sides a genuine win they can champion to their constituents—and the political energy that comes from shared victory rather than grudging compromise.

5. Bob's Story: The Human Credit in Action

Now that you understand the mechanism, the incentives, and the political alignment—here's what it looks like for one person.

Meet Bob. Former analyst. Mortgage holder. Father.

Bob's company deployed AI systems over the past year, and one by one, his colleagues were let go. Last month, it was Bob's turn. He's 43, he has a family, and the career he spent two decades building is gone.

What Happens Without the Human Credit

Bob files for unemployment. He gets a modest check. He looks for work, but the jobs in his field are vanishing everywhere. The few retraining programs available are preparing people for roles that AI will master within a few years. His mortgage is due. His savings will last maybe four months. Bob is terrified, and so are millions of others like him.

What Happens With the Human Credit

Bob receives his Human Credit. Because he's been displaced by automation, Congress has ensured his credit carries substantial value—enough to cover his family's needs throughout the transition and beyond. Bob doesn't need to panic. He doesn't need to drain his savings. The system was designed for exactly this moment.

Bob doesn't face a bureaucracy. He faces a market competing for him.

Providers approach Bob—not because they're charities, but because his credit is a genuine business opportunity. They want to earn it, and they can only earn it by delivering results that Bob and his family actually value. Bob and his wife sit down and think about what they really need. Healthcare coverage, obviously. Financial planning to bridge the transition. Maybe housing support. And Bob has always had an idea for a small business—is there a provider that offers entrepreneurship mentoring?

It turns out there are several. Some specialize in healthcare. Others focus on entrepreneurship incubation. Some offer comprehensive packages. Bob and his family choose the providers that fit their situation—splitting their credit among specialists or going with a single firm that covers everything. The choice is theirs.

The providers Bob selects are focused on the outcomes they're good at delivering. A healthcare provider isn't trying to also be a career coach. An entrepreneurship incubator isn't pretending to be a housing agency. The market has organized itself around specialization and effectiveness, because that's what earns credits.

A year later, Bob's life looks different—but it looks good. Maybe he launched that small business. Maybe he decided this was his moment to step back, pursue interests he never had time for, and effectively retire at 43 with his family secure. Maybe a new kind of role emerged that genuinely excited him. The point is: Bob

had the resources, the support, and the agency to choose his own path. He wasn't shuffled into a retraining program for a job that would be automated next year.

Bob assigns his credit voluntarily because he's genuinely grateful. He wasn't "on the dole." He received professional support from providers that had every incentive to help him and his family build a meaningful new chapter. And the providers earned their credits—because Congress structured the system so that real outcomes are what gets rewarded.

Every Year, a Fresh Start

And here's what makes the system extraordinarily flexible: on January 1, Bob and his family receive new Human Credits. If their first-year choices worked beautifully—great, they can stay with the same providers and build on that momentum. But if the fit wasn't quite right, or if their circumstances changed, or if they simply want to take their lives in a different direction—they start fresh. New credits, new choices, no penalty for learning what works.

Maybe Bob's entrepreneurship provider was excellent but the healthcare provider was mediocre. Next year, Bob keeps one and switches the other. Maybe Bob's wife discovers a passion for art and wants to work with a creative enrichment provider. She can. Maybe their kids' needs change as they grow. The credits adapt because the family adapts.

This is how the Human Credit accommodates real life. People's needs aren't static. Their ambitions evolve. Their circumstances shift. A system that locks you into a single path or a single provider isn't serving you—it's managing you. The annual credit cycle ensures that the market must earn your trust every single year. Providers can't coast on last year's performance. And you are never stuck.

Let's Skip the Dystopia, Shall We?

The transition that could have caused revolution becomes an organized bridge to abundance.

If 10 million workers are displaced, 10 million high-value Human Credits become available—creating a $250 billion to $1 trillion market for support services. Companies, entrepreneurship incubators, healthcare providers, housing organizations, and nonprofits compete intensely for this opportunity. The market mobilizes resources faster and more efficiently than government bureaucracy ever could.

6. Where the Money Comes From

Today, the **capital-labor contract** pays out $12 to $14 trillion in aggregate US total compensation every year—wages, benefits, payroll taxes, equity. As AI displaces that labor at scale, those trillions don't vanish. They transform into corporate productivity gains and profit. The Human Credit System channels that windfall into shared abundance—ensuring the wealth AI creates flows to everyone, not just the shareholders who own the machines.

This is the Abundance Delta: the gap between what AI saves corporations and what it costs to support every American. That gap is not only positive—it's enormous.

The Abundance Delta

Figure 4: The Abundance Delta
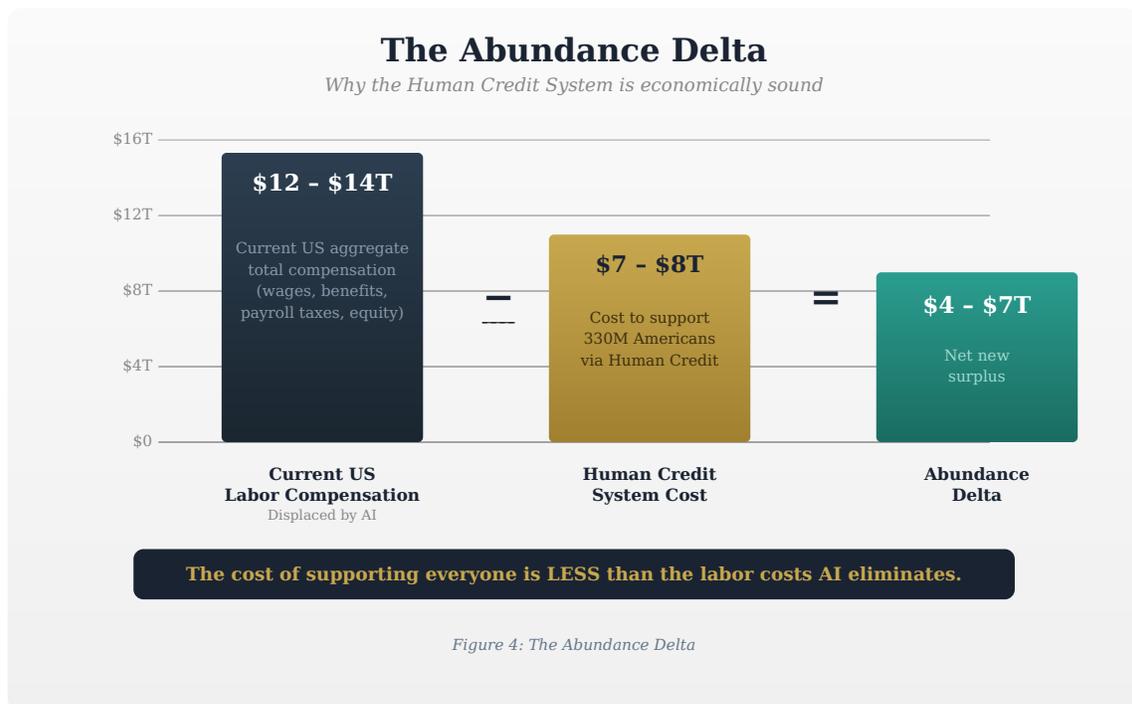
Rigorous economic modeling by qualified economists is needed to validate the numbers. We invite economists, think tanks, and policy researchers to apply rigor to these assumptions.

7. The Credit Marketplace

The fungibility and refundability of Human Credits create a genuine marketplace. This is where the system's efficiency comes from.

How It Works

Service providers earn credits by helping people. They may accumulate more credits than they need for their own taxes. Corporations with tax liability want credits to reduce their tax bill but may not want to run service programs directly. The exchange connects them. Price discovery happens naturally.

Example:

- Transition Corp helps 50,000 displaced workers, earns $5B in credits
- Google owes $28B in taxes but doesn't run retraining programs
- Google buys $5B in credits from Transition Corp at market price
- Google's tax bill drops to $23B
- Transition Corp profits from the sale
- Workers received professional help

What This Creates

- **Specialized providers** emerge—organizations focused entirely on helping specific populations
- **Competition on quality:** Providers that achieve better outcomes earn more credits
- **A new industry** around human capital development
- **Universal access:** Nonprofits and churches can participate through refundability

See Deep Dive: Credit Marketplace Mechanics for detailed mechanics including price discovery, secondary markets, and provider ecosystem dynamics.

8. Fraud Prevention and Enforcement

With 330 million credits worth potentially trillions of dollars, fraud prevention is existential. The system must make fraud unprofitable and catastrophically risky.

Prevention Through Design

Outcome-Based Structure: Base credits don't cover provider costs. Profit only comes from achieving verified outcomes. Gaming by providing minimal help is structurally unprofitable.

Individual Assignment: Credits require voluntary assignment. Providers can't claim credits without genuine service delivery that the individual acknowledges.

Public Transparency: Dashboard showing which providers help how many people, success rates, outcome metrics.

Fiduciary Standard

Service providers accepting Human Credits operate under an imputed fiduciary duty to credit holders. This legal standard creates accountability beyond criminal penalties.

Criminal Penalties

Individual Fraud: Federal crime equivalent to tax fraud. Up to 5 years federal prison. Full restitution plus $250,000 fine. Permanent ban from HC system.

Corporate Fraud: Federal crime with executive liability. Up to 10 years federal prison. Corporate fine equal to 3× credits fraudulently obtained. Permanent ban and public disclosure.

Organized Fraud: RICO statutes apply. Enhanced penalties up to 20 years. Asset forfeiture and conspiracy charges.

Verification by Credit Value

Credit Value	Verification Required
< $10K	Recipient attestation; random sampling
$10K – $50K	Basic documentation; recipient confirmation; audit before bonus
> $50K	Third-party outcome verification; sustained checks; full documentation

9. Everyone Wins

For Citizens

Receive:

- Personalized, meaningful support through self-directed agency—you choose your providers
- Dignity and purpose apart from earning a wage
- Security through the services provided—housing, healthcare, enrichment, community
- Protection regardless of economic conditions

Experience:

- A market that competes for the privilege of serving you
- Real choice in what support you receive and from whom
- Being treated as human capital, not a burden
- Freedom from bureaucratic gatekeeping
- Effective retirement at any age—with the resources to make it a great one
- Opportunities to reinvent yourself, pursue passions, build something new
- Agency and self-determination in a world that no longer requires your labor

For Businesses and the Private Sector

Receive:

- Massive tax relief to offset AI-generated profits
- No new wealth taxes—this is a tax reduction mechanism
- Market vibrancy (businesses cannot survive without customers—HC maintains the consumer base)
- Simplified tax structure over time

Participate:

- Voluntarily—through direct service or by purchasing credits from specialized providers
- With free market flexibility to innovate lasting solutions
- With strong ROI on helping people succeed
- Without government mandates dictating how to help

For Government and the Political Class

Achieve:

- A truly bipartisan framework both sides see as beneficial

- A plan to guide society through the AI productivity transition

- Funding through the AI Abundance Dividend (labor cost savings become corporate profits become tax liability)

- New fiscal policy tools (Congress sets HC values annually)

- Reduced government overhead and spending

- Preservation of social order and capitalism itself

Success looks like:

- Navigating the greatest economic transformation in history without breakdown

- Unprecedented public approval for delivering both safety and opportunity

- Eventual reduction in government size as HC replaces entitlement bureaucracy

10. From Entitlements to Human Credit

The Human Credit doesn't eliminate existing programs overnight. It provides a pathway to replace them gradually, on the strength of results.

The Principle

No one loses existing benefits. New systems prove themselves before old ones phase down.

How the Transition Works

Immediate: New recipients of displacement support receive HC instead of traditional unemployment. Existing recipients continue under current programs.

Years 1-5: HC runs alongside existing programs. Direct comparison data accumulates. Where HC proves superior, new recipients are routed to HC by default.
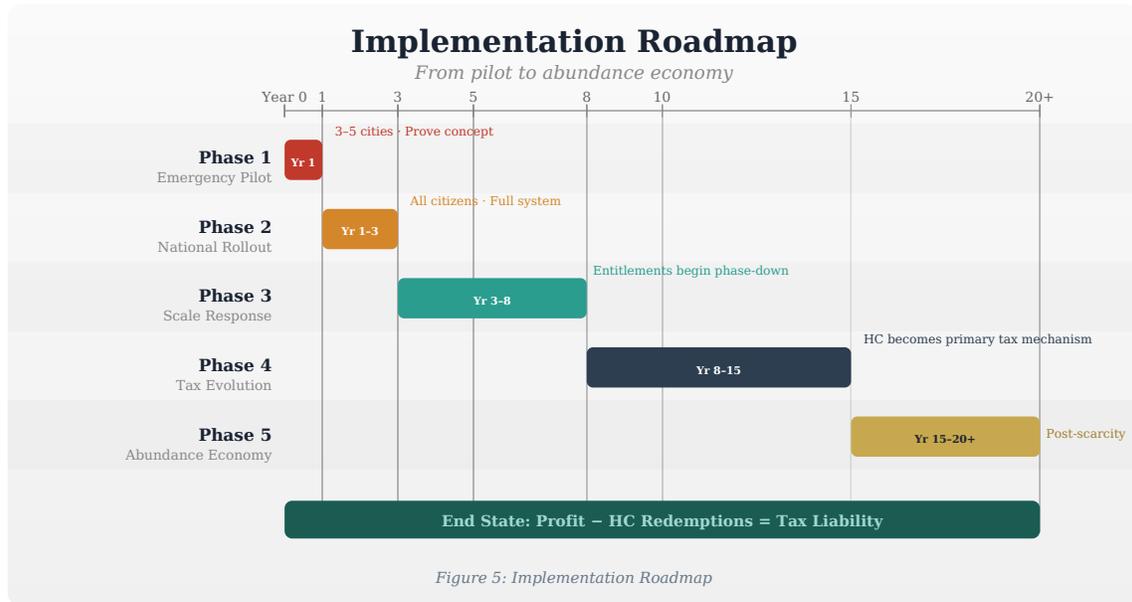
Years 5-10: Programs like unemployment insurance, food stamps, and housing assistance gradually phase down as HC covers those needs.

Years 10-15: Social Security, Medicare, and Medicaid transition more slowly. The timeline is longer because the stakes are higher and the populations are more vulnerable.

Key safeguard: Phase-out only occurs where HC demonstrably outperforms the existing program. If it doesn't, the old program continues.

See Deep Dive: Entitlement Transition Specifics for transition mechanics for each major entitlement.

11. Implementation Pathway

Implementation Roadmap
From pilot to abundance economy

	Year 0	1	3	5	8	10	15	20+

Phase 1 — Emergency Pilot: Yr 1 · 3–5 cities · Prove concept

Phase 2 — National Rollout: Yr 1-3 · All citizens · Full system

Phase 3 — Scale Response: Yr 3-8 · Entitlements begin phase-down

Phase 4 — Tax Evolution: Yr 8-15 · HC becomes primary tax mechanism

Phase 5 — Abundance Economy: Yr 15-20+ · Post-scarcity

End State: Profit − HC Redemptions = Tax Liability

Figure 5: Implementation Roadmap

Phase 1: Emergency Pilot (Year 1)

Objective: Prove the mechanism works before crisis hits. Launch pilot in 3–5 diverse locations. Focus on 2–3 categories. Establish fraud prevention mechanisms. Develop assignment platform. Measure and publicize results.

Phase 2: National Rollout (Years 2-3)

Trigger: Either successful pilot results or accelerating AI displacement forcing action. Congressional authorization. National platform deployment. Progressive corporate tax + HC offset implemented.

Phase 3: Scale Response (Years 3-8)

Congress adjusts values annually based on displacement levels. HC system scales automatically. Traditional programs begin phase-down where HC proves superior.

Phase 4: Tax System Evolution (Years 8-15)

Traditional corporate deductions gradually sunset. Tax code simplifies around profit minus HC redemptions. End State: Corporate Profit - HC Redemptions = Tax Liability.

12. Concerns and Responses

"Won't companies just game the system?" The outcome-based structure prevents this. Base credits don't cover provider costs. Profit only comes from verified outcomes. Additionally: severe fraud penalties, fiduciary duty, public transparency, individual assignment requirement, and whistleblower provisions.

"What about income inequality?" AI will concentrate wealth. The Human Credit routes around this by connecting concentrated tax liability to universal human support. *(See Deep Dive: The Inequality Decoupling Argument)*

"Won't people be coerced to assign credits?" Real risk. Addressed through: federal crime to coerce assignment, whistleblower protection and rewards, split assignment requirements, delay between service and assignment, public education on credit sovereignty, and anonymous reporting mechanisms.

"What about rural areas and underserved populations?" Addressed through classification flexibility: higher credit values for underserved areas, remote services, nonprofit and church participation, and fungibility allowing urban corporations to buy credits from rural providers.

"Won't this cause inflation?" Not if implemented correctly. This is not new money creation—it's redirection of existing tax flows. *(See Deep Dive: Inflation Independence and the Deflation Benefit)*

"What happens to existing programs?" Gradual transition with no one losing benefits. See Section 10. *(See Deep Dive: Entitlement Transition Specifics)*

"Why should we trust corporations to help people?" We're not trusting them. We're aligning their incentives. Corporations don't help people out of goodness—they help people because that's where the tax relief is. Outcome verification ensures actual success.

"What if it fails?" The Human Credit exists one year at a time. Congress can adjust values, restructure categories, or discontinue the program based on annual results.

13. Conclusion

The Choice Before Us

AI will transform our economy more dramatically than any previous revolution. The question is not whether displacement will occur—it's whether we navigate that displacement through intentional design or chaotic reaction.

Thank You

We hope you've found the HC concept intriguing. Human Credit is clearly an idea that has not surfaced elsewhere in policy discourse, which is why we have offered it. If that core insight has merit, we invite critique, refinement, modeling, and debate.

The Time Is Now

We cannot wait until millions are displaced to develop these systems. We cannot afford years of gridlock while technology races ahead.

The Human Credit is one tool. Not perfect. Not complete. But a possibility worth exploring—before we run out of time to explore.

About This Document

This whitepaper is a thought experiment in policy innovation, developed collaboratively between human insight and AI analytical capability. It is offered freely for public domain discourse and improvement.

We welcome: Critique from all political perspectives. Refinement of mechanisms and safeguards. Economic modeling and analysis. Pilot proposals. Legislative analysis. Academic research.

Contact: **humancredit.org**

> *"The best way to predict the future is to create it."* — *Often attributed to Peter Drucker*