The Human Credit

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

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humancredit.org

Problem: AI Displacement of US Workers at Scale is Inevitable

Three simultaneous collapses — we have 2–3 years

When AI displacement reaches critical mass...

Income Collapse

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

Labor income 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.

All tax 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

Solution: The Human Credit

How every citizen can experience true wellbeing in the post-work reality

One credit, three steps — issued, earned, redeemed

1. You Receive a Credit

Every citizen gets one per year — not earned, not applied for. The more help you need, the more it's worth.

Your birthright, not a handout

2. Companies Compete

Providers earn your credit by delivering verified outcomes: healthcare, housing, food, education.

A business opportunity, not charity

3. They Redeem to Cut Taxes

Corporations offset federal taxes dollar-for-dollar. Government sets values & polices fraud — never delivers.

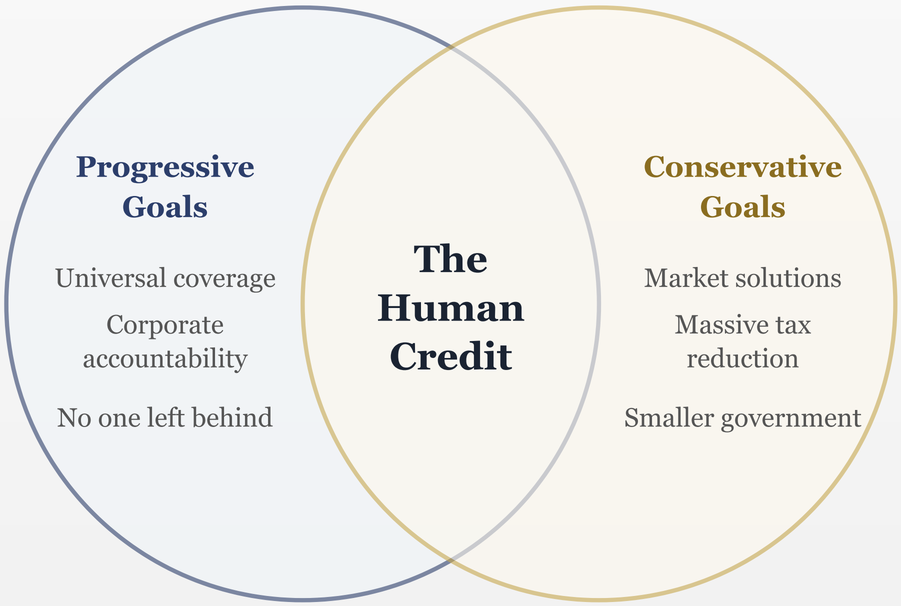
Smaller government, lower taxes

100% free-market capitalism, just rearranged.

Bipartisan Alignment is THE key Unlock

The same mechanism, both sides win — not a compromise

Both sides achieve their goals through the same mechanism



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.

Comprehensive Support for AI-Displaced Workers

What the Human Credit means for one displaced worker

Bob, 43 — a software salesman with a mortgage and two kids — just lost his job to AI.

Without the Human Credit

His savings drain and the bills pile up. "Retraining" points him at jobs AI is already taking. He falls through the cracks — through no fault of his own.

With the Human Credit

Providers compete to earn his credit — housing, healthcare, and a path forward are covered, and **Bob chooses** who helps. He stays secure while he finds his footing.

What was Bob's paycheck becomes corporate profit — and a slice routes back to Bob as security.

Every year, a fresh start.

Universal Free Healthcare for Everyone

How one citizen's healthcare credit delivers a win, win, win

Today

Assuming you can afford healthcare at all, you pay about **$1,000/month** — roughly **$12k a year** — for health insurance.

Your Human Credit

Congress sets your healthcare credit at about **$25k/yr**. A new insurer offers you **free care** to earn it — you accept and assign them your credit.

The Win

The insurer covers your care costs (~$12k) and redeems your **$25k** credit — a **$13k profit**. Or sells the credit to a trillion-dollar firm (Google, Meta, Anthropic) that needs the write-off.

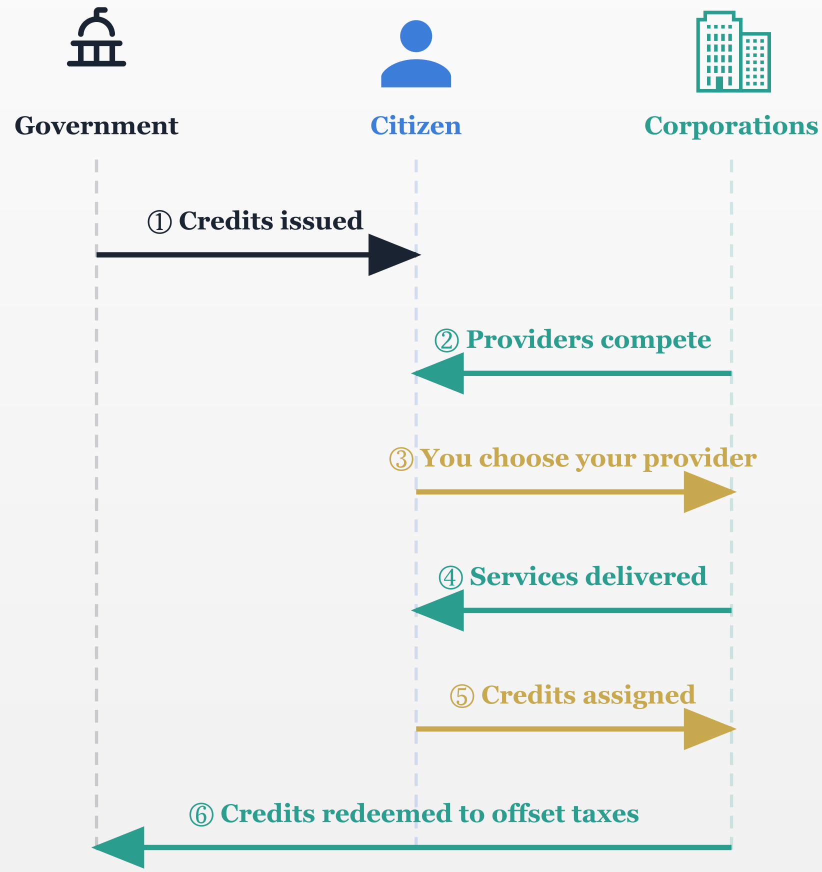
You: free healthcare · the insurer: +$13k profit · Big Tech: a legitimate tax write-off

Everybody wins — care delivered through the market, not a bureaucracy.

Illustrative figures; actual credit values would be set by Congress.

The Annual Cycle

A voluntary federal tax incentive — the annual cycle



1 **Credit Issuance**
340M credits issued Jan 1. Congress sets categories & values.

2 **Providers Compete**
Corporations approach you — your credit is a business opportunity.

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, deliver 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.

Every Year, a Fresh Start.

New credits issue every January 1. Providers must earn your trust annually — no coasting. Congress readjusts values on the data: self-correcting by design.

How Human Credits are Structured

Mutually-exclusive Categories, each carrying universal Parts — like Medicare Part A/B/D

Minor (dependent child) — Per child

Part A · Healthcare	Pediatric & preventive care
Part B · Housing	Family housing share
Part C · Food Security	Child nutrition

Working adult (employed) — Modest

Part A · Healthcare	Coverage atop a paycheck
Part B · Housing	Housing support
Part C · Food Security	Food security

Transitioning adult (not employed) — Higher

Part A · Healthcare	Full coverage
Part B · Housing	Housing
Part C · Food Security	Food

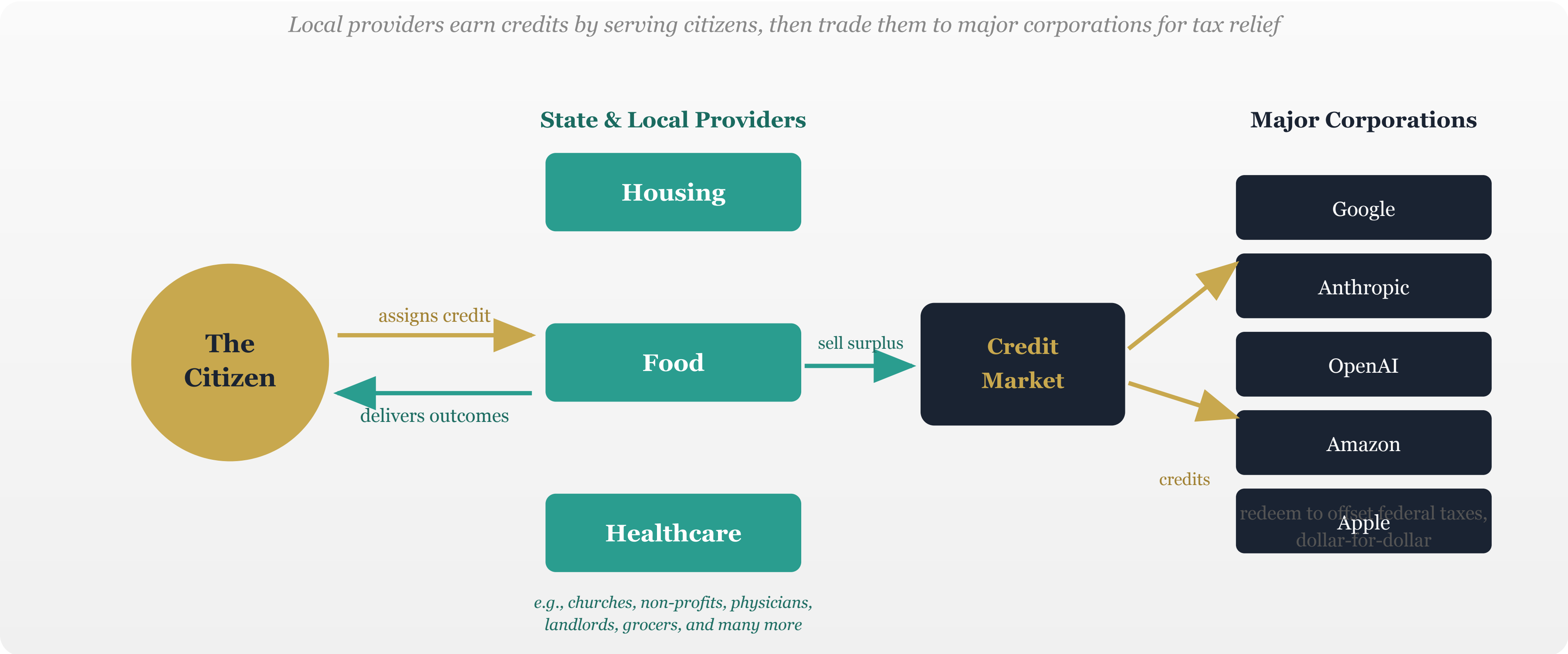
Retiree (past working age) — Mid–high

Part A · Healthcare	Comprehensive + elder care
Part B · Housing	Housing
Part C · Food Security	Food

Every citizen occupies exactly one Category at a time. **Significant need** (disability, homelessness, chronic illness) is a *value modifier* that raises the credit — the more help someone needs, the more valuable their credit. Parts are extensible: Congress could add **Part D** (education/retraining), **Part E** (childcare/elder care), just as Medicare added Part D. Illustrative — Congress sets the actual categories, Parts, and values.

The Post-Work Economy

Credits are fungible and refundable — a genuine marketplace



Assignment

The accountability engine — the citizen chooses who earns the credit, so providers must actually help.

Fungibility

A provider can sell surplus credits to a trillion-dollar firm that needs the write-off.

Refundability

Nonprofits and churches participate on equal footing.

Why This Mechanism Is Different

Not UBI. Not a handout. Outcome-based and citizen-assigned.

Your Value Is Inherent

You are valuable because you are human — and you hold an asset the private sector needs. A person in need is an opportunity, not a burden.

Outcomes Drive the Market

Base credits don't cover provider costs; profit comes only from verified results. Competition drives quality upward.

Individual Agency

You choose who helped you. Consent-based support. Bad providers get filtered out; good ones build reputations.

Self-Balancing

More displacement → more high-value credits → greater incentive to help. The faster displacement, the more valuable humans become.

Disinflation

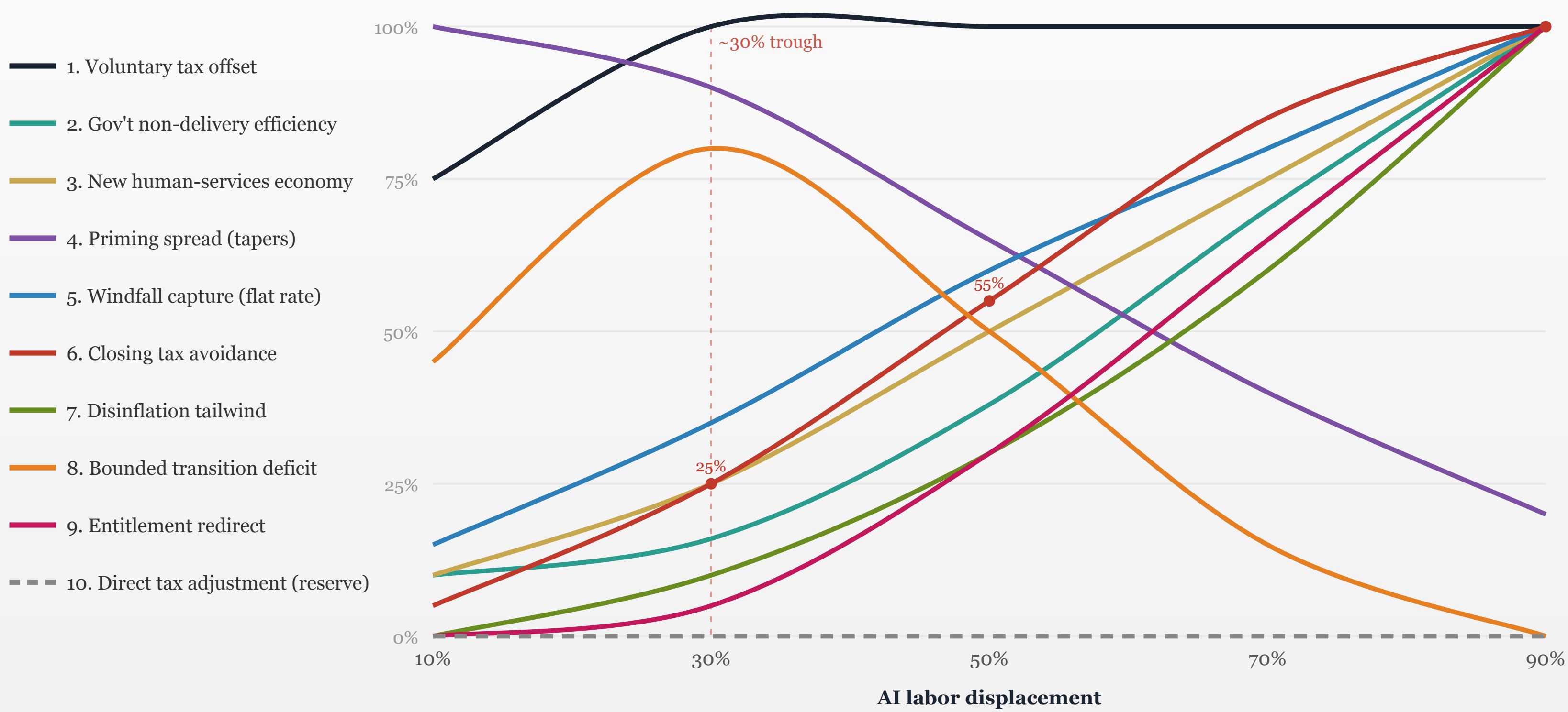
Values anchor to service-delivery outcomes, not dollar amounts. AI productivity exerts downward pressure on the cost of each outcome.

Minimal Gov't Role

Government sets values, polices fraud, issues credits. It does *not* deliver services, manage cases, or run programs.

Where the Money Comes From

US labor compensation runs about $16 trillion/yr. As AI displaces a growing share, that money becomes corporate profit. Most funding levers ramp up only as displacement deepens — ~30% is the inflection point.



Illustrative engagement of each lever as displacement rises. At ~30%, closing-avoidance and entitlement-redirect are barely on; they take hold afterward.

Tax the Windfall

As AI turns labor cost into profit, the Human Credit captures a fair slice — taxed at the existing rate, with the loopholes that let it escape closed.

Redirect Entitlements

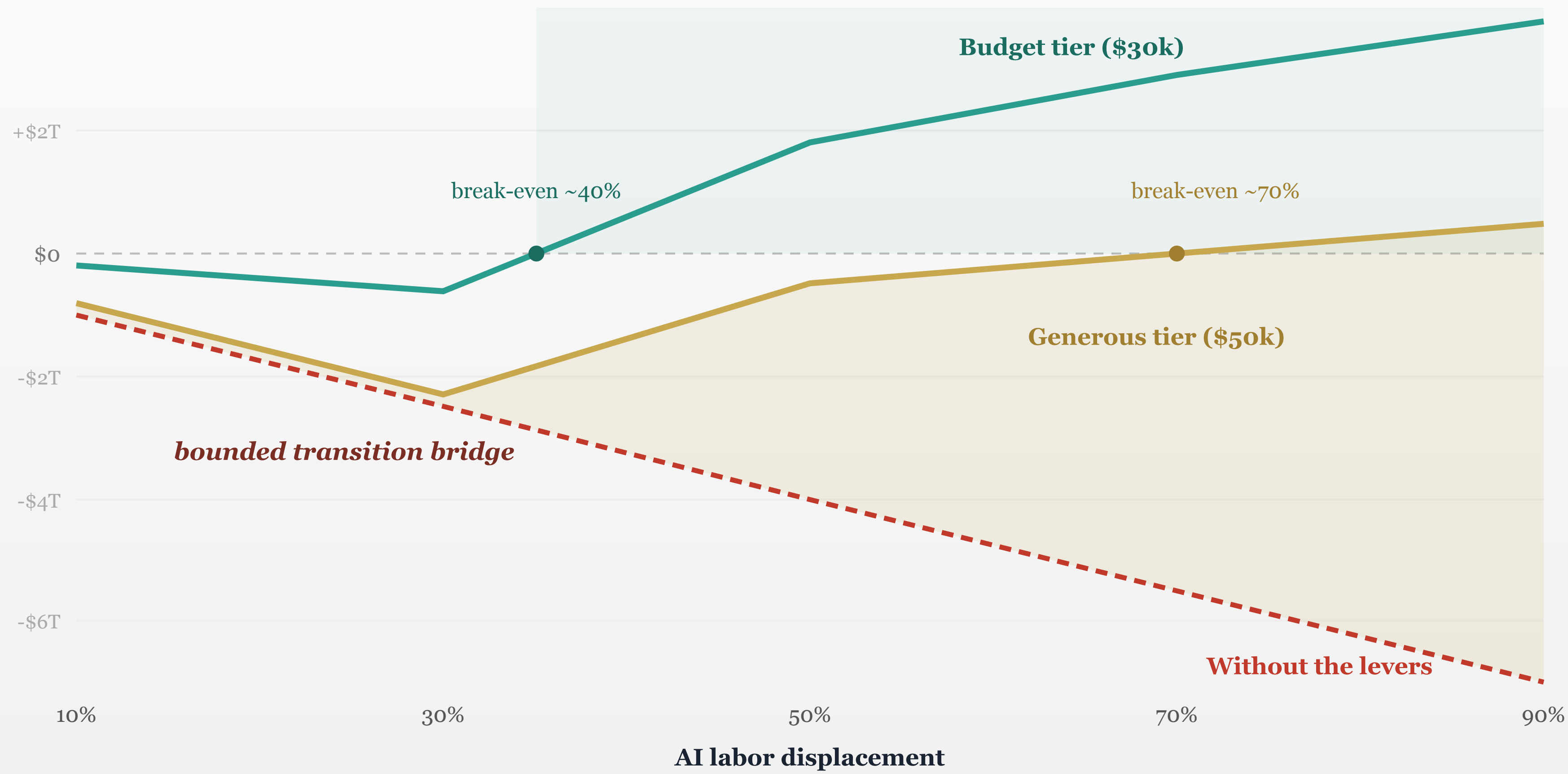
Legacy entitlements (~$4.17T) are redirected into the system as it matures.

The AI Dividend

A bounded, temporary deficit bridges the early years — then turns to surplus.

Break-Even Analysis

Funding scales with displacement itself — break-even projections for two incentive tiers (budget and generous)



Illustrative. The gap from "Without the levers" is closed by closing avoidance, disinflation, re-employment, and entitlement redirect.

Fraud Prevention and Enforcement

340M credits worth trillions — fraud must be unprofitable and catastrophically risky

Prevention by Design

Outcome-based: a provider earns only by delivering. Individual assignment is required. A **public blockchain** records every issuance, assignment, and redemption — auditable by anyone.

Fiduciary Standard

Providers accepting credits owe an imputed fiduciary duty to credit holders — accountability beyond criminal penalties.

Criminal Penalties

Individual fraud: up to 5 yrs + $250k fine. Corporate: up to 10 yrs, 3× fine, executive liability, permanent ban. Organized: RICO, up to 20 yrs.

Everyone Wins

Citizens, the private sector, and government all come out ahead

For Citizens

- Self-directed support; you choose providers
- Dignity and purpose apart from a wage
- Effective retirement at any age
- Freedom from bureaucratic gatekeeping

For the Private Sector

- Massive tax relief on AI-generated profit
- No new wealth taxes — a tax reduction
- The consumer base stays alive
- Innovate freely, no government mandates

For the Government

- A genuinely bipartisan framework
- Funded by the AI Dividend
- Reduced overhead and spending
- Social order and capitalism preserved

The Time Is Now

We cannot wait until millions are displaced to build these systems. The Human Credit is a starting point — not perfect, not complete, but a possibility worth exploring before we run out of time. We invite critique, refinement, modeling, and debate.

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A New Deal for the AI age.