The Human Credit System

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

Making AI Beneficial for Everyone

The Human Credit in three steps

The Problem

AI will displace workers at scale, causing three simultaneous collapses: income, consumption, and the tax base.

Traditional safety nets (UBI, expanded government) are too slow, too divisive, and politically dead on arrival.

The Solution

A market-based system where corporations compete to support human well-being, government shrinks to oversight, and individuals hold genuine power.

Conservative and progressive objectives achieved through the same mechanism.

How It Works

Every citizen receives an annual federal tax credit they assign to organizations that help them. Corporations offset taxes dollar-for-dollar by earning these credits through verified results.

The more a person needs help, the more valuable their credit becomes.

AI Will Disrupt Every Aspect of the US Economy

When AI displacement reaches critical mass

Income Collapse

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

~$12–14T in labor costs displaced

Consumption Collapse

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

Revenue collapses across all markets

Tax Base Collapse

Income and payroll taxes disappear. Government loses the fiscal foundation to mount any response at all.

~$4T+ in revenue at risk

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

The psychology of scarcity ignites chaos. We need a plan before the crisis arrives.

We Are Almost Out of Time

AI is not merely a tool — it is a displacement engine

AI Wealth C

The Reality Gap

Present Day   Year 1   Year 2   Year 3

Labor Market Stability
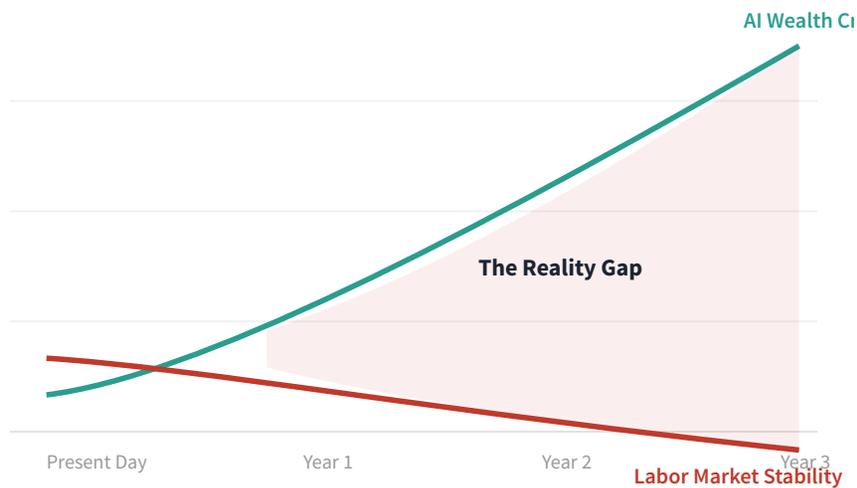
**Blue collar:** Truck drivers face autonomous vehicles. Factory workers face advanced robotics.

White collar: Accountants, paralegals, coders, analysts, customer service — all face AI agents.

Retraining for jobs that will themselves be automated in 36 months is a stalling tactic, not a solution.

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

We Need a New Social Contract

The current contract is breaking — and cannot be repaired
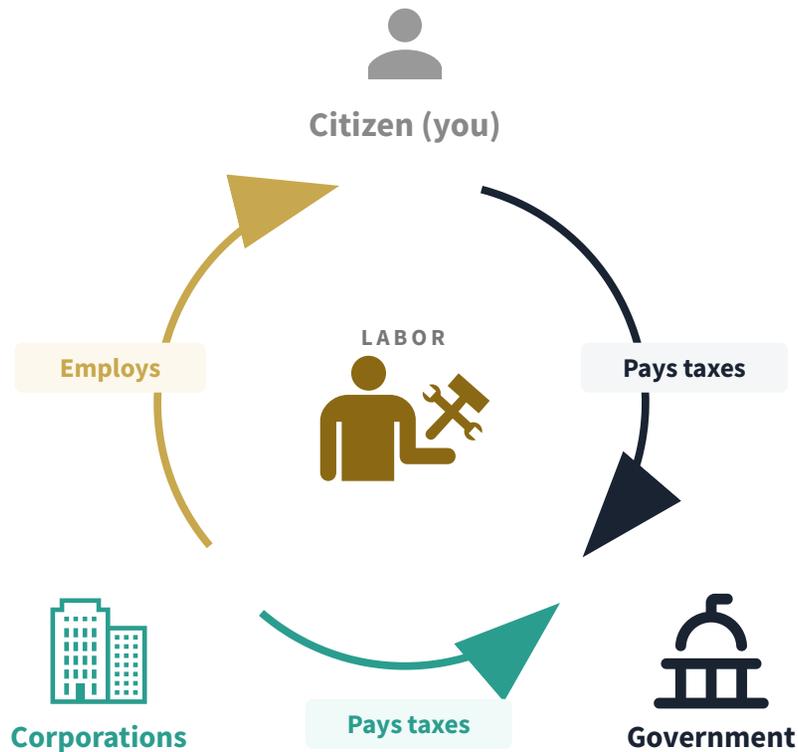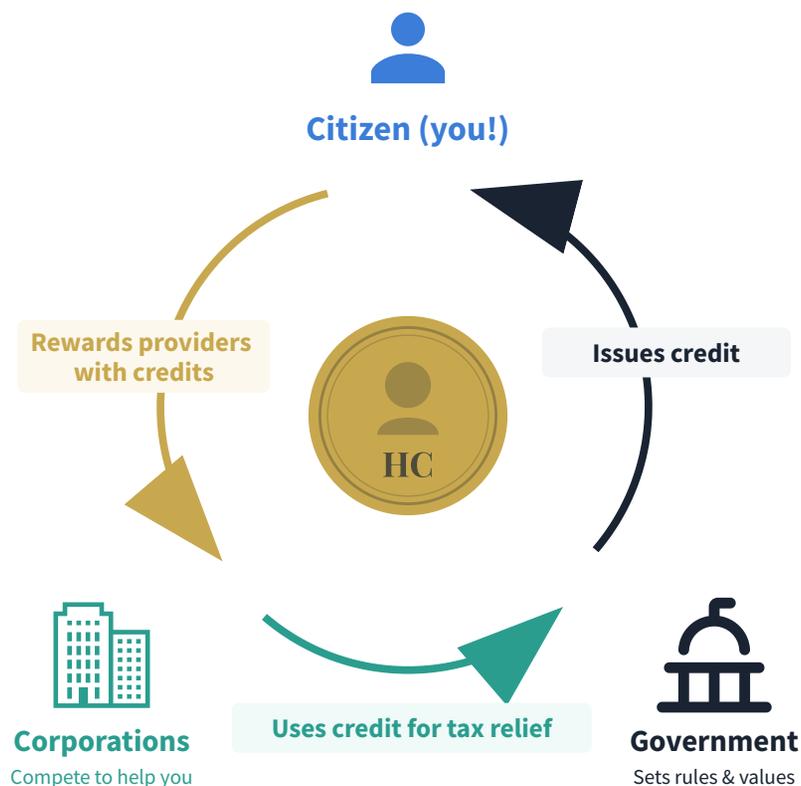

The Capital-Labor Contract

For centuries, the deal has been simple: corporations employ you, and everyone pays taxes to the government.

Your value in this system depends entirely on what you can **do** for the corporation.

When AI does it faster, cheaper, and 24/7 — your value in this contract disappears.

The Human Credit: A New Social Contract

Your value is inherent — not dependent on what you produce
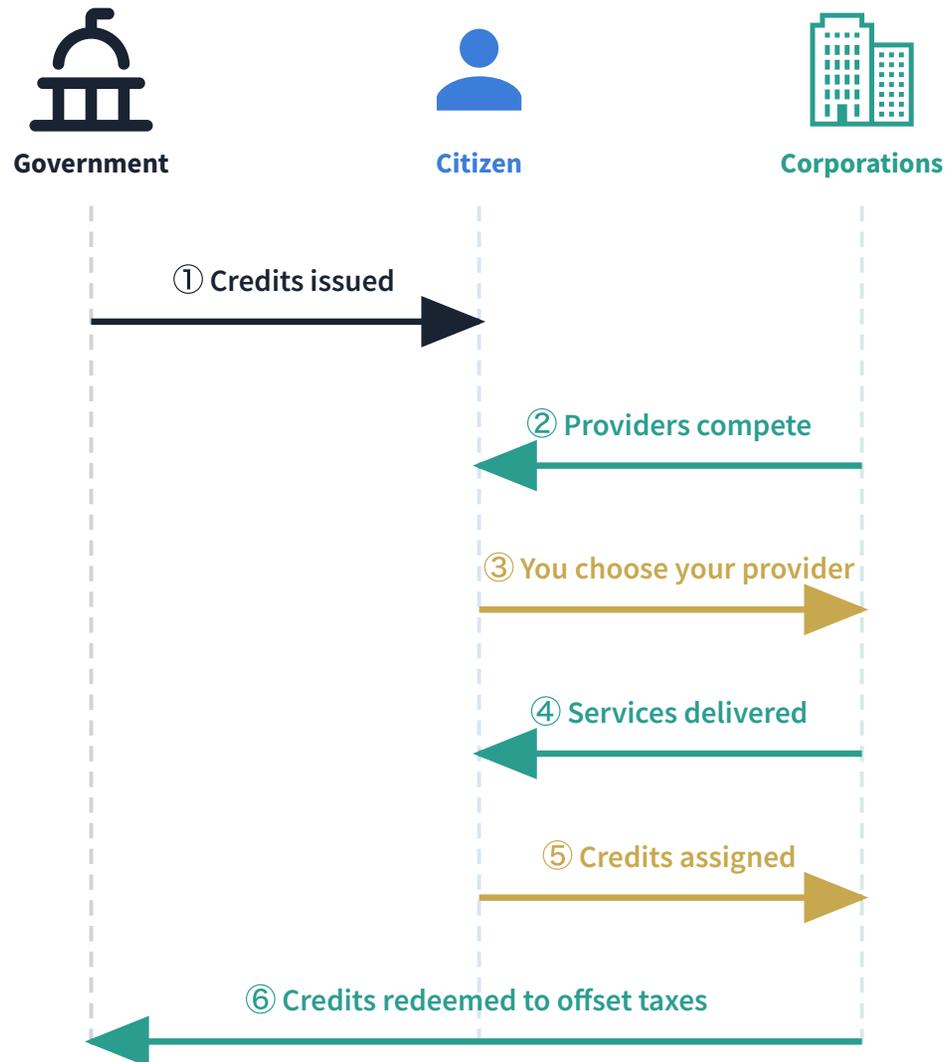

The Capital–Citizen Contract

Every US citizen receives one Human Credit per year — a federal tax credit you assign to organizations that help you.

Corporations offset their taxes dollar-for-dollar by earning your credit through verified results.

Your value is inherent. Human need becomes market demand. The more you need help, the harder they compete.

The Human Credit Annual Cycle

A closed-loop market system — you're at the center, not the end

Government   **Citizen**   **Corporations**

① Credits issued

② Providers compete

③ You choose your provider

④ Services delivered

⑤ Credits assigned

⑥ Credits redeemed to offset taxes

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

2 Providers Compete
Corporations approach you — your credit is a business opportunity worth $5K–$500K+.

3 You Choose Your Provider
You decide who earns your credit. Your choice drives the market.

4 Services Delivered
Housing, healthcare, training, enrichment — whatever you need, delivered by competing providers.

5 You Assign Credit
Year-end: you reward providers that actually delivered results.

6 Credits Redeemed to Offset Taxes
Providers redeem credits to offset federal taxes dollar-for-dollar.

A Marketplace for Human Outcomes

Human Credit tax relief category values are designed to meet all Human needs

Housing

$$$$$

Shelter, relocation, mortgage support

Healthcare

$$$$$$

Medical, mental health, wellness

Training

$$

Re-skilling, education, certification

Enrichment

$

Creative, community, life quality

Value Range: $5,000 – $500,000+

Dynamic valuation by Congress. The greater the need, the higher the credit value — and the harder corporations compete to earn it.

Outcome Bonus

Base credit plus verified-outcome bonuses. Profit requires achieving measurable results. Providers that fail are "fired" by the citizen next year.

Why the Marketplace Works

Two properties make Human Credits a genuine market instrument

Fungibility

Credits can be **bought and sold** between organizations

Transition Corp	— Sells credits →	Google
Earns $5B in credits	← Market price —	Owes $28B in taxes

Result

Google's tax bill: $28B → $23B

Creates specialized providers

Focus on helping people, not on tax liability

Refundability

Credits can be **redeemed for cash** — no tax liability required

Local Church	→	Credits Earned
Helps displaced workers		Verified outcomes

Redeemed for Cash

No tax liability? No problem.

Universal access

Nonprofits, churches, and small orgs can participate

A Marketplace Built on Human Agency

The profit motive and human well-being become the same thing

You Hold the Power

Unlike welfare, the government does not choose the provider — **you do.**

If a provider fails to deliver, they don't receive the credit assignment.

Your feedback drives the market: poor performers go bankrupt; effective providers scale up.

Every January, a fresh start — providers must earn trust annually.

Congress fine-tunes credit structures annually — your needs shape the policy.

Your representatives respond to what's working and what isn't.

The annual reset means policy mistakes are short-lived — easily corrected next cycle.

Bob's Story: The Current System

What happens without the Human Credit

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Bob, 43

Former financial analyst. Father. Displaced by an AI agent that does his job faster, cheaper, and 24/7.

1. Displaced	**2. Files for Help**	**3. Savings Drain**	**4. Despair**
Firm replaces Bob's team with AI. 15 years of experience, gone overnight.	Unemployment: meager check. Retraining: for a job that will be automated in 2 years.	Four months of savings. Healthcare premiums. Mortgage. The math doesn't work.	Loss of dignity, agency, and identity. A problem to be managed.

Status: A problem to be managed.

Bob is invisible, dependent, and has no leverage. Multiply by millions.

Bob's Story: The Human Credit Path

What happens with the Human Credit

Bob holds a high-value Human Credit

Displaced analyst with dependents = high credit value. Providers compete for him.

| 1. Receives Credit	2. Chooses Providers	3. Gets Results	4. Assigns Credit
Bob's displacement makes his credit highly valuable. Providers actively seek him out.	A healthcare firm, a small business incubator, and a financial planner compete for his credit.	Healthcare stabilized. Business incubator helps him launch a consultancy. Financial plan secured.	Year-end: Bob rewards the providers who delivered. They redeem credits for tax offsets.

Status: An empowered customer.

Bob is a customer, not a dependent. He chose his providers, and he can fire them next January.

Where the Money Comes From

The Abundance Delta: AI savings exceed the cost of supporting everyone
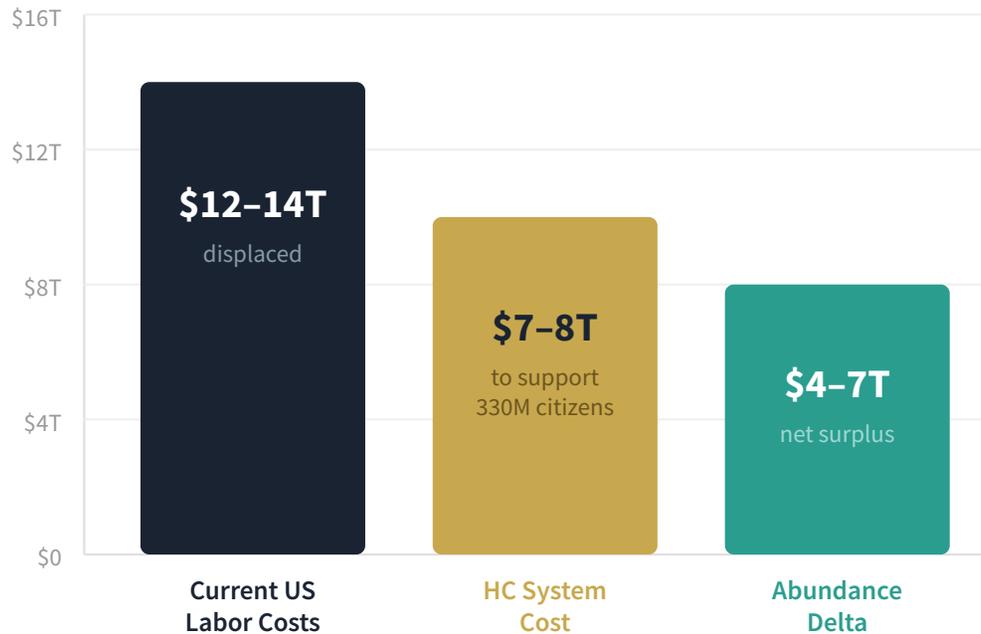
AI displaces **$12–14 trillion** in US total compensation. Those trillions don't vanish — they transform into corporate productivity gains.
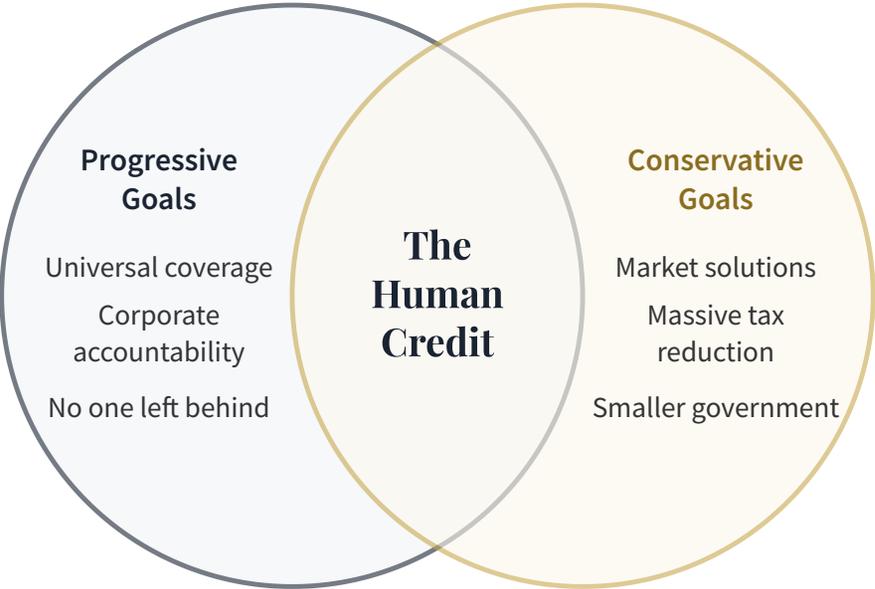
Supporting every American through Human Credits costs **$7–8 trillion**.

The gap — the **Abundance Delta** — is **$4–7 trillion** in net surplus.

> **The cost of supporting everyone is less than the labor costs AI eliminates.**

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The Bipartisan Unlock

Both sides achieve their goals through the same mechanism

Progressive Goals

Universal coverage

Corporate accountability

No one left behind

The Human Credit

Conservative Goals

Market solutions

Massive tax reduction

Smaller government

STAKEHOLDER	OLD SYSTEM	HUMAN CREDIT
Corporation	Minimize taxes via loopholes/offshore	Minimize taxes by helping people succeed
Displaced Worker	Invisible, dependent, no leverage	Asset holder. Corporations compete for their credit
Government	Grow bureaucracy to distribute benefits	Shrink to setting rates and enforcing fraud laws

The same mechanism delivers both agendas.

System Integrity and Fraud Prevention

Prevention through design — making fraud unprofitable and catastrophically risky

Structural

Voluntary assignment: No one can claim credits unless the individual assigns them

Outcome-based: Profit requires achieving verified results (the Outcome Bonus)

Legal

Fiduciary standard: Providers assume fiduciary duty to recipients

Federal crime: Coercion or fraud triggers criminal penalties. Prison time for executives.

Verification

<$10K: Recipient attestation with random audit

>$10K: Third-party verification of outcomes required before redemption

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A high-trust ecosystem where payments are released only upon successful delivery of services.

Credits cannot be redeemed until results are verified. Performance-based, not promise-based.

From Entitlements to Human Credit

No one loses benefits — phase-out only when HC demonstrably outperforms

Legacy Programs   **Human Credit**

Immediate
Displaced workers get HC instead of unemployment

Years 1–5
Parallel systems. Data comparison.

Years 5–10
SNAP, housing phase down ONLY when HC proves superior.

Years 10–15
Complex systems (Medicare, SS) slowly transition.

The Safeguard

No one loses existing benefits. Phase-out occurs **only** when the Human Credit demonstrably outperforms the legacy program it would replace. Data-driven, not ideological.

The Result

A gradual shift from bureaucracy to market delivery. Citizens migrate to whichever system serves them better. Programs that can't compete sunset naturally.

Implementation Roadmap

Fully operational within the 2–3 year window of the AI displacement crisis

Year 1

Emergency Pilot

3–5 cities. Test the mechanism in specific sectors and geographies. Rapid iteration.

Years 2–3

National Rollout

Expand to state-level adoption. Establish provider certification and verification systems.

Years 3–8

Scale Response

Credit values adapt to displacement data. Entitlement migration begins where HC outperforms.

Years 8–15

Tax Evolution

Corporate tax deductions sunset. Human Credit redemptions become the primary tax offset mechanism.

Year 15+

Abundance Economy

Full scale. 330 million credits issued annually. The system is self-sustaining.

End State Formula: Corporate Profit – Human Credit Redemptions = Tax Liability

The profit motive permanently aligned with human well-being.

Addressing Key Concerns

Honest responses to the hardest questions

Won't this cause inflation?

No. This is fiscal policy (redirecting tax flows), not monetary policy (printing money). No new dollars are created. Existing corporate tax liability is redirected through human support instead of government coffers.

Can we trust corporations?

We don't trust them — we **incentivize** them. Corporations help people because that is where the tax relief is found. Fiduciary standards, outcome verification, and criminal penalties enforce integrity.

Won't AI concentrate wealth further?

It **will** — that's the point. The Human Credit distributes the tax liability of that concentrated wealth directly to human support. AI creates the surplus; the credit distributes it.

What about rural and underserved areas?

Underserved areas are assigned **higher credit values**, creating a market incentive for providers to go where the need is greatest. The market follows the money.

How do you ensure corporate participation?

Phase out all other tax avoidance strategies over time. Make Human Credit redemption the **primary path** to tax relief. Credits are refundable and tradeable — participation becomes irresistible.

Is this just UBI with extra steps?

No. UBI gives cash with no accountability. The Human Credit creates a **market** — providers compete, outcomes are verified, and citizens hold decision-making power over who earns their credit.

The Choice Before Us

AI displacement is inevitable.

The social fallout is not.

Citizens

Dignity, agency, and security

Businesses

Tax relief and a consumer base

Government

Stability without bureaucracy

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

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