



Citizens' Equity -- TL;DR Summary

Version 5.0

The Challenge: The United States faces an unprecedented concentration of wealth as artificial intelligence and automation displace human labor. Income inequality has reached a 50-year high with a Gini coefficient of 0.494 in 2021, while McKinsey projects 50% automation of work activities between 2030-2060, accelerated by artificial intelligence (AI). Current welfare approaches cannot address this fundamental shift from labor-based to capital-based wealth creation.

The Solution: Citizens' Equity (CE) democratizes ownership of productive assets rather than redistributing income after the fact. Under CE, every citizen receives an equal stake in the economy's capital through a sovereign superfund that collects capital contributions from corporations based on their market presence and sales to domestic customers.

The Mechanism: Corporations contribute X% of their stakeholder liabilities (stocks, bonds, warrants, etc.) to a national superfund, adjusted by Y% (their percentage of domestic sales). Citizens receive equal shares in this superfund, earning dividends from economic growth rather than fixed government payments.

The Opportunity: Unlike Universal Basic Income (UBI), CE creates stakeholders rather than dependents, provides automatic inflation protection, adapts to economic cycles, and scales with technological progress. Alaska's Permanent Fund Dividend, paying \$1,702 per resident in 2024, demonstrates successful precedent for universal ownership sharing.

The Trade Alternative: CE's equity-based market access fees can replace tariffs, shifting the cost of trade from domestic consumers to global shareholders. Empirical research shows tariffs are passed through to domestic prices at rates near 100%, functioning as regressive taxes on citizens. CE contributions, by contrast, operate through capital dilution that leaves product prices undisturbed, while transforming international rivalry into mutual stakeholding.

The Urgency: AI adoption jumped from 33% to 65% of organizations in just 10 months during 2023-2024, while McKinsey's automation timeline has accelerated to project 50% of work activities automated by 2045—a full decade sooner than previous estimates. This exponential pace of technological displacement, combined with the logical certainty that AI systems will continue improving themselves, means the window for proactive democratic reform is narrowing rapidly. Without immediate action to redistribute capital ownership, we risk permanent entrenchment of a technological oligarchy that could prove impossible to reform through democratic means.

This short summary draws from extensive research on automation trends, wealth concentration, international trade policy, and democratic governance. Full documentation and detailed implementation frameworks are available at the complete Citizens' Equity website, [CitizensEquity](https://citizensequity.org).

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